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NOMINATIONS OF MICKEY D. BARNETT, KATHERINE C. TOBIN, AND ELLEN C. WILLIAMS

HEARING

BEFORE THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS UNITED STATES SENATE

ONE HUNDRED NINTH CONGRESS

SECOND SESSION

ON THE

NOMINATIONS OF MICKEY D. BARNETT, KATHERINE C. TOBIN, AND ELLEN C. WILLIAMS, TO BE GOVERNORS OF THE U.S. POSTAL SERVICE

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NOMINATIONS OF MICKEY D. BARNETT, KATHERINE C. TOBIN, AND ELLEN C. WILLIAMS

WEDNESDAY, JUNE 28, 2006

U.S. SENATE,
COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 10:02 a.m., in room SD–342, Dirksen Senate Office Building, Hon. Susan M. Collins, Chairman of the Committee, presiding.

Present: Senators Collins, Domenici, Warner, and Carper.

OPENING STATEMENT OF CHAIRMAN COLLINS

Chairman COLLINS. The Committee will come to order. Good morning. Today the Committee will consider the nominations of Mickey Barnett, Katherine Tobin, and Ellen Williams to be Governors of the U.S. Postal Service.

Members of this Committee are very familiar with the many serious challenges facing the Postal Service, and we have spent a great deal of time developing the postal reform legislation, which Senator Carper and I introduced, that has been passed by the Senate and is now in conference.

The Board of Governors of the Postal Service is, in many ways, comparable to the board of directors of a corporation. The Board selects the CEO, in this case the Postmaster General, who then becomes the Board's 10th member. The Board controls expenditures, conducts long-range planning, and sets policy. The most important duty of the Board is to represent the public interest. This duty will become even more important under the postal reform bill that will emerge from conference.

A fundamental purpose of this legislation is to preserve universal service and affordable rates that are so essential to our economy and to our communities. As we replace the current lengthy and litigious rate-setting process with a cap-based structure that will bring stability and predictability, the Board of Governors will play a central role in safeguarding the interest of the public and the mailing industry as it guides the Postal Service to a better and more sound financial future.

I look forward to discussing this important responsibility with our nominees today. Let me just briefly tell you a little about the nominees, as we have distinguished colleagues Senator Domenici

and Senator McConnell here to introduce them formally. I will submit the remainder of my statement for the record.

[The prepared statement of Chairman Collins follows:]

PREPARED STATEMENT OF CHAIRMAN COLLINS

Today, the Committee will consider the nominations of Mickey Barnett, Katherine Tobin, and Ellen Williams to be Governors of the U.S. Postal Service. Members of this Committee are very familiar with the many serious issues facing the Postal Service and have spent a great deal of time developing the postal reform legislation that has been passed by the Senate.

The Board of Governors of the U.S. Postal Service is, in many ways, comparable to the board of directors of a corporation. The Board selects the CEO—in this case the Postmaster General—who then becomes the Board's tenth member. The board controls expenditures, conducts long-range planning, and sets policy. The most important duty of the Board is to represent the public interest.

This duty will become even more important under the postal reform bill that will emerge from conference. A fundamental purpose of the legislation is to preserve the universal service and affordable rates that are so essential to our economy and our communities. As we replace the current lengthy and litigious rate-setting process with a cap-based structure that will bring stability and predictability, the Board of Governors will play a central role in safeguarding the interest of the public and the mailing industry as it guides the Postal Service to a more sound financial future. I look forward to discussing this role with our nominees today.

Mickey Barnett is Managing Partner of the Barnett law firm in Albuquerque, New Mexico. Earlier in his career, Mr. Barnett served as a legislative assistant for Senator Domenici, a Member of this Committee. He also served for one term as a State Senator in the New Mexico legislature.

Katherine Tobin is a self-employed market research consultant. Previously, Ms. Tobin served as Senior Market Research Manager with Taylor Nelson Sofres, as Senior Director at Catalyst, and marketing manager at Hewlett Packard. Ms. Tobin also served as Assistant Dean for the School of Graduate and Professional Studies at Manhattanville College. In 1984, Ms. Tobin served as co-chair of the U.S. Senate Productivity Awards for Nevada, which recognizes organizations with exemplary quality and productivity improvement efforts.

Ellen Williams has served as Vice Chairman of the Kentucky Public Service Commission and as Commissioner of the Governor's Office for Local Development. She currently heads her own government relations firm.

I thank our nominees for their interest in serving on the Board of Governors and welcome them to the Committee.

Senator COLLINS. Just briefly, Mickey Barnett is the managing partner of the Barnett law firm in Albuquerque, New Mexico.

Katherine Tobin is a self-employed market research consultant.

Ellen Williams has her own government relations firm.

All three have extensive experience, which I am sure we are going to hear about from those who are here to introduce them today.

I want to thank our nominees for their interest in serving on the Board of Governors. Senator Carper and I have spent a great deal of time during the past 3 years working on postal issues, and we understand just how critical the Postal Service is to the health of our economy. It is truly the linchpin of a $900 billion mailing industry that employs some 9 million Americans. So, the positions for which our nominees have been nominated are very important positions indeed.

Senator Carper.

OPENING STATEMENT OF SENATOR CARPER

Senator CARPER. Thank you, Madam Chairman. And thank you for moving us so quickly to consider these nominations. We welcome our colleagues, Senator McConnell and Senator Domenici,

and we welcome our nominees, as well, and your families, who are here. I hope you will have a chance to introduce some of them to us today.

I am pleased to be able to serve as the Ranking Member today as we consider who will take on several key leadership roles in the Postal Service during this time of transition. Again, we are grateful for your willingness to serve. I think you will love being called governor. As a recovering governor, I still like it when people call me governor, too. And for the rest of your lives, wherever you go, that will follow you. I think you will come to enjoy it.

As we have discussed countless times in this Committee in the past, it is vitally important that the Postal Service begin to change to meet the needs of our 21st Century economy. The Postal Service is an entity created, as you may recall, in the early 1970s to serve a 1970s economy. And more than 30 years later, the products and services that postal employees provide each day have been met with competition not just from FedEx and UPS, but from innovations like the fax machine, the cell phone, email, and electronically paid bills.

When I first arrived here in the U.S. Senate, almost 600 years ago—— [Laughter.]

No, actually, almost 6 years ago, the Postal Service was facing a significant financial crisis. And if I remember correctly, Madam Chairman, they were about to hit their statutory debt limit, and some were questioning whether or not they would even be able to continue to offer the kind of service that the American people have come to expect from them.

Under the leadership of Postmaster General Potter, the Postal Service has moved away from the brink. They have been successfully cutting costs, finding efficiencies, and, despite declines in first class mail volumes, preserving universal service.

There is still a lot of work to be done, and that is why our Chairman and I and our staffs have been working now for several years to develop legislation that would give the Postal Service the tools that they need to survive in a world in which people just are not going to turn to the mail as much as they did in the past.

I think we are closer to the finish line now than we have ever been before with postal reform. I sure hope so. And even if we get our bill signed into law tomorrow, not likely, we will still need some strong leadership and vision from the postal management, especially the Postal Board of Governors.

So, in closing, Madam Chairman, I want to say just a quick word about the Democratic vacancies on the Board of Governors. As some in this room are aware, the Postal Board of Governor, like the Amtrak Board of Governors and other Federal bodies, is meant to be a bipartisan body. At least four seats on the current Postal Board of Governors are reserved for Democrats. Even if all three of these nominees before us today were confirmed tomorrow, there would still be two Democratic vacancies. And one of those seats has been vacant since December 2002.

To me, that is unacceptable. And as I have made clear, this is a critical time for the Postal Service. And if postal reform is indeed enacted this year, the Board of Governors will soon be dealing with transition to an entirely new rate and regulatory regime. In addi-

tion, postal management will begin negotiations any day now with the four major postal unions' expiring contracts. This is no time for the Board of Governors to be short-handed.

I will close by saying, really, calling on the President to move swiftly in sending this Committee nominees to fill remaining vacancies on the Board of Governors. And when that happens, Madam Chairman, I pledge to work with you and Senator Lieberman and others to make sure that we consider these nominees properly and get our Board of Governors ready for the challenges that are ahead.

Again, welcome, we are delighted you are here and look forward to hearing from our nominees and from our colleagues. Thank you.

Chairman COLLINS. Thank you very much, Senator Carper. I have discussed your concern with the White House, and I am told that the White House has two potential Democratic nominees in the final stages of clearance, so I hope those will be sent up to us shortly.

Senator CARPER. That is good to hear. Thank you.

Chairman COLLINS. Thank you. We are now going to start——

Senator CARPER. Now, maybe, I will not have to call on the President.

Chairman COLLINS. I am sure that he would be delighted to hear from you.

Senator CARPER. OK.

Chairman COLLINS. I am very pleased to call on Senator Domenici, who is a Member of this Committee, for the introduction of Mr. Barnett.

OPENING STATEMENT OF SENATOR DOMENICI

Senator DOMENICI. Thank you very much, Madam Chairman, and Senator Carper. It is great to be here this morning.

I was wondering what I would say right up front about his qualifications, and I guess I was going to, and then I was not going to, and I am going to tell you that he and his wife were great babysitters. They took care of my eight children on a number of occasions as hired babysitters and——

Senator CARPER. I move that the nomination be approved. [Laughter.]

Senator DOMENICI. I tell you if they could put up with that and survive, even the labor unions will have some tough sledding because they were terrific.

In all seriousness, I have known him since he was a young man. He grew and matured and became a rather exciting figure in New Mexico. He did a lot of exciting activities in terms of lobbying. Truly, to my amazement from afar, because his achievements were very significant and powerful, and I have learned that Mickey Barnett is one of those persons that truly knows how to negotiate, how to work things so that results occur rather than stalemates persist. I think probably, without knowing it, you would like that kind of person on this board, without having chosen him for that purpose, you would probably like that kind of quality.

I come here today knowing that you need not hear a lot from me, that it is sufficient, I would think, for you to know that I come here to tell you that I have known him for almost all of his adult life.

I think he will be a good Postal Commissioner, based upon the qualities and activities that I have observed from—some from up close and some from afar. I have come to the conclusion that I should tell you that I think he will do a good job in this new and arduous job that you are seeking to confirm him for.

I also want to say to the two of you, and the Committee that I am on with you, that the Post Office has been marvelous. It has withstood and stayed up there against unfathomable odds, and it would seem to me that the new structure that has been set up—the sooner the better. We ought to get it on its way, give it a shot. It is again up against incredible odds, and if you do not do something new and constructive and powerful at the Board of Directors level and then put people like this man on to see if they can compete against the private sector, which has chosen to make this a real part of the competitiveness of the American society of today, we do not have a chance.

So, I decided I should be here today, and I decided I should tell you to hurry up and get it done. I think it is a right thing. So, I thank you for having me come here and waste your time having to listen to me, but I am pleased to give you that time today and hope that you hurry up with his confirmation and those of the other wonderful nominees that the President has sent you.

Chairman COLLINS. Thank you very much.

Senator DOMENICI. Thank you very much. It is good to be with you, Mr. Leader, at the table. Thank you.

Chairman COLLINS. Thank you, Senator Domenici. Your endorsement means a great deal, not only to the nominee, but also to this Committee, which has benefitted from your wisdom and participation. So, thank you for being here today.

Senator McConnell, we are very pleased to welcome you to the Committee for the purpose of introducing one of the nominees.

STATEMENT OF THE HON. MITCH McCONNELL,[1] A U.S. SENATOR FROM THE STATE OF KENTUCKY

Senator MCCONNELL. Thank you, Madam Chairman and Senator Carper. It is great to be here this morning on behalf of an old and dear friend of mine, who is an extraordinary Kentuckian. Ellen Williams has demonstrated great skill. She is smart, hard working, disciplined, honest, tireless, and loyal, just about everything you could want in an effective individual.

She has been Vice Chairman of the Kentucky Public Service Commission, where she oversaw the regulation of rates for our public utilities there in the State. She has served the people of Kentucky fairly and took care to provide service for all at low rates. She balanced the interest of the public and various electric, natural gas, telephone, water, and sewage companies, all of which were regulated by the Kentucky Public Service Commission.

She was also Commissioner of the Governor's Office of Local Development, where she managed a statewide agency charged with providing State grants and loans to local governments, giving her perspective into how what government does affects the lives of people on the ground. She was able to adapt to the needs of different

[1] The prepared statement of Senator McConnell appears in the Appendix on page 25.

communities and worked to make sure that her agency's efforts went toward helping as many people as possible.

Ellen's private sector work is relevant to her appointment, as well. She currently serves, as was said earlier, as president of her own government relations and public relations firm, demonstrating her ability to connect people to solve problems. And, in an earlier life, she was head of legislative affairs for the Lexington Bluegrass Association of Realtors.

She has also been active in politics, where she was extraordinarily effective, as well. She has a Bachelor's Degree from the University of Kentucky. She went to high school in my hometown of Louisville and makes her home today in Lawrenceburg.

Public service runs in Ellen's family. Her father, Lieutenant General John Conaway, is here today, and we are awfully proud of him. Her brother, Commander David Conaway, her son, Joey, I am sure he is proud of his mother, and Matt and Johnny Conaway, her nephews, are here as well.

Madam Chairman, I would ask that all of my statement be put into the record. Let me just say in conclusion, the President simply could not have found a more outstanding nominee for this position than Ellen Williams. She is a truly extraordinary leader in our State, and I know she will do a superb job on this important Board, and I appreciate the opportunity to come here today and to second her nomination and to say nice things about her, which she richly, richly deserves.

Chairman COLLINS. Thank you very much. We very much appreciate your taking the time to be with us this morning, and your endorsement of the candidate carries great weight with this Committee. Senator Carper.

Senator CARPER. Madam Chairman, I have just learned that Senator Harry Reid of Nevada cannot be here. He hoped to be here to introduce Katherine Tobin, but he is not able to join us, and he just asked to extend his very best wishes to you. He is proud of you and delighted that you are willing to serve in this role.

Chairman COLLINS. Thank you. I want to excuse the two Senators at this point since I know that they have very busy schedules.

Each nominee has filed responses to a biographical and financial questionnaire, answered pre-hearing questions submitted by the Committee, and had their financial statements reviewed by the Office of Government Ethics.

Without objection, this information will be made part of the hearing record, with the exception of the financial data, which are on file and available for public inspection in the Committee offices.

In addition, the formal statements of the two Senators will be included in the hearing record.

Senator Warner, I was just about to swear in the witnesses. Do you have any comments?

Senator WARNER. No.

Chairman COLLINS. OK.

Our Committee rules do require that all witnesses at nomination hearings give their testimony under oath. So I would ask that the nominees please stand and raise their right hands.

Do you swear the testimony you are about to give the Committee will be the truth, the whole truth, and nothing but the truth, so help you, God?

Mr. BARNETT. I do.

Ms. WILLIAMS. I do.

Ms. TOBIN. I do.

Chairman COLLINS. Please be seated.

Mr. Barnett, we are going to begin with you. It is my understanding that some of you have family members present. And if you do, I would invite you to introduce them at this point.

Mr. BARNETT. Thank you, Madam Chairman. Unfortunately, my family was unable to travel from New Mexico, primarily because of the cost, being $1,300 for round-trip airfare.

Chairman COLLINS. Wise decision.

Mr. BARNETT. But I appreciate the courtesy of the Committee in having us today and look forward to answering questions.

First, I would like to thank Senator Domenici for coming over, and it was interesting, when I was 21 years old and took care of his eight kids while he went to Russia with Nancy for 2 weeks. So, I learned a lot in those days when I worked on the Hill.

Senator CARPER. Was that a long 2 weeks? [Laughter.]

Mr. BARNETT. It was very long—you do not know what it is like to go to the grocery store and buy four gallons of milk, four or five loaves of bread, it is an interesting—and laundry and so forth.

My wife, Janet, could not make it, and my son is in Dallas Theological Seminary and could not come up from Dallas. My daughter is a lawyer in Phoenix in the Institute for Justice, but I wish they could have all been here, it would have been nice, but they cannot. But thank you very much for your courtesies in having us.

Chairman COLLINS. Ms. Tobin, would you like to introduce any family members that you have with you?

Ms. TOBIN. Yes, thank you, Chairman Collins. I would like to introduce my husband, Judge Evan Wallach of the U.S. Court of International Trade in New York City, my sister, Alice Tobin Zaff, my brother-in-law, Alan Zaff. And then, I am also lucky to have with me key friends who have been like family over the years. I want to thank them all for their support, encouragement, and interest in this nomination over the last 9 months.

Chairman COLLINS. Thank you.

Ms. Williams, do you have family members, as well? I know that you do.

Ms. WILLIAMS. I do for sure. I have two of my really good friends, as well, that are like family, Vicki Dixon and Dawn Riley. And my family members, I have my nephew, Johnny Conaway, who is going to be a senior in high school in Jacksonville, Florida. My nephew, Matt Conaway, who is from Ohio and interning this summer for Congressman Jim Gibbons. My youngest son, Joey, incoming eighth grader at Anderson County High School. My oldest son, Sam, could not be with me today because he is at soccer camp. I am a soccer mom.

My brother, former Commander in the Navy and F–18 pilot, David Conaway. He flew combat in the Gulf War, and he is now a pilot with Delta Airlines.

And then, the hero of my life, my father, Lieutenant General, John B. Conaway, Retired, former Chief of the National Guard Bureau from 1990–1994. He was Chief during Desert Shield and Desert Storm. And, truly, through his example I know what public service really means.

Senator WARNER. Your father is well known to us. He did have, and continues to have, a very distinguished career.

Ms. WILLIAMS. Thank you. Thank you for the opportunity to introduce him and thank each of you for being here. And I appreciate Senator McConnell for taking the time to come over and introduce me to you. Thanks.

Chairman COLLINS. Thank you. We will now proceed with statements. Mr. Barnett.

TESTIMONY OF MICKEY D. BARNETT[1] TO BE A GOVERNOR OF THE U.S. POSTAL SERVICE

Mr. BARNETT. Madam Chairman, Members of the Committee. I have submitted a written statement and would stand for questions. I do not have anything else to add at this time.

Chairman COLLINS. OK. Ms. Tobin.

TESTIMONY OF KATHERINE C. TOBIN[2] TO BE A GOVERNOR OF THE U.S. POSTAL SERVICE

Ms. TOBIN. Thank you, Chairman Collins, Senator Warner, Senator Carper, and the Committee staff here today. Thank you for holding this hearing. As you said, Senator Carper, it is time to expand the Board to bring on new faces, energy, and ideas to the leadership team. Let me also thank Senator Harry Reid for submitting my name to the White House as a candidate for governor.

Senator Reid, as we all know, is a public servant of the highest order whom I admire and support and whom I intend to make proud should I serve as governor of the U.S. Postal Service.

I am pleased to appear before this Committee today for your consideration as a governor. As you know, I have worked for more than 25 years in two other sectors, the business sector and the academic/nonprofit sector. I intend to draw from this experience, and let me briefly review.

I have worked as a manager, a researcher, and a consultant within corporate America at institutions such as Hewlett-Packard Corporation and IBM. Additionally, while at Catalyst, a nonprofit dedicated to advancing women to leadership positions in business, I contributed by designing and conducting research studies on issues of diversity and gender equity. This research was done on behalf of the oil and gas industry, the food service industry, high technology industries, and diversified manufacturing companies.

Thus, I bring 18 years of experience with the business world to the work of governor. In those years, I have learned many lessons on how to and, in a few cases, how not to manage people, systems, products, and services within a large, complex corporate structure.

The halcyon days of my career were my years at Hewlett-Packard Corporation during the heady time when Silicon Valley was

[1] The prepared statement of Mr. Barnett appears in the Appendix on page 30.
[2] The prepared statement of Ms. Tobin appears in the Appendix on page 78.

leading the Nation forward with the creation and then deployment of wonderful new technologies, specifically the personal computer and then networked servers.

HP was front-and-center and one of the best companies in the world for which to work. It had a reputation for innovation, quality, and commitment to local communities and the Nation. I watched with an eye to learn how Bill Hewlett, David Packard, John Young, whom I am sure you know, too, from his service, and Lew Platt guided the company through periods of growth and times of tough economic challenge. They built and maintained a strong values-based culture, one that emphasized hiring the right people, motivating them, and then building cross-functional and inter-divisional teams.

Senator WARNER. Madam Chairman, if I can interrupt.

Chairman COLLINS. Sure.

OPENING STATEMENT OF SENATOR WARNER

Senator WARNER. Those words resonate with me. I went to the Pentagon in 1969 as Under Secretary of the Navy, and Dave Packard was there. And he had a profound influence on my life, and his legacy still is in the halls of the Pentagon, working to make government contracting and procurement more efficient.

I tell you, to have you come in and say that, it means a great deal to me.

Ms. TOBIN. Thank you.

Senator WARNER. And this nominee has my vote.

Ms. TOBIN. He was someone, not only here, but down in the trenches when we had tough times——

Senator WARNER. Oh, yes.

Ms. TOBIN. He was inspiring.

Senator WARNER. And his wife, Lu.

Ms. TOBIN. Yes.

Senator WARNER. I knew them well. Thank you. Excuse me for the interruption.

Ms. TOBIN. Thank you.

Senator WARNER. We hardly ever do that, but I could not resist that.

Ms. TOBIN. They built and maintained, as I said, a strong, values-based culture, one that emphasized hiring the right people, motivating the team, and then creating inter-divisional, international teams.

In terms of what they delivered to the marketplace, HP was known for its commitment to customer satisfaction and incorporating customer requirements into its new products. This experience is all directly relevant to the role I would play as a governor. Organizations are never done with the job of focusing on their customers, products, and services.

To be continuously competitive, and Senator Carper, you spoke about this in reference to postal reform, to be competitive requires systematic observation, inquiry, listening, and then translating what is learned into the new products or the current products and services.

Additionally, I earned a Ph.D. in Administration and Policy Analysis from Stanford University School of Education. This involved

course work in policy-making and analysis of various policy enactments. As doctoral students, we were required to study policy-making from different disciplinary perspectives, that of economics, political science, sociology, and anthropology.

Extensive quantitative analysis was also a hallmark of our program. I took five courses in statistics, an extremely valuable course on how to conduct cost/benefit analyses, and a course in the School of Engineering on financial and cost accounting. Given the size and the scope of the U.S. Postal Service, I am sure that this knowledge base will serve me well as a governor.

Separate from professional qualifications, I am a lifelong and appreciative customer of the U.S. Postal Service. Let me share a personal anecdote that conveys the very powerful nature of this service.

My father, Lieutenant Commander Richard Tobin, died when I was just 14 years of age. My most treasured reflections of him are not the pictures, but the postcards and letters that he sent. He was part of the Seventh Fleet with overseas duty—anti-submarine warfare missions, Senator, I know that is part of your history. My mother, my sister, and I lived stateside in Virginia and in Brunswick, Maine. And we had him away for months at a time, but it was through the U.S. Postal Service that his voice was delivered to our home. His letters were his way of connecting us not just to him, but to the world.

So, why is this relevant? I actually think every one of us has a special story or two about the Postal Service, whether it be awaiting college admissions letters as teenagers, receiving love letters, a long-awaited job offer, annual birthday greetings, even, in your cases, your steady connections to your constituents. In all of these cases, important communications have occurred.

We have all grown accustomed to this in having our very own 6-day-a-week connection to our world, its people, and organizations, but now, this is the rub, our population is continually moving, changing, and growing. Continuing this important and historic universal service, doing it well in a financially efficient, responsible way, in a way which serves both the American people and the hardworking and talented people who are the Postal Service employees—that is the challenge that we face.

So, I would be honored to work on this challenge, together with the other governors, the postmaster, and through the efforts of hundreds of thousands of postal employees.

Thank you, and I welcome your questions.

Chairman COLLINS. Thank you very much for your eloquent statement. Ms. Williams.

TESTIMONY OF ELLEN C. WILLIAMS[1] TO BE A GOVERNOR OF THE U.S. POSTAL SERVICE

Ms. WILLIAMS. Thank you. Thank you, Senator Collins, Senator Carper, and Senator Warner. I appreciate the opportunity to appear before you at the prospect of becoming a governor on the U.S. Postal Board. I am grateful for the opportunity to be here. And I would like to thank the President for his confidence in me by virtue

[1] The prepared statement of Ms.Williams appears in the Appendix on page 101.

of this nomination. It is a tremendous honor, and I am really humbled by his faith in my ability to be a contributing member to the U.S. Postal Board of Governors.

I would like to thank the staff of the U.S. Homeland Security and Governmental Affairs Committee for their diligence in asking questions to insure that all the relevant information necessary to consider my nomination is disclosed. They have been terrific to work with, and they do a very thorough job. I thank each of them.

I have been involved in government and politics for over 25 years. During that time, I have had the privilege of working in the U.S. House of Representatives, the U.S. Senate, the White House, and in State government, the Commonwealth of Kentucky, as well, and I have also actively participated in politics in Kentucky and nationally.

I believe I bring a unique set of skills and experience to the Board of Governors. I have business, government, and management experience. I know the importance of public service. And, as a small town resident, I understand and appreciate the valuable role of the U.S. Postal Service. It is oftentimes the one thing that people can count on each day in their lives. It is their connection with family, with friends, and with opportunities.

I understand the importance of a safe, secure Post Office and well-trained employees. They are the front line in this wonderful agency, and I believe that it is important that their input is listened to, considered, and counted on. I will be a willing listener to management and labor on all issues and pledge not to make hasty decisions until I understand all the facts.

During my tenure as Vice Chairman of the Kentucky Public Service Commission, I developed an understanding and knowledge of what it means to provide universal service to the public through fair and affordable rates. I am keenly aware of the differing positions that the stakeholders will have and am confident in my ability to listen and work with each group to make the right decision to benefit the public and the Post Office.

Through my involvement in government, I understand the importance of communicating with this body and pledge to you that I will work hard to learn the positions of all stakeholders and fairly work with each group to insure that the U.S. Postal Service continues to be the most universally used, most trusted, and most respected service available.

I thank you for the chance to be here today. I thank you for your consideration of my nomination, and I humbly ask for your support, and I will answer any questions that you may have.

Chairman COLLINS. Thank you.

I am going to begin the questioning today with the three standard questions that we ask for the record of all nominees.

First, is there anything that you are aware of in your background which might present a conflict of interest with the duties of the office to which you have been nominated?

Mr. Barnett.

Mr. BARNETT. None.

Chairman COLLINS. Ms. Tobin.

Ms. TOBIN. No.

Chairman COLLINS. Ms. Williams.

Ms. WILLIAMS. No.

Chairman COLLINS. Second, do you know of anything personal or otherwise that would in any way prevent you from fully and honorably discharging the responsibilities of this office?

Mr. BARNETT. None.

Ms. TOBIN. No. I do not.

Chairman COLLINS. If you can say for the record, Ms. Williams?

Ms. WILLIAMS. No.

Chairman COLLINS. Thank you. And third, do you agree, without reservation, to respond to any reasonable summons to appear and testify before any duly constituted Committee of Congress if you are confirmed?

Mr. Barnett.

Mr. BARNETT. Yes.

Chairman COLLINS. Ms. Tobin.

Ms. TOBIN. Yes.

Chairman COLLINS. Ms. Williams.

Ms. WILLIAMS. Yes.

Chairman COLLINS. Thank you. You have passed the hardest part.

Ms. WILLIAMS. Great.

Chairman COLLINS. We are now going to begin a round of questions limited to 6 minutes each, but we will do two rounds, I would say to my colleague.

One of the longstanding issues facing the Postal Service is to strengthen the relationship between labor and management. We have worked very closely on this Committee in drafting the postal reform legislation with the Postmaster's Association, with the Postal Supervisors Group, and with the four postal unions. I will tell you that you have terrific leaders to work with across all of those organizations.

As you know, the success of any large organization, any organization, large or small, depends upon its employees. What are your thoughts on what the Postal Board of Governors could do to further strengthen and encourage greater cooperation between the postal management and the employees of the Postal Service?

Mr. Barnett.

Mr. BARNETT. Madam Chairman, Members of the Committee, I think it is important in all endeavors to have transparency—if you have read the studies that have been done in the last few years—all recommend transparency. It comes up over and over again that the stakeholders believe that their interests are being represented in the decisionmaking process.

And so one of the most important things that I think you could do as a Postal Governor is to make sure all the stakeholders know that we are accessible, we will listen to their concerns, we will consider them, and to the extent that we are involved in management—and we are not managers, that is the Postmaster General and below—we will listen to all of their concerns and try to make it work for everybody.

Universal service is critical. I live in a rural State. The mail has got to be delivered out on the Navajo Reservation and places that are very inaccessible, and if there is a labor or management problem, it has to get solved because the people that will be hurt are

the recipients of the mail. And it is our job to work with all the parties to make sure they believe we will listen to their concerns.

Chairman COLLINS. Ms. Tobin.

Ms. TOBIN. I would agree with what Mr. Barnett has said. The visibility, the accountability, the listening—I mentioned earlier in my remarks about the importance of continuously listening. I am not yet aware of how the Board of Governors does that, but I was pleased to have an opportunity and hope to have more opportunities to talk with the union people to learn what they are wrestling with.

I know that the Postal Service has various measures and metrics that they have in place, some of which relate to service, and I am not certain the degree to which labor hears about those measures and where we listen on the Board, on the management side, to understand that we have the right measures. So, I think the listening, the accountability piece, is also important.

Chairman COLLINS. Ms. Williams.

Ms. WILLIAMS. Thank you, Senator Collins and Senator Carper.

I, too, agree, as the last person to speak, that the transparency in all of our operations as the Board of Directors for the U.S. Postal Service is important. And as I have stated throughout my questions and in my testimony, I want to seek out the various stakeholders and sit and listen and learn. And I would like, upon confirmation, should I have that honor, to begin seeking knowledge and input from all of the various folks, particularly union, to understand the concerns, some of the history, and to try to work to open lines of communication so that we can make good decisions for the benefit of all the Americans who have the benefit of the Postal Service, but also for the 700 plus thousand workers that the Postal Service employs.

Chairman COLLINS. Ms. Williams, the current relationship between the Board of Governors and this Committee, which is the Committee of jurisdiction, is not a strong one. What would you do to foster better cooperation and communication between the Board and Congressional Committees with direct oversight of the Postal Service?

Ms. WILLIAMS. Thank you for that question, Chairman Collins. As a former staffer on the House side and the Senate side, I have a great appreciation for the work that is done by you all and by the staff along the back row, there. And, as you work to develop new laws and as you listen to things that may or may not need to be changed, I think that it is critically important that the Board of Governors work with you all and that we have a good exchange back and forth and open lines of communication, formally and informally.

As we go through this process, the Postal Service is facing sort of a crossroads, if you will; your postal reform legislation is nearing completion in the passage stage, I know you hope very much, and we would be key in working with you all to implement that legislation. So, I would like to spend as much time as necessary and as possible to work with the staff and to better enhance the relationships that the two entities have.

Chairman COLLINS. Ms. Tobin, you mentioned, or rather, Mr. Barnett mentioned that he supported the principle of universal

service. I want to get both you and Ms. Williams on record on that issue, as well.

What are your thoughts on the necessity of universal service?

Ms. TOBIN. I think the U.S. Postal Service has its beginnings in universal service. That is where I feel an obligation as a governor-to-be to carry out that mission. It is something that unites the Nation, as I said earlier. It should be, I mentioned, a values-based organization. I would hope it would be in the reform legislation and in the ongoing running of the Postal Service. It's bedrock.

Chairman COLLINS. Ms. Williams.

Ms. WILLIAMS. I believe universal service is the basis for which the 1970 Postal Service legislation was enacted, to insure that Americans in this country and overseas can communicate with each other and, as Ms. Tobin eloquently put, tie us all together or bind us together. And so I think it is really the fundamental sort of mission that we have as we move forward.

Chairman COLLINS. Thank you. Senator Carper.

Senator CARPER. Thank you, Madam Chairman. I want to start out, if I could, with Mr. Barnett. You chose, as you are certainly welcome to do, to forego making a statement. I appreciated the opportunity to visit with you earlier this month.

And I just want to ask if you might do as our other two witnesses have done as they have sought to connect their previous life's work, their previous life's experience, to their role in serving as governors on this Board. I would just ask you to take a minute or so to do that, as well.

Mr. BARNETT. Thank you, Madam Chairman, Senator Carper.

I think that in our careers we have to learn—and my careers have involved working on the Hill and the New Mexico State Senate and being a lawyer for 30 years, or in my 30th year, and all of those activities involve, at their core, being able to get something done. You cannot be an effective legislator if you cannot work with both sides of the aisle to get some legislation through and signed by the governor. You cannot be an effective lawyer if you cannot negotiate settlements or, when that fails, then be an effective advocate before a judge to win your case.

All of those attributes are exactly what are needed on a Board of Directors. I do not know the particulars of the Postal Service. I do not think anyone would that has not been involved in it, but it has to be the same kind of stakeholder disputes that you have in every aspect of a legislative fight or a legal fight, and that is one side wants this, the other side does not necessarily disagree that would not be necessary, but they do not have the money. And that is the case here.

We have a situation where we have an entity that is—it is variously described as in a death spiral, economically, or various different things, but we know what it is. There are more people to deliver to every year and fewer people buying first class stamps.

Somehow we have to use the talents you cultivate and learn over a lifetime in getting the stakeholders to understand that they cannot all have their way. There has to be a way to solve it where everybody benefits. There is a point by which price cannot increase beyond a certain point, or there will lead to an even further drop off in usage. We know that. That is basic economics.

But the stakeholders have to also understand that if they kill the goose that lay the golden egg, if they kill the Postal Service, they cannot get their products delivered, at least for an economically viable model.

So, I think that the talents that you learn in trying to get along—I was in the rather small minority in our legislature because we were in the minority, and yet I think I passed every bill I ever introduced. Some got vetoed, but I was able to get them all through, and I think that is because you learn to work with everybody, and you have to listen, and you have to understand what they are doing.

The same way in the legal career. You cannot afford to litigate every case. You must settle them. And better than 95 percent of all cases are settled, and that is a talent that you learn through mediation techniques.

Senator CARPER. OK. Thanks very much.

I think Senator Collins mentioned earlier in her comments, she talked about how the size of the Postal Service is enormous, and if it were a private company, it would be maybe among the largest companies in the world.

I have tended to view the Board of Governors as a little bit like a board of directors, a corporate board. And I would just ask each of you, maybe starting with you, Ms. Williams, to just talk with us a little bit about your approach to serving on the Board of Governors, if confirmed.

Ms. WILLIAMS. Thank you. I appreciate the question, Senator Carper.

I believe that the Board of Governors, as one of the largest boards of a major corporation, needs to have people with differing perspectives sit at the table. I think it is well and good to say that everybody should be CEOs of a company, but we serve people that live in small towns, that live in rural States, that come from all walks of life. And to have the various perspectives of small business, of government, of running associations, I think provides the opportunity to look at things through a different perspective, if you will.

Not everybody in my little State of Kentucky pays their bills online because we do not all have Internet access. Not everybody takes advantage nor will they ever take advantage of the technology that people in the more urban areas do. So, I think that my personal background will lend itself well to providing a different perspective at times as we look at different kinds of reform and we think about if the passport is a good thing to do at the Postal Service or if it is a bad thing to do.

Having just chaperoned a high school soccer team to Europe, we got our passports through the Anderson County, Lawrenceburg, Kentucky, Post Office. We got our pictures there and our passports. Without that service in our small town, I would not have had the opportunity to take those kids overseas.

So, I think we all bring different strengths to the table.

Senator CARPER. Rather than ask the other witnesses to respond to that question, I want to ask you, you mentioned one of the services that they provide at this particular Post Office, and we find that there is a couple schools of thought about the kinds of services

the Postal Service should be providing. Should they be in the electronic communications business? Should they be involved in selling stationary, providing different kinds of services that are now offered by a number of private companies?

I would just ask you, Ms. Tobin, if you want to kick it off.

Ms. TOBIN. Sure.

Senator CARPER. Just some preliminary thoughts about those questions because they are going to be questions that you will have a chance to continue to address.

Ms. TOBIN. I consider this a fun question because we have described the size and the scope of this service and needing to get the mission done, and yet we also need to not get too distracted by all of the things that could be connected to the mail. So, how do you do that?

With some of the Committee staff, I spent some time talking on that. One example—I am going to give an example and then I am going to draw somewhat of a line, if I may. I think it was Mr. Kilvington from your staff who was saying would you want to have Postal Service wrapping centers and could you combine that with the mail and would that not be good during the holiday time? And what I am thinking of is, clearly, you would have a process to look at this as a new product. You would begin to see if you are going to develop new products, as Mr. Barnett said, you only have so much money. You have to make some tradeoffs.

Maybe what you have is some innovative way of saying, "right next to the Postal Service is the wrapping store, or the like." So, there were some interesting partnerships going on very much like what you see in corporate America, separate and yet connected, due to the nature of their business.

So, I would, I guess, also go back to say priorities are important to set, and innovation is a piece of that priority. So, there has got to be some innovation.

Senator CARPER. All right. My time is expired, and I would yield back to the Chairman, but I will come and pick up this line of questioning with the other witnesses.

Ms. TOBIN. OK.

Senator CARPER. Thank you.

Chairman COLLINS. Actually, I am going to do it for you.

Senator CARPER. OK.

Chairman COLLINS. This is an issue that is of great concern to me, as well. It is a difficult balance, what issues and what products the Postal Service should be providing. On the one hand, you do not want unfair competition——

Ms. TOBIN. Right.

Chairman COLLINS [continuing]. With small businesses in the community that may have the ability to provide the exact same service. On the other hand, Ms. Williams' example of the passports being available in a way that they would not otherwise be in a rural community gives you the other side of that argument. The Postal Service has been criticized for some of its forays into providing products that are already available in the private sector, such as greeting cards and wrapping supplies. Mr. Barnett, how do we strike the right balance? How does the Board of Governors

make the right decision on whether or not to enter a field or provide a product that is not directly related to the delivery of mail?

Mr. BARNETT. Well, balancing is important, but first I think you would decide, is it readily available? In other words, we have all had the same thing in our State. We had the same thing with the University bookstore selling all kinds of things and the local bookstores complaining. It is something that happens in all aspects of government services.

The issue is the wrapping services might be readily available in a town or a large community, but if it is a remote Post Office, those wrapping and packaging services would not be available. So, some of it might not be universal. In other words, sometimes you might choose to have some Post Offices have some products available and yet not every Post Office.

The passport example is a core function of this government. It may well become our form of identification as we go forward having to have more ability to show forms of identification. So this, to me, would be easier to say that the maximum number of locations that you could have passport facilities, you should do so.

But you are absolutely right. The more you compete with local businesses, the more you can run those businesses out of the ability to operate. And, in a small town, that is also death. I mean, you need a vibrant, viable, local community.

So, I think it is a balancing test, and you have to look at it. I think the Postal Service would have to err on the side of doing its core task, which is deliver the mail. And when it expands, it should be after thought, after hearing from the stakeholders, and particularly hearing from other businesses that would be affected as to how it would affect them. And, in some cases, how partnerships, as Ms. Tobin described, could be operated because that is another option that might work, where you could contract with them or work with them to do that kind of task.

Chairman COLLINS. The Postal Service, I would note, has also lost money in several of the ventures that it has undertaken in this area. So, I think this is an area where the Board of Governors needs to proceed very cautiously, looking at the impact on small businesses. Not only current ones, but future ones, as well as what it does to the basic mission of the Postal Service.

Another controversial issue that will undoubtedly come before you has to do with closings of Post Offices. As those of you who represent or are from more rural areas are well aware, the Post Office can sometimes be the town center, the one place that people gather, not only to get their mail, but to exchange information. It has a role in smaller rural communities well beyond just being the source of mail delivery, sorting, and handling. On the other hand, it is expensive for the Postal Service to maintain such an extensive infrastructure.

I am not going to ask you what the right balance should be, but whether or not you think there should be more transparency in the process, so that the Postal Service communicates with all the stakeholders when it is considering the closure of a post office.

Ms. Williams.

Ms. WILLIAMS. Thank you, Chairman Collins.

I think, without a doubt, transparency, without jeopardizing any security issues, should be at the forefront of how we make our decisions. And you are not asking us, and I am not prepared, at this time to talk about closings of Post Offices in rural or urban areas, but I think that it is something that, as we sit down and understand in greater detail, should we be confirmed—the budget of the U.S. Post Office, the very services, the distance between a Post Office that may be proposed to be closed, if there is such a list that exists, versus one that may be open and functioning.

I think there are many factors, input from the community, the workers, what does that do to the folks and the jobs. I just think that we have to be judicious as we make those decisions and, again, cannot make anything just for the bottom dollar. I think that is important, do not get me wrong, but I also understand the necessity of the Post Office and the service to folks across this country.

Chairman COLLINS. Ms. Tobin, do you think that the Postal Service should develop specific standards and publish those standards to guide its decisionmaking and to give the public the opportunity to comment on the standards that would be used?

Ms. TOBIN. I would say that would be wise. I think it is wise to make it clear to people what the process is and, well ahead of time, so that people can become aware. I have seen that done. I referenced it, Hewlett-Packard, when there was a change in the pension system. And it was not going to serve many of the younger people well, but when it was explained well, people understood what had to be done.

Again, this is similar to what you were saying. You have to get clear. So, the sooner one can present the standards and let people know, then they start to see how action is occurring, and it is just more comprehensible.

Chairman COLLINS. I would note that the legislation that Senator Carper and I have introduced not only endorses universal service and affordable rates—these are our goals—but also convenient community access to retail postal services. I think that is really important that we insure that no matter where you live, whether it is a very rural, remote area, or whether it is in a big city, that you do have that convenient access. There are many ways to provide that, but that is certainly one of our goals.

Senator Carper.

Senator CARPER. Thank you.

I am going to ask each of you just to briefly, maybe, talk with us about your vision for the Postal Service in the future.

Ms. Williams, you have a son here, a couple of your nephews here. What, 50 years from now, 30, or 20 years, what kind of Postal Service do you envision for them? And I will ask the same question of Ms. Tobin and Mr. Barnett.

Ms. WILLIAMS. I think technology will have factored in at a greater level. I cannot envision exactly how. But I do believe that through computers and all of these young people back here—I mean, it is second nature to them to get on the computer. But to be able to have the services that the Post Office supplies right now through the actual Post Office buildings, to have access to a com-

puter, I think, is going to be a huge—technology will change it immensely.

But I still think that nothing takes the place of a card or a postcard. And so I would still hope that the basic premise for the sake of just, I do not know, longevity and connection with families and friends and relatives across the world still exists. I think it will become a more universal, global, if you will, Post Office. And I appreciate the opportunity to be part of it as we stand at a crossroads with your legislation.

Senator CARPER. All right. Thank you.

Ms. Tobin, give us some thoughts of your vision.

Ms. TOBIN. I am going to build on what Ms. Williams has just stated here.

I actually was trained as an anthropologist, and I think as time goes forward, we think we change——

Senator CARPER. We do not have any of those on the Postal Board. [Laughter.]

Ms. TOBIN. No. I know.

Senator CARPER. We have been looking for one.

Ms. TOBIN. But there is a lot of data there.

Anyway, I think that people think change is changing everything, but ultimately the value, even in urban settings, is one of having a place that people come to, that of having tools for mailing purposes that are at their fingertips through technology. Even tools that speed up the things that we have all hated, the lines, those wonderful mailing kiosks help address.

My vision is that we find the things that are frustrating and reduce some of that. And I do not believe, Senator, that we are going to ever not want to get those special things from people in the mail, at our door, on Saturday. Surprise.

Senator CARPER. Thank you. Mr. Barnett.

Mr. BARNETT. Madam Chairman, Senator Carper.

We do not know what will happen in 50 years. A vision is a very difficult thing with it changing. But 2 weeks ago in New Mexico, it is no longer permissible to mail a pleading to the bankruptcy court. Later this year, it will no longer be permissible to mail to the Federal District Court. That is a massive change for someone that is in the legal profession.

But the Post Office may have a role, and this is not something that is thought through, but there may be a role in how you verify who sent it, verification, because this is a quasi-governmental agency, and its methods by which it might verify how these documents are sent, whether they are correct, to insure that someone else cannot send them in, those kinds of things, that is a role that the Postal Service might well play in the future. It may not.

It is daunting to sit here as somebody who is brand new at this and try to envision something in 50 years. I am 55, and I know that no one 50 years ago could have believed that we would have cell phones and we would have personal computers. So, I do not know, but I know that it is the only governmental entity that is really involved in every American's life. Social Security benefits, Veterans' benefits, everything flows to people through the U.S. Postal Service, and I hope that never changes.

You have to have at least a core part of government for the ability of the citizens of the government to communicate with their government. And the Postal Service should be in the forefront of doing that, whether it is by mail or whether it is by some other means.

Senator CARPER. All right. Thank you.

One of the issues that we have wrestled with going forward is how to provide some certainty to mailers, in terms of the costs that they will incur, and whether they happen to be individuals, families, or if they happen to be businesses, large or small. And Senator Collins and I have worked with our colleagues to try to figure out how to provide some certainty and, at the same time, how to provide some flexibility to the Postal Service to price their products and not have to go through an extensive, lengthy process to determine what those prices might be.

What we have come up with, in the Senate, at least, is an approach whereby we say—well, just say, for example, that all of the folks out in this audience are different products that the Postal Service handles, we will say products A through Z. And our approach says that the price for those products can go up by the rate of inflation. Product A may go up more than the rate of inflation. Product B may go up, like, two times the rate of inflation, and so forth. But, overall, the increase can be no more than the rate of inflation.

We provide some exceptions. If there is an emergency, if we see an oil embargo and we have the price of oil go up by a dollar. There are anthrax attacks, that kind of thing. There are ways to get around it, but we would like to see some kind of stability.

The House has a somewhat different approach, but this one we need to figure out between now and the time we send the bill to the President.

Just your thoughts on price, stability, and the flip side of that is flexibility for the Postal Service in pricing their products in the 21st Century.

And Mr. Barnett, you are welcome to go first, if you like.

Mr. BARNETT. Madam Chairman, Senator Carper.

It is the Congress' position and obligation to set our standards, and we will operate in whichever—whether the House version passes or the Senate, or something in between. So, we would implement it, I am certain all of us would agree, in the manner in which you tell us to implement it.

I do not know the answer. The real problem is, of course, how actuarially you can compute the flexibility versus the cost. I know that I was given a figure last week when I was talking with the staff about when the price of gasoline goes up a cent a gallon how vast an amount of money that is to the Postal Service. And so that has to be factored in, and it sounds like the Senate bill, for sure, has that.

I do not feel competent to sit here today and tell you what the policy should be, but I am competent today to tell you whatever policy you guys arrive at and the President signs, we will implement to the best of our ability.

Senator CARPER. All right. Thank you. Ms. Tobin.

Ms. TOBIN. I think the Senate writing of that makes sense to me. The need to have some kind of control, yet giving the Board of Governors and the Postal Service the flexibility to handle the unknowns. That is what you would have to have if you had a business. That business Board of Directors would have to be making the same kind of choice, and we cannot go too far and not go out of business, and I think that is what you are also trying to do by that cap.

So, it makes sense to me what the Senate has proposed, and I have not seen the House legislation.

Senator CARPER. Thank you. Ms. Williams.

Ms. WILLIAMS. Thank you.

I appreciate what you all put in the legislation. If it is passed then obviously, and should we be confirmed, we would work diligently to make sure that it was implemented. Not knowing all of the details that go into the rate-making and pricing of all the various market driven and competitive products, I would like to reserve comment until I understand the process more.

Senator CARPER. Fair enough. Thank you.

I think my time is expired, Madam Chairman. Thank you.

Chairman COLLINS. Thank you.

Mr. Barnett, my final series of questions today are for you. As you know, your nomination has not been without some opposition, although you have certainly garnered very strong support, as well.

The Committee has received a couple of letters, which we will be putting into the hearing record, that allege that while you were a Republican National Committeeman for New Mexico, you used that office to benefit your firm's clients. I want to give you the opportunity to respond on the record. We have discussed this privately, but I think it is important given the letters the Committee has received that you respond at this hearing.

Mr. BARNETT. Thank you, Madam Chairman, Members of the Committee.

First, being on the Republican National Committee was an honor, but it had no power of any kind or any concern. It may be different on the Democrat side, I do not know. But being on the Committee is, well, particularly while you hold the White House, an honorary position. There was never a single vote, never a single anything that was not unanimous. We did what we were told. Ms. Williams may disagree, but I think we served together.

So, the charge, while easy to make, is inaccurate. There is not any method by which you have anything on the National Committee to do anything. You meet twice a year and you occasionally vote. I think we had, probably, four votes, primarily to pick the chairman, and that was it. So, the charge is incorrect. There was not anything done.

I have five lobbying clients, which is a small part of my life. I enjoy it because I like politics, but my law practice is where I work everyday. The Republican National Committee meets in Washington. It is a national position. I have no national clients. Anything I have is all at the New Mexico level. So, there was no connection between being a Republican National Committeeman and having clients or having anybody benefit in any manner.

Chairman COLLINS. And finally, if confirmed, how would reconcile your professional responsibilities to your clients and your responsibilities as a Governor of the Postal Service. Do you see any potential for a conflict of interest? Do you have any clients that have matters pending before the Board of Governors?

Mr. BARNETT. No. I have no clients even remotely connected with the U.S. Postal Service, and all of us have gone through a rather extensive set of questions and involvement. And, quite to my surprise, I had stocks in three companies that I have sold since I started this—Intel—and other companies that I have no idea what their connection is with the Postal Service.

But, having read the very serious nature of the obligations that we undertake here, and the legalities, anything I ever do is going to go to the Office of Ethics or the—I think one of them is in the room today. There will be nothing that will ever come up that I will not cover first if it ever comes up. I do not honestly think that, in Albuquerque, New Mexico, there is any company or business or anything else that has any connection with the Postal Service. But should I even perceive there is I would immediately contact the Ethics Office and get clearance on it before I did anything.

Chairman COLLINS. Thank you.

Senator Carper, do you have any further questions?

Senator CARPER. Maybe one or two.

When I was governor, I served on the Board of Amtrak, appointed by the President and confirmed by the Senate. And Tommy Thompson was my successor, actually, my predecessor and my successor. One of our major roles on the Amtrak Board of Directors was to figure out who was going to be the President of Amtrak, to figure out who were going to be the senior managers and to get the right mix of talent to lead the organization.

I welcome your thoughts, with respect to going about that, approaching that task and that responsibility as we think about succession and making sure the right people are in the right spot.

Ms. Tobin, if you would like to lead off, you are welcome to.

Ms. TOBIN. Sure. Succession planning is something that I like to think of certainly for that top position, but going down deeper, particularly as it relates to diversity of people for the top leadership jobs.

One of my perspectives would be, be it Amtrak or the Postal Service, having as far down as one can, clear value placed on diversity and on competence. So, I guess I would say that I was pleased to hear that internally the Postal Service chose the current Postmaster General. And down the line I think it is important to have internal and external—very clear specifications and internal-external candidates being considered.

So, I think the succession planning process is one that needs to go deeper than the top levels, though.

Senator CARPER. All right. Thank you. Mr. Barnett.

Mr. BARNETT. Madam Chairman, Senator Carper.

Probably the most critical decision that we directly make as a Board of Governors would be that, and I do not know when it may occur, whether it is a year or two, or 10 years from now, we have not gotten into that. I have not gone down to the Postal Service or talked to anybody.

But it is the most important thing we could do, and I would agree with everything that Ms. Tobin said. Our goal would be to find some one we think can work with labor and management and reach consensus rather than constant turmoil and fighting. And second, would have the economics background or be able to absorb advice from economists on how actuarially to handle the future financial difficulties that the Postal Service would have.

Senator CARPER. Ms. Williams.

Ms. WILLIAMS. Thank you, Senator Carper and Chairman Collins.

In 2010, it is my understanding that there is going to be a large number of retirements that occur across the Postal Service. And so I understand there has been some succession planning that has gone on and that may be in place, and I think a review of that, as often as need be, whether it is yearly or twice a year, to really understand what the needs are, where the retirements are occurring to make sure that in the top management we have candidates that people feel comfortable pursuing candidacies of some of the top positions.

I understand General Potter does a tremendous job and has been a great leader of the Postal Service. So, I think as a Board of Governors for this agency it behooves us to really get involved in succession planning down below just upper management, as Ms. Tobin said, and work to make sure that we have talented, professional people in the pipeline willing to step up and lead this agency.

Senator CARPER. There is really kind of a delicate balance there. I think, to the extent that a Board finds the right people at the top and empowers them to go out and put their team together and then holds them responsible, there is a lot to be said for that.

As you approach that responsibility, and I think it is one of the greatest responsibilities that you will face in these roles if you are confirmed, and I expect that you will be, you may want to just be always mindful of looking for people who are consistently interested in figuring out the right thing to do and trying to do it. You may want to find leaders who believe in the Golden Rule, who actually practice the Golden Rule, to treat other people the way they want to be treated.

It might be helpful to have senior management who are committed to excellence in everything that they and their team do. And I have always found it helpful to have folks around who just do not want to give up. I like to say, no means find another way. People who really persist and if they think that they are right, they will stick with it.

And I have always liked to look for managers or leaders who consistently surround themselves with the very best people they can find. And when things go well, they give their team the credit. And when things do not go well, the leader takes the blame. And I hope you will always look for leaders at the Postal Service who have those traits and have those qualities.

And if you do, if you can find them and keep them, the Postal Service will be in good hands for a long time, including when these guys are old enough to sit up here and chair this Committee and help lead our country.

Thank you for being with us today and for your willingness to serve our nation.

Ms. WILLIAMS. Thank you.

Ms. TOBIN. Thank you very much.

Mr. BARNETT. Thank you, Senator.

Chairman COLLINS. Thank you, Senator Carper, for your continued excellence in pursuing postal issues. I very much appreciate your acting as the Ranking Member for this hearing today.

Senator CARPER. It is my pleasure. It is an honor to sit with you.

Chairman COLLINS. Thank you.

I want to thank our nominees for appearing this morning and for their forthright answers to our questions. There may be a few additional questions for the hearing record. Without objection, the record will be kept open until noon tomorrow for the submission of any written questions or statements for the record.

In closing, let me just emphasize that the comprehensive postal reform legislation that Senator Carper and I have authored and are determined to see signed into law this year will be the most sweeping overhaul of the Postal Service in more than 30 years. Its successful implementation is going to depend in no small measure on the work of the Board of Governors.

We look forward to working very closely with you, should you be confirmed, and I am optimistic that will occur, as you carry out those responsibilities. I would add that the bill also vests more responsibilities in the Board of Governors, so that is an important feature of the bill, as well.

This is really important work that you have committed to undertake, and we look forward to working closely with you.

This hearing is adjourned.

[Whereupon, at 11:16 a.m., the hearing was adjourned.]

APPENDIX

SENATOR McCONNELL'S REMARKS ON THE NOMINATION OF ELLEN C. WILLIAMS TO BE A GOVERNOR OF THE U.S. POSTAL SERVICE
June 28, 2006
SD-342

Madame Chairwoman, Ranking Member Lieberman,
Fellow Senators,

It is my great honor today to introduce a proud Kentucky native, Ellen C. Williams, the President's nominee to be a Governor of the U.S. Postal Service. Ellen's experience in both government and the private sector makes her a perfect candidate to helm a vital government service that serves and connects all the American people.

Founded by the Second Continental Congress, the U.S. Postal Service is as old as the country itself. Benjamin Franklin served as America's first Postmaster General. As America expanded westward, post offices often served as outposts of order in untamed territories. Today, USPS continues to unite America, and keeps businesses running.

USPS works not just for any one group or faction of our country, but for the broad interests of the public. A Governor of USPS must juggle competing interests and never forget the needs of ordinary Americans.

In her years of service for the people of Kentucky, Ellen Williams has demonstrated that skill, and many more. I've known Ellen for more years than either of us care to recall. She's smart, hardworking, disciplined, honest, tireless and loyal—everything we need in a public servant. She deserves confirmation.

As Vice Chairman of the Kentucky Public Service Commission, Ellen oversaw the regulation of rates for Kentucky's public utilities. She served the people of Kentucky fairly and took care to provide service for all at low rates. She balanced the interests of the public and various electric, natural gas, telephone, water and sewage companies.

As Commissioner of the Governor's Office for Local Development, Ellen managed the statewide agency charged with providing state grants and loans to local governments, giving her perspective into how what government does affects the lives of people on the ground. She was able to adapt to the needs of different communities, and worked to make sure that her agency's efforts went towards helping as many as possible.

Ellen's private sector work is relevant here as well. She currently serves as president of her own government relations and public relations firm, again demonstrating her ability to connect people to solve problems. And she previously served as the legislative affairs consultant for the Lexington Bluegrass Association of Realtors, serving a similar role there.

Ellen has also been active in electoral politics in Kentucky. It is in this way I have gotten to know her as a dogged worker with a great passion for whatever endeavor she finds herself in. And she is no stranger to Capitol Hill, having worked both here on the Senate side and for a member of the other body.

Ellen graduated with a bachelor's degree from the University of Kentucky and went to high school in Louisville, my hometown. She makes her home today in Lawrenceburg, Kentucky.

Public service runs in Ellen's family. Her father, Lieutenant General John Conaway, and brother, Commander David Conaway, are with us today. Her son, Joey, is here too and I am sure he is very proud of his mother. Matt and Johnny Conaway, her nephews, are here as well.

The President has made the right choice by calling on Ellen for this assignment. She is well prepared for it. Most importantly, in every aspect of her life, Ellen has shown she has the power to connect people, which is the U.S. Postal Service's core mission.

I am confident she has the ability and the drive to excel as the next Governor for USPS. I appreciate this committee's expeditious handling of her nomination, and I look forward to her confirmation. Thank you for allowing me to testify on her behalf.

Prepared Statement of the Honorable Mickey D. Barnett
Nominee for Governor of the U.S. Postal Service
June 28, 2006

Madam Chairman and members of the Committee

I am honored to appear before you today to thank you for holding this hearing to consider my nomination, along with others, to be a Governor of the United States Postal Service. I want to thank President Bush for his confidence in me and for the honor of nominating me for this appointment

I am also honored and grateful for the support of Senator Pete V. Domenici who gave me my first position, after college, as an aide on his Senate staff in 1973. Additionally, I very much appreciate the assistance of the committee staff in navigating the nomination process. They have not only been helpful but most gracious.

If confirmed, it is my pledge to work with this committee and the Congress and Administration in representing the public interest in the exercise of the power of the Postal Service. I also pledge to use my best efforts to monitor the operations and performance of the Postal Service and help establish basic objectives, broad policies and long-range goals for the Postal Service, as set forth in the Code of Federal Regulations.

Madame Chairman, I look forward to working with you and the other members of this committee in furtherance of these goals and I would be pleased to do my best to answer any questions you may have.

BIOGRAPHICAL AND FINANCIAL INFORMATION REQUESTED OF NOMINEES

A. BIOGRAPHICAL INFORMATION

1. **Name:** (Include any former names used.) ***Mickey Dee Barnett***

2. **Position to which nominated:** ***Governor of the Board of Governors, USPS***

3. **Date of Nomination: March 3, 2006**

4. **Address:** (List current place of residence and office addresses.)

   1905 Wyoming Blvd. N.E., Albuquerque, NM 87112

5. **Date and place of birth:** ***March 5, 1951 Clovis, New Mexico***

6. **Marital Status:** (Include maiden name of wife or husband's name.) ***Married; Janet Rupe***

7. **Names and ages of children:** ***Frank Charles Barnett, 29***
   Jennifer Michelle Barnett, 28

8. **Education:** (List secondary and higher education institutions, dates attended, degree received and date degree granted.) ***Portales High School, 1969***
   Eastern New Mexico University BBA, 1973
   George Washington Law School JD, 1977

9. **Employment record:** (List all jobs held since college, including the title or description of job, Name of employer, location of work, and dates of employment. (Please use separate attachment, if necessary.) ***See Attached***
   U.S. Senate-Pete V. Domenici, Washington DC 1973-1976 Legislative Aide;
   Heritage Foundation 1976-1977, Director Resource Bank,
   Barnett Law Firm 1977- present, Attorney.

10. **Government experience:** (List any advisory, consultative, honorary or other part-time service or positions with federal, State, or local governments, other than those listed above.)

    New Mexico State Senator 1981-1984.

11. **Business relationships:** List all currently or formerly held as an officer, director, trustee, partner, Proprietor, agent, representative, or consultant of any corporation, company firm, partnership, or other business enterprise, educational or other institution.

    Mickey D. Barnett Law Offices, Portales, New Mexico 1977-1981;
    Barnett & Cochrane, P.C., Portales, New Mexico 1981-1983;
    Stratton & Barnett, P.C., Albuquerque, New Mexico 1983-1986;
    Mickey D. Barnett, P.A., Albuquerque, New Mexico 1986-1991;
    Barnett & Scott P.A., Albuquerque, New Mexico 1991-1997;
    Barnett Law Firm, P.A., Albuquerque, New Mexico 1997-present;
    MDB Consulting Inc., changed to MDB Consulting, LLC (1977 to Present).

12. Memberships: List all memberships and offices currently or formerly held in professional, business, fraternal, scholarly, civic, public, charitable and other organizations.

Member Bar of New Mexico; Admitted to Practice Supreme Court of New Mexico, U. S. District Court of New Mexico, U. S. Court of Appeals 10th Circuit, and The U.S. Supreme Court;

Member of the Christian Legal Society since 1983;

Member of The Federalist Society since 1987;

Former Member of the National Network of Estate Planning Attorneys, National Association of Retail Collection Attorneys, New Mexico Trial Lawyers Association, Phi Delta Theta Fraternity;

Member of the Appellate Nominating Commission for the New Mexico Court of Appeals and the Supreme Court, 1995—2002;

Member Four Hills Country Club, Albuquerque, New Mexico;

Sigma Nu Fraternity

Thursday Lunch Group – I lead a luncheon each Thursday that I am available. If I am unavailable several others fill in. The lunch commenced in the fall of 1983 and has always been by invitation only. There is no membership, dues or formality. It became loosely affiliated with the Center-Right Coalition meetings held by Grover Norquist in Washington DC four or five years ago. The "Affiliation" means that an attendee of my lunch is invited to attend the weekly meeting of Norquist in Washington, D.C. I do not have a list of the attendees to Grover's meeting and he does not have a list of those attending the Albuquerque lunch. Although, if one of our attendees are in Washington, I typically send an e-mail notice that they will be dropping in.

13. Political affiliations and activities:

(a) List all offices with a political party which you have held or any public office for which you have been a candidate.

Former Chairman, Former Republican Party of Roosevelt County. Former Chairman for Republican Party of Bernalillo County. Former member of Republican National Committee. Elected State Senator – New Mexico State Legislature – 1981-1984

(b) List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

See above and legal advisor to Republican Party of New Mexico and to Bush-Cheney 2000 and 2004. Also I have provided minor legal services to dozens of candidates for State offices over the past ten years but mostly informally. The work consisted primarily of advice on setting up campaign organizations and reporting requirements but also included some court activity on election contests. The vast majority were done pro bono.

(c) Itemize all political contributions to any individual, campaign organizations, political parties or election committees during the last 10 years.

See Attachment (I have completed this list to the best of my ability. However, my records in the mid 1990's may not have been as complete as I would have liked. Contributions were made from various bank accounts and entities, as well as through credit cards. I am reasonably sure I have listed them all. If any were missed they would have been small contributions to candidates for minor offices, such as school board or city council races.

14. **Honors and Awards:** List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals and any other special recognitions for outstanding service or achievements.
None

15. **Published Writings:** List the titles, publishers, and dates of books, articles, reports, or other published materials which you have written.
None

16. **Speeches:** Provide the Committee with four copies of any formal speeches you have delivered during the last five years which you have copies of and are on topics relevant to the position for which you have been nominated.

None

17. **Selection:**

(a) Do you know why you were chosen for this nomination by the President? *No*

(b) What do you believe in your background or employment experience affirmatively qualifies you for this particular appointment?

I have been involved in public policy since 1973 when I began my first post-college job in the United States Senate. Following that I joined the Heritage Foundation and subsequent to that I have been intimately involved in public policy in New Mexico as an attorney, State Senator and political activist.

There are few public policy issues more complex or important than the question of continuing to provide universal mail service amidst the increasing use of electronic alternatives. While there are no obvious easy answers to the complex challenges the Postal Service faces in the 21st century, the Board of Governors acting in a manner similar to a Board of Directors should be instrumental in implementing the Postal Service's transformation Plan 2006-2010.

The skills I have acquired as a litigator and in public policy as well as through the operation and management of a small business for 29 years will enable me to assist the other members of the board and the Postal Service in adopting strategies and long range goals. Trying to balance competing interests is a component of nearly every public policy question. If politics is defined as the art of the possible, then I believe my experience in the public policy arena will benefit the Board of Governors.

In the past several years I have been appointed by numerous Judges to Mediate/Arbitrate various cases in the New Mexico state courts. My experiences as a mediator and arbitrator will enable me to facilitate agreements on crucial issues facing the Board of Governors and the Postal Service.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, business associations, or business organizations if you are confirmed by the Senate? *NO*

2. Do you have any plans, commitments or agreements to pursue outside employment, with or without compensation, during your service with the government?

   Yes, I plan to continue my law firm and lobbying activities. If a potential conflict should arise, then I will handle any such conflict in accordance with my ethics agreement.

3. Do you have any plans, commitments or agreements after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization? ***YES***

4. Has anybody made a commitment to employ your services in any capacity after you leave government service? ***NO***

5. If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? ***I expect to complete the term.***

C. POTENTIAL CONFLICTS OF INTEREST

1. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.
   None that I am aware of.

2. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation or affecting the administration and execution of law or public policy other than while in a federal government capacity. ***In the past ten years I have registered as a lobbyist for the following entities for the issues stated in each category:***

   1. ***Gaming and tribal/state relations:***

      Tesuque Pueblo 1996-1997
      Jicarilla Apache nation 1996-1997
      Bally Entertainment, Inc. 1996-1997
      Pueblo of Pojaque 1996-1997
      Pueblo of Laguna 1999-2000
      Laguna Development Corp. 1999-2000
      Santa Ana Pueblo 1998-present

   2. ***Small Loan Companies, usury, payday loans:***

      N.M. Independent Finance Asso 1999 to present
      H&R Block Tax Services, Inc. 2001-2002
      Check 'N Go of New Mexico, Inc. 2001-2002
      Community Financial Services, Inc. and
      Multistate Associates 2002-Present
      American Financial Services Group 2002

   3. ***Private Prisons and Correction:***
      Corporation of America (CCA) 1997-present

4. *Tax issues related to smokeless tobacco:*

   Conwood Company, LP 2006-present

5. *Electric Utility, tax and business issues:*

   El Paso Electric Company 2001-present

6. *Public Records Access and Government Databases:*

   Choice Point, Inc. 2004
   First American Real Estate Solutions 2005

7. *Health Care- Nursing Home Issues:*

   N.M. Health Care Assoc. 2002

   United Healthcare 2004

8. *Contact Lenses Marketing and Sales:*

   1-800 Contacts 2003

9. *Alcohol Detection Devices – DWI*

   Aquila Technologies Group, Inc. 1999-2003

10. *Insurance, cell phone insurance, licensing of insurance sales:*

    Lockton International, Inc.

11. *Drug Policy:*

    Center for Policy Reform 2001

12. *Waste Control, hazardous, toxic and radioactive waste:*

    Waste Control Specialists, Inc. 1999-2001

13. *Telecommunications and business issues:*

    U.S. West, Inc. 1998-1999

14. *Campaign Practice Legislation:*

    Republican Party of New Mexico 2001-2002

15. *Prescriptions by Psychologists:*

    N.M. Psychological Assoc. 2002

16. *RFP for Convention Center Contract:*

    Volume Services America 2001
    SMG 20003 and 2006

17. Land Surveying Issues:

Robert L. Benavides 1999

3. Do you agree to have written opinions provided to the Committee by the designated agency ethics officer of the agency to which you are nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position? ***YES***

D. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee , or other professional group? If so, provide details. ***In the 29 years that I have been a practicing attorney, I am aware of four complaints made to the Disciplinary Committee of the State Bar. All were dismissed at the first level which was a response letter from me. No matter went to any type of hearing.***

2. To your knowledge, have you ever been investigated, arrested, charged or convicted (including pleas of guilty or nolo contendere) by any federal, State, or other law enforcement authority for violation of any federal, State, county, or municipal law, other than a minor traffic offense? If so, provide details. ***NO***

3. Have you or any business of which you are or were an officer, director or owner ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide detail. ***I have been involved in five civil matters.***

(1) My divorce in 1992 which was uncontested;

(2) A Federal case titled Popejoy, et al vs. N.M. Board of Bar Commissioners, CV92-1462JB. This was a class action lawsuit with 19 lawyers named pro forma in an action alleging that our mandatory bar dues were being improperly spent on political activities;

(3) Reuckhaus v. Elieen Pacheco, et al CV980440. In 1987 I was retained by George Pacheco to probate his wife Nancy Pacheco's estate. (CV87-336) There were significant community and separate property issues as well as title problems. Additionally, the parties' estranged daughter could not be located. Several months after the probate was commenced, George Pacheco traveled to Mexico and did not return for an extended period of time. During this period there was no contact between my law office and Mr. Pacheco. After all contact was lost I recorded an "Attorney's Lien" for the work done to-date in the amount of $4,100.00 plus interest. In 1991 George died and his probate (CV91-0021) was handled by other lawyers. This apparently went on until 1998 when Michael Reuckhaus as Guardian Ad Litem for Martha Pacheco filed an action to foreclose the real property. Summary Judgment was entered on November 13, 1998 ruling that my lien was first on the property. Thereafter, I recorded a Transcript of Judgment and was paid in July 1999.

(4) On April 20, 1990 I filed a Complaint on Contract against Frank Baumann for legal fees owed my office in the amount of $1,243.00. In March 1991 the matter was referred to Arbitration and I ultimately filed a Notice of Dismissal Without Prejudice on May 11, 1992. I filed the Dismissal because I did not believe I could collect on a Judgment and the case was not worth pursuing.

(5) I was one of five plaintiffs in a case titled Mickey Barnett, et al vs. Betty A. Turrietta-Koury CV 09607110. It was a Complaint Challenging the Nominating Petition of Betty Turrietta-Koury, Candidate for United States Representative. The Defendant had filed as an Independent candidate. She was required to obtain 4,026 valid signatures. The suit alleged that she had insufficient valid signatures. Judgment was entered on August 7, 1996 finding that she had insufficient valid signatures and ordered the Secretary of State to remove her from the ballot. I believe I was the Republican County Chairman of Bernalillo County at this time.

A question has arisen regarding an Amicus Brief filed in the matter of NLRB v. Pueblo of San Juan, 276 F.3rd 1186 910th Cir.2002) I filed the brief as local co-counsel for the National Right to Work Legal Defense Foundation and on behalf of our client, the Pueblo of San Juan.

4. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination. *NONE*

E. FINANCIAL DATA

All information requested under this heading must be provided for yourself, your spouse, and your dependents. (This information will not be published in the record of the hearing on your nomination, but it will be retained in the Committee's files and will be available for public inspection.

Mickey D. Barnett

1015 Maverick Ct SE •Albuquerque, NM 87123 •(505) 239-0348 • mickey@thebarnettlawfirm.com

EDUCATION

Juris Doctorate (1977)
George Washington University, Washington, D.C.

B.A. Degree in Business Administration (1972)
Eastern New Mexico University, Portales NM

CAREER HISTORY & ACCOMPLISHMENTS

1972-1976 -Legislative Assistant to Senator Pete Domenici
Served on the Washington, D.C. staff of the newly elected senator after 1972 election in several positions.

1976-1977 -Director, Resource Bank, Heritage Foundation
Appointed Director of Resource Bank to assist in coordinating various activities at the Heritage Foundation in Washington D.C.

1977-1983 -General Law Practice, Barnett Law Firm
Managed small practice covering a range of legal issues for individuals and small businesses in Portales, NM. Organized the New Mexico Citizens for Right to Work in 1977. Served as chief spokesman in testifying and working for passage of the Right to Work law.

1981-1984 -New Mexico State Senator, Representing Roosevelt and Chaves counties. First Republican elected to that Senate seat, as well as the youngest.

1983-1987 - General Law Practice, Stratton & Barnett Law Firm.

1988-Present - General Law Practice, Barnett Law Firm, P.A.
Managing partner of a busy law practice in Albuquerque, NM, with legal expertise in Corporate Law, Probate and Estate Planning, Family Law, Real Estate Law, Commercial and Litigation. Cultivate diverse negotiation and debate skills in various legal and political arenas. Maintain a successful and active lobbying practice as well.

MEMBERSHIPS & AFFILIATIONS

2000-2004 - Republican National Committeeman

1983-Present -Christian Legal Society

1987-Present – Federalist Society

1995-2002 - Served on the appellate nominating committee as the Governor's representative to fill the vacancies in the Court of Appeals and the Supreme Court of New Mexico.

Admitted to Practice: New Mexico Supreme Court, NM District Court, 10th Circuit Court of Appeals and United States Supreme Court.

FAMILY

Married to Janet Barnett.
Two Children: Frank Barnett, 29, attending Dallas Theological Seminary Dallas TX, and Jennifer Barnett, 28, Attorney at The Institute for Justice Arizona Chapter, Phoenix, Arizona

POLITICAL CONTRIBUTIONS FROM MICKEY D. BARNETT

DATE	AMOUNT	RECIPIENT
3/25/1996	$250.00	Republican Campaign Cmte of NM
9/18/1996	$150.00	Ramsay Gorham Campaign
9/25/1996	$100.00	Ramsay Gorham Campaign
1/27/1997	$25.00	K.C. Coveal Campaign
1/27/1997	$25.00	Robert Martinez Campaign
3/31/1997	$100.00	Bill Redmond Campaign
4/18/1997	$100.00	Bill Redmond Campaign
5/22/1997	$100.00	Republican Party Bernalillo
6/6/1997	$100.00	Mike McEntee Campaign
6/23/1997	$200.00	Bill Redmond Campaign
7/31/1997	$2,000.00	Gary Johnson Campaign
8/8/1997	$50.00	Skip Cowan Campaign
8/21/1997	$120.00	Republican Party of New Mexico
8/27/1997	$1,000.00	Republican Campaign Cmte of NM
12/15/1997	$100.00	Bill Redmond Campaign
1/12/1998	$100.00	Republican Party Bernalillo
1/13/1998	$100.00	Bill Redmond Campaign
2/26/1998	$500.00	Joe Mohorovic Campaign
3/1/1998	$1,000.00	Joe Mohorovic Campaign
4/17/1998	$250.00	Dan Foley Campaign
4/20/1998	$100.00	Republican Party Bernalillo
5/15/1998	$450.00	Anna Crook Campaign
5/15/1998	$250.00	Rob Burpo Campaign
5/19/1998	$200.00	Steve Pfeffer Campaign
5/19/1998	$200.00	Nelson Spear Campaign
5/19/1998	$200.00	Judge Macaroon Campaign
5/19/1998	$250.00	Roger Lenard Campaign
5/27/1998	$500.00	David Iglesias Campaign
7/6/1998	$2,000.00	Gary Johnson Campaign
7/13/1998	$100.00	Frank Bird Campaign
7/27/1998	$200.00	Joe Semprenino Campaign
7/27/1998	$200.00	Diane Hamilton Campaign
7/27/1998	$200.00	Smokey Blanton Campaign
8/5/1998	$200.00	Joe Thompson Campaign
8/5/1998	$200.00	Dara Dana Campaign
8/5/1998	$200.00	Brett Johnson Campaign
8/5/1998	$200.00	Bobbie Mallory Campaign
8/12/1998	$500.00	Ted Hobbs Campaign
8/11/1998	$200.00	Bill Redmond Campaign
8/11/1998	$1,200.00	Bill Redmond Campaign

8/18/1998	$200.00	Marta Kramer Campaign
8/20/1998	$50.00	Judy Macnamara Campaign
8/20/1998	$200.00	Tim Macko Campaign
8/21/1998	$1,000.00	Heather A Wilson Campaign
8/26/1998	$600.00	Bill Redmond Campaign
9/2/1998	$200.00	Rick Montoya Campaign
9/3/1998	$100.00	Republican Party Bernalillo
9/19/1998	$150.00	David Iglesias Campaign
9/19/1998	$100.00	Diana Duran Campaign
9/21/1998	$100.00	Republican Party of New Mexico
10/2/1998	$500.00	Joe Mohorovic Campaign
10/12/1998	$220.00	Jerome Block Campaign
10/12/1998	$100.00	Mary Agnes Gilbert Campaign
10/20/1998	$150.00	Judge Mark Macaron Campaign
10/22/1998	$150.00	Judge Marsh Campaign
10/22/1998	$200.00	Herbe Hughes Campaign
10/23/1998	$100.00	Judge Robert Scott Campaign
11/22/1998	$250.00	Bill Pope Campaign
1/18/1999	$100.00	Republican Party of New Mexico
4/10/1999	$500.00	Dan Foley Campaign
4/15/1999	$2,500.00	Republican Campaign Cmte of NM
4/27/1999	$1,000.00	George W. Bush Campaign
4/29/1999	$1,000.00	Heather Wilson Campai
6/2/1999	$200.00	Phil Griego Campaign
6/18/1999	$250.00	Greg Payne Campaign
9/1/1999	$100.00	Hess Yntema Campaign
9/1/1999	$100.00	Cara Chavez Campaign
9/7/1999	$100.00	Pete's Pac
10/1/1999	$500.00	Republican Party of New Mexico
10/1/1999	$100.00	Republican Party of New Mexico
10/28/1999	$250.00	Bill Redmond Campaign
11/13/1999	$250.00	Bill Redmond Campaign
12/16/1999	$150.00	Greg Payne Campaign
12/18/1999	$250.00	Bill Redmond Campaign
1/24/2000	$1,000.00	Heather Wilson Campaign
1/15/2000	$100.00	Republican Party of New Mexico
2/3/2000	$2,500.00	Republican Party of New Mexico
2/15/2000	$1,000.00	Heather Wilson Campaign
5/3/2000	$100.00	Jim Reddin Campaign
5/4/2000	$250.00	Michael Weiner Campaign
5/13/2000	$1,000.00	Republican Party of New Mexico
5/23/2000	$100.00	John Sanchez Campaign
5/23/2000	$1,000.00	Republican Campaign Cmte of NM
5/25/2000	$100.00	Republican Party of New Mexico
5/25/2000	$50.00	Federation of Republican Women
5/25/2000	$500.00	Steve Pearce Campaign

7/11/2000	$50.00	Republican Party of New Mexico
7/20/2000	$250.00	Tinnin Campaign
7/23/2000	$100.00	Richard Sanchez Campaign
7/23/2000	$100.00	Bill Redmond Campaign
8/5/2000	$1,000.00	Pac-22
8/8/2000	$75.00	Pauline Gubbels Campaign
8/28/2000	$500.00	Mad Pac
9/11/2000	$500.00	Joe Mohorovic Campaign
9/11/2000	$500.00	Rod Kennedy Campaign
9/11/2000	$500.00	Glen Ellington Campaign
9/11/2000	$100.00	Reed Sheppard Campaign
9/15/2000	$250.00	Bob Martin Campaign
10/6/2000	$100.00	Sharon Walton Campaign
10/6/2000	$250.00	Ramsay Gorham Campaign
10/6/2000	$250.00	David Chavez Campaign
10/6/2000	$250.00	Ronald Hnaberry Campaign
10/6/2000	$100.00	Pauline Gubbels Campaign
10/6/2000	$250.00	Diane Snyder Campaign
10/6/2000	$250.00	Steve Komadina Campaign
10/6/2000	$250.00	Dara Dana Campaign
10/6/2000	$100.00	John Sanchez Campaign
10/6/2000	$250.00	Smokey Blanton Campaign
10/6/2000	$100.00	Avon Wilson Campaign
10/6/2000	$100.00	Greg Mortensen Campaign
10/6/2000	$100.00	Sue Wilson Campaign
10/6/2000	$100.00	Joe Carraro Campaign
10/6/2000	$100.00	Jim Reddin Campaign
10/6/2000	$250.00	Jonathan Suttin Campaign
10/6/2000	$100.00	Rob Burpo Campaign
10/6/2000	$250.00	Ted hobbs Campaign
10/6/2000	$100.00	Allen Hurt Campaign
10/6/2000	$100.00	Diane Duran Campaign
10/6/2000	$100.00	Narendra Gunaji Campaign
10/6/2000	$100.00	Gloria Vahugn Campaign
10/6/2000	$100.00	Terrry Marquardt Campaign
10/6/2000	$100.00	David Vickers Campaign
10/20/2000	$100.00	Don Tripp Campaign
10/20/2000	$100.00	Sharon Walton Campaign
10/24/2000	$250.00	Greg Payne Campaign
10/24/2000	$1,000.00	Bill Redmond Campaign
10/26/2000	$80.00	Joe Mohorovic Campaign
10/26/2000	$250.00	Ramsay Gorham Campaign
10/26/2000	$100.00	Skip Vernon Campaign
10/26/2000	$250.00	Jerry Daniels Campaign
12/27/2000	$500.00	Mike McEntee Campaign
1/5/20001	$100.00	Republican Party of New Mexico
2/20/2001	$250.00	Republican Party of New Mexico
3/26/2001	$1,900.00	Republican Campaign Cmte of NM

4/10/2001	$250.00	Mike McEntee Campaign
4/27/2001	$1,900.00	Republican Party of New Mexico
5/9/2001	$250.00	Republican Party of New Mexico
6/27/2001	$400.00	Michael Brasher Campaign
6/27/2001	$125.00	RNC
6/27/2001	$500.00	Nick Tinnin Campaign
6/28/2001	$30.00	Zia Federated Republican Women
8/8/2001	$100.00	Mike McEntee Campaign
8/15/2001	$400.00	Sally Mayer Campaign
8/20/2001	$1,000.00	Pete Domenici
8/28/2001	$25.00	Santa Fe Federated Republican Women
9/4/2001	$400.00	Sandra Rue Campaign
9/17/2001	$250.00	Vic Sequera Campaign
10/17/2001	$500.00	Don Tripp Campaign
12/20/2001	$500.00	Republican Campaign Cmte of NM
2/16/2002	$100.00	R.S.O.
2/16/2002	$20.00	Republican Party
3/8/2002	$500.00	Rod Adair Campaign
3/11/2001	$480.00	Republican Party of New Mexico
3/15/2002	$55.00	Republican Party of New Mexico
4/2/2002	$20.00	National Federated Republican Women
4/2/2002	$500.00	Daniel Foley Campaign
4/4/2002	$2,500.00	Republican Campaign Cmte of NM
4/9/2002	$150.00	Leonard Armijo Campaign
4/25/2002	$150.00	Republican Party of New Mexico
4/29/2002	$1,000.00	Heather Wilson Campaign
5/10/2002	$100.00	Sharon Clahchischilliage
5/13/2002	$250.00	Rory Ogle Campaign
5/14/2002	$75.00	College Republicans
5/14/2002	$100.00	Greg Zanetti Campaign
6/2/2002	$1,000.00	Heather Wilson Campaign
6/2/2002	$250.00	Rob Perry Campaign
6/11/2002	$100.00	Republican Party of Bernallilo County
8/2/2002	$250.00	Darren White
8/7/2002	$1,000.00	Steve Pearce Campaign
8/9/2002	$500.00	John Sanchez Campaign
8/14/2002	$500.00	Michael Brasher Campaign
8/14/2002	$500.00	Rob Perry Campaign
8/14/2002	$240.00	Republican Party of Bernallilo County
8/28/2002	$250.00	Heather Wilson Campaign
9/5/2002	$1,000.00	Steve Pearce Campaign
9/5/2002	$500.00	John Sanchez Campaign
9/25/2002	$25.00	Michael Brasher Campaign
9/25/2002	$100.00	Ted Hobbs Campaign
9/25/2002	$100.00	Pat Lyons Campaign
9/25/2002	$200.00	Pat Lyons Campaign
9/25/2002	$500.00	John Sanchez Campaign
9/25/2002	$200.00	Mary Thompson

10/7/2002	$250.00	Heather Wilson Campaign
10/16/2002	$250.00	Matt Salmon Campaign
10/16/2002	$300.00	Sharon Clahchischilliage
10/21/2002	$50.00	John Sanchez Campaign
10/21/2002	$250.00	Darrell Packer
1/30/2003	$65.00	R.N.C.
1/30/2003	$100.00	Republican Party of New Mexico
3/21/2003	$50.00	R.P.C.C.
6/4/2003	$500.00	Steve Pearce Campaign
6/27/2003	$100.00	Young Republicans
9/18/2003	$1,000.00	George Bush
11/18/2003	$250.00	Joe Thompson Campaign
12/5/2003	$250.00	Kent Cravens Campaign
3/19/2004	$200.00	Republican Party of Santa Fe
04/09/04	$50.00	S.B.F.R.N.
04/22/04	$250.00	Justine Fox Young Campaign
04/22/04	$250.00	Mario Burgos Campaign
04/24/04	$200.00	College Republicans
04/29/04	$100.00	Ned Fuller Campaign
04/30/04	$50.00	Steve Pearce Campaign
04/30/04	$50.00	Republican Party of Otero County
05/04/04	$100.00	John Ryan Campaign
05/23/04	$50.00	Mario Burgos Campaign
09/09/04	$50.00	Don Harris Campaign
09/21/04	$200.00	John Ryan Campaign
09/21/04	$200.00	John Butterfield Campaign
09/21/04	$100.00	Greg Payne Campaign
09/21/04	$100.00	Don Tripp Campaign
09/21/04	$100.00	Glenn Walters Campaign
10/01/04	$200.00	Debra Torza Campaign
10/01/04	$250.00	Fernando C.de Baca Campaign
10/01/04	$200.00	Diane Snyder Campaign
10/01/04	$200.00	Teresa Zanetti Campaign
10/01/04	$200.00	Eric Youngberg Campaign
10/01/04	$100.00	Kathleen Lyendeker Campaign
10/01/04	$100.00	Dan Foley Campaign
06/08/05	$300.00	Republican Party of New Mexico
08/16/05	$100.00	Pat Lyons Campaign
08/25/05	$250.00	Brad Winter Campaign
02/01/06	$150.00	Republican Party of New Mexico
Total:	**$73,255.00**	

U.S. Senate Committee on Homeland Security and Governmental Affairs
Pre-Hearing Questionnaire for the Nomination
of Mickey D. Barnett to be
Governor of the United States Postal Service

I. Nomination Process and Conflicts of Interest

1. Why do you believe the President nominated you to serve as Governor of the United States Postal Service (USPS)?

   The Postal Service is in need of comprehensive reform and needs Governors who have the experience to guide various reforms to implementation. I have worked in state government, as a New Mexico State Senator, and in federal government, as one of United States Senator Pete Domenici's first legislative assistants in Washington. I have also managed businesses in the private sector and have seen first-hand what works and what doesn't in a variety of areas. Furthermore, my commitment to public service has been life-long.

2. Were any conditions, expressed or implied, attached to your nomination? If so, please explain.

   No.

3. What specific background and experience affirmatively qualify you to be a Governor of the Postal Service?

   As previously discussed, my experience in both state and federal government—as well as my private sector background—affirmatively qualifies me to be a Governor of the Postal Service.

4. Have you made any commitments with respect to the policies and principles you will attempt to implement as Governor? If so, what are they and to whom have commitments been made?

   I have made no commitments to anyone. However, I would like to pledge to the Committee that I will use my experience to positively impact the future of the United States Postal Service, that I will uphold the law and work to implement reforms as passed by Congress, and that I will be guided by sound decision-making when considering Postal Service policies.

5. If confirmed, are there any issues from which you may have to recuse or disqualify yourself because of a conflict of interest or the appearance of a conflict of interest? If so, please explain what procedures you will use to carry out such a recusal or disqualification.

I am unaware of any conflicts at this time. If any conflicts were to arise I would immediately consult with counsel at the Postal Service and honor the ethics agreement I previously agreed to.

6. Have you ever been asked by an employer to leave a job or otherwise left a job on a non-voluntary basis? If so, please explain.

No.

II. Background of the Nominee

7. When you were Republican National Committeeman for New Mexico, the former state Republican chair Ramsay Gorham was quoted as saying that you were "ruthlessly vindictive against any legislator who votes against [your] drug or gambling clients." She added that, "it's not something that should be going on with an official of the party." (Albuquerque Journal, April 24, 2004). Some Republican party members in New Mexico have expressed similar concerns.

a. Please explain why you believe some have expressed these concerns. What is your response?

While serving as Republican National Committeeman for New Mexico, I was involved with candidate recruitment and encouraged a number of Republicans to seek public office. I saw this as one of my responsibilities as a party official. I make no apologies for encouraging qualified individuals to become public servants. Additionally the allegations of Ramsay Gorham are inaccurate as the list of my political contributions prove.

b. While committeeman, how did you reconcile your professional responsibilities to your clients and your responsibilities as committeeman?

My professional responsibilities in New Mexico did not conflict with my responsibilities as a member of the Republican National Committee.

c. If confirmed, how would you reconcile your professional responsibilities to your clients and your responsibilities as a Governor of the Postal Service? Specifically, how would you address a situation where a client of yours or your firm would be affected by any action by the Board of Governors?

If any conflicts were to arise I would immediately consult with counsel at the Postal Service and honor the ethics agreement I previously agreed to. If necessary, I will recuse myself from any situations that pose a conflict of interest. I have no clients that have <u>any</u> connections or ties to the USPS.

8. In 2002, The Albuquerque Journal reported on New Mexico House member Joe Mohorovic supporting projects outside his district but connected to his campaign contributors. The article also discussed your friendship with Mohorovic, as these projects benefited your lobbying clients as well. Your views were described and quoted as follows:

> Barnett also said it's not unusual for a legislator to act on a measure that could benefit his or her employer, such as a teacher voting on public school funding. He suggested the Journal scrutinize the actions of other lawmakers.
> "It's easy for you to find certain selected smaller deals, but the big deals are all done in a way you can't trace," he said. "I'm not trying to imply it's wrong, it's just the way it is. They've got the power, they go do it."
> Barnett said it would be unethical only "if you were getting something out of it personally." (Albuquerque Journal, March 3, 2002)

a. Were your views reported accurately?

> In an interview that lasted nearly an hour the above quote was printed. I believe Representative Joe Mohorovic to be of the highest ethical standards and as a citizen legislator (Legislators receive no salary in New Mexico). He was sensitive to the needs of Native Americans and recognized the poverty existing on reservations. He agreed to vote for capital outlay for infrastructure needs for sewer and road projects on the reservation. While the project was outside his district it was for an extreme need and his vote had no ethical problems.

b. Please explain your views, as they were reported.

> My statements focused on the political realities of state government in New Mexico. Representative Mohorovic had a small part-time contract with an economic development corporation for a Pueblo relating to investment advice. The connection with the Pueblo was minor and the capital outlay appropriations for Tribal infrastructure (sewer & road projects) were for the benefit of the citizens of the Pueblo.

c. Should the same or a different standard apply when a Governor has an opportunity to act in a way that could benefit his or her employer, client, or the client of his or her firm?

> As stated previously, if any conflicts were to arise in my role as Governor I would immediately consult with counsel at the Postal Service and honor the ethics agreement I previously agreed to. If necessary, I will recuse myself from any situations that pose a conflict of interest. I will accept no clients that will benefit from my actions as Governor.

III. Role and Responsibilities of Governor

9. What do you see as the main challenges facing the Postal Service? How should the Board of Governors work with postal management to address these challenges?

In an era where e-mail and services like UPS and FedEx have become ubiquitous, I feel that the sustained financial self-sufficiency of the Postal Service should be the goal. This is consistent with the statutory requirement that the Postal Service cover its own operating costs. The Board of Governors can work with postal management to address this challenge by ensuring, for example, that Governors properly approve rates for products and services that sufficiently address the revenue needs of the Postal Service.

10. What do you think should be the Board of Governors' top priorities?

In addition to the self-sufficiency issue discussed in #9, I believe other areas that should be addressed include accountability, transparency, and the adoption of best practices of corporate governance and customer service.

11. The Governors are chosen to represent the public interest generally. How do you plan to interact with various stakeholders interested in postal issues and how do you think as a Governor you can effectively represent their ideas?

To best represent the public interest as a Governor, I will make a concerted effort to become fully aware of the issues facing the Postal Service and become acquainted with the various stakeholders involved with postal issues. In the end, I believe my work and style as a Governor will be similar to that of a member of a board of directors for any number of entities. Consistent attendance at board meetings and attention to reports from management and Postal Service employees will be critical.

12. How do you view the role of a Governor of the Postal Service? What would you highlight from your experience that will enhance your effectiveness in this role?

In addition to my comments in #11, as an example I feel that my past experience as a state senator—one out of 42 in New Mexico—demonstrated to me the importance of working closely with other legislators and policy-makers to accomplish real results, finding common ground while complying with all statutory requirements.

13. What contributions do you hope to make during your tenure on the Board of Governors?

I hope to be recognized as a Governor who was considerate of diverse opinions when making difficult policy decisions, and as someone who helped to set and

implement clear goals and reforms for the Board of Governors and the Postal Service.

IV. Policy Questions

Postal Reform and Financial Issues

14. What are your views on the extent to which fundamental reform is needed in the laws and regulations that govern the Postal Service?

    I agree with comprehensive postal reform, including increased transparency, flexibility, and accountability. As mentioned above, reforms to ensure self-sufficiency and best management practices are also key.

15. According to your biographical information, you host a weekly luncheon meeting for the Americans for Tax Reform (ATR) – an organization which has been opposed to several aspects of postal reform. According to the June 5th, 2005, Postal Newsletter from ATR, the organization sent a letter to Speaker Hastert and all House Republicans, "voic[ing] its strong opposition to H.R. 22, the Postal Enhancement and Accountability Act." The companion Senate bill, S.662, was reported favorably by this Committee on July 14, 2005 and passed the Senate on February 9, 2006.

    a. Are you aware of this letter?

       No, this is the first time I have seen the newsletter. In this day and age, like anyone concerned with current affairs, I receive a voluminous amount of information from a number of groups and individuals each day. However, I have subsequently reviewed it in an effort to properly answer this questionnaire.

    b. Do you agree with any of the objections that ATR has had with the Postal Reform legislation? If so, which objections?

       An objection from ATR that I would like to review in more detail would be the legislation's inclusion of a guaranteed Board of Governors position for a member of organized labor. The President has the power to appoint members of the Board of Governors and I believe the President should be able to choose the best candidates for the job, regardless of background.

    c. Did you ever discuss postal issues during your weekly meetings? If so, did you have a position on postal reform?

       No, there have been no discussions of postal reform at any luncheon. As a local luncheon, our discussions have been focused on state and local

legislation and politics. Since I was nominated the appointment has been discussed but nothing on policy issues.

d. Do you plan on continuing hosting these meetings, if confirmed? If so, how would you reconcile your role with ATR and your responsibilities as a Governor of the Postal Service?

Yes, the loose affiliation with ATR is solely that an attendee of our lunch is eligible to attend the weekly meeting of ATR in DC. ATR's positions on issues are treated the same as any other entities advocating policy issues.

16. One of the goals of the reform legislation is to give the Postal Service more flexibility to operate like a business while also providing appropriate accountability mechanisms. How should the role and responsibilities of the Board of Governors complement or balance the role and responsibilities of the regulator under postal reform to ensure appropriate accountability?

The Board of Governors should maintain an open line of communication with postal regulators and have a full awareness of the pressing issues facing the Postal Service. The Board of Governors should work and communicate closely with the Postmaster General, management, and employees to ensure appropriate accountability and verify the Postal Service's operation "like a business."

17. How can the Board of Governors provide leadership in working with Congress and postal stakeholders to ensure that postal reform legislation is passed and effectively implemented?

As a Governor, I will work diligently with other members of the Board of Governors, as well as management and employees, to implement whatever reforms or policies are passed by the United States Congress. I do not believe it is my role as a Governor to be actively involved in the legislative process on this issue, unless the Board as a whole decides we should collectively get involved; my responsibility will be to effectively implement the reforms, should they be passed.

18. Recent data shows that the Postal Service is facing declining First-Class Mail volumes and revenues, which is its largest revenue-producing area, due largely to competition and electronic diversion. What approach should the Postal Service take to maintain its viability and competitiveness?

I'm not sure if it's appropriate to get into specific policy matters without having the full knowledge of a Governor. In general, the Postal Service needs to proactively stay on the cutting edge of technology and communication. The Postal Service is far different today than it was 200 years ago, and it needs to

continue to keep pace with the times or even implement new products and services not yet seen or readily available from private sector competitors.

19. Recently, the growth in the Service's operating expenses has outpaced its revenue growth. Many suggestions have been made on ways that the Service could reduce costs and improve productivity. How should the Board be involved in identifying areas for cutting costs and improving efficiency in postal operations?

    The Board of Governors should meet regularly to internally discuss these critical issues while relying on policy suggestions from management, stakeholder groups, and other interested parties.

20. Personnel expenses (which include wages, employee and retiree benefits, and workers' compensation) have consistently accounted for nearly 80 percent of operating expenses, even though the Service has downsized its workforce. These personnel expenses will continue to dominate the Service's financial condition, as growth in benefit costs, and retiree health costs in particular, continue to exceed inflation. What do you think the Service should do with respect to these circumstances?

    Without having read detailed reports on the Postal Service's financial condition as it relates to personnel expenses, I am hesitant to offer specific policy recommendations. However, as a Governor, I intend to be fully briefed on these matters so I can work with fellow members of the Board of Governors to make the right decisions with respect to these circumstances. These circumstances are equally an issue in the private sector and the Board should review how other large businesses, with a large number of employees, handle these same issues.

21. Some concerns have been raised about whether it is appropriate for the Postal Service to offer certain new products and services. What are your views regarding whether it is appropriate for the Postal Service to offer products and services that compete with private sector companies?

    Consistent with my answer to #18, I believe the Postal Service—in order to be financially self-sufficient—must proactively stay on the cutting edge of technology and communication.

Postal Rates

22. The Postmaster General and several Board members have expressed concern that the current ratemaking process is too restrictive and limits the Postal Service's ability to quickly adjust postage rates in a highly competitive and changing marketplace. Do you believe changes are needed in this area, and if so, what types of changes?

    The Postal Rate Commission serves as an independent authority that both recommends rate increases and often reviews the concerns of individual postal

consumers. I would need more information from the Postmaster General and other members of the Board of Governors to understand their rationale for transferring ratemaking authority from the PRC to the Board.

23. Many postal customers are concerned about the prospect of more frequent and larger rate increases as the Service faces an increasingly difficult financial situation. Can the Service continue to operate by regularly increasing rates and remain competitive? What are your views with respect to the need and timing of rate increases?

Before I can address this issue specifically, I need to have an opportunity to better review the Service's current financial situation and projected financial outlook. It would seem probable that it will be difficult to remain competitive while regularly increasing rates.

Facility Closings

24. One of the major initiatives discussed in the Service's Transformation Plan was its goal to optimize its mail processing and distribution network to reduce costs and improve efficiency. Recently, the Service announced that it will begin implementing numerous consolidations of mail processing facilities. Many stakeholders have questions about these consolidations. For example, some have said that the Postal Service has failed to adequately provide sufficient information to affected communities and stakeholders about the reasons for, and impact of, the proposed consolidations or closures. What information do you believe the Service should provide to the public about proposed consolidations of mail processing operations and closings of mail processing facilities, and how widely do you believe such information should be disseminated to affected communities and stakeholders? How can the Service ensure that its decisions related to closing postal facilities take appropriate account of community views and priorities and are fair and objective and perceived to be so?

It's my understanding that postal facility closings by the United States Postal Service can be appealed to the Postal Rate Commission. Any community or postal patron that feels its views and priorities need to be considered on this issue can follow the established procedure for appealing the closure of any postal facility.

Affected communities and stakeholders should receive adequate and complete information about any consolidation of mail processing operations and facilities. Transparency in decision making is desirable whenever possible.

25. A major issue frequently raised by the public related to the Postal Service's decisions on relocating or closing post offices or processing plants is that the Postal Service does not adequately involve affected communities in the decisionmaking process. What are your views on this issue?

Community members' input should be considered and they have every right to appeal postal facility changes with the Postal Rate Commission. If there are inadequate provisions to involve communities then the Board should review and change any provisions necessary to make certain all views are considered.

26. Some stakeholders are concerned about the potential decline in delivery services resulting from consolidations and workforce realignment. How can the Board ensure that delivery performance does not decline as a result of facility consolidations?

I do not believe that I have the information needed to sufficiently answer this question. I look forward to meeting with the aforementioned stakeholders and hearing their concerns on the issue, as well as the response of management. Delivery performance must be maintained because if it declines the financial sufficiency of the Postal Service will be in jeopardy.

Transparency and Accountability

27. Some mailers have suggested that the Service should establish a set of service standards for specific classes of mail and that the standards, performance goals, and performance be measured and reported regularly, with timely updates included on the Service's web site. Do you agree with the suggestion and should the Board encourage the Service to provide more transparency on its performance information?

Transparency is critical to the success of the Postal Service. As a Governor, I will always encourage the Service to provide more transparency with regard to its performance.

28. The Postal Service is required to annually report to Congress on its plans and performance related to its major goals. This information is vital to congressional oversight. However, some concerns have been raised that the Service has not established goals related to major postal functions and operations. What can the Board of Governors do to provide leadership in this area?

If the Postal Service is not establishing goals related to major postal functions and operations, the Board of Governors should either recommend that goals be established or, as the Service's policy- and procedure-making body, establish goals and guidelines for the Service to attain.

Mail Safety and Security

29. What are the tradeoffs that should be considered to determine what actions USPS should take to enhance the safety and security of the mail? What are the potential impacts on postal operations and service delivery? How should the additional costs for enhancing mail security be funded – i.e., taxpayers or ratepayers? How should the Service manage risks posed by suspicious mail to enhance the safety and security of the mail?

I have not been included in discussions involving mail safety or security. However, I believe the Postal Service has an obligation to take every step necessary to protect its patrons and employees from safety or security threats. Regarding funding issues, I would need specific audit type information on the "marginal" costs of increased security over the costs of service If that number is clear and precise there may well be a case for taxpayer funding.

30. What steps should the Postal Service be taking to maintain trust and credibility with its employees and customers that the mail system is safe? How can the Postal Service improve its response to hazardous incidents to ensure that appropriate safety procedures are understood and followed by all employees?

Again, I have not been included in discussions involving mail safety or security. I look forward to working with various stakeholders, including employee groups and patrons, to gain a better understanding of the issues facing the Postal Service and the various ways of addressing them. This issue is one that affects every large business and the Board should strive to have policy procedures in place.

Workforce-Related Issues

31. The Service has projected that by 2010 about 75 percent of its executives and 50 percent of its managers and supervisors will be eligible to retire. How can the Board work with postal management to address these challenging succession, continuity, and associated cost issues? In your view, has the Postal Service taken sufficient advantage in recent years of the opportunity retirements offer to re-shape the workforce?

I'm not privy to what the Postal Service has done to address this situation, so I'm not aware of whether or not the Postal Service has sufficiently addressed these issues. However, like any good employer, the Postal Service should always be seeking quality managers and supervisors from a competitive pool of talent.

32. How do you believe the Postal Service can ensure that whatever steps it takes to realign its workforce is consistent with its universal service obligation and with any existing strategies on related issues such as automation, facilities consolidations, and worksharing?

As the Postal Service makes any changes to its structure, products, or services, it must always be mindful of its existing obligations and strategies and how it can implement changes without disruption. Again it is generally unnecessary to re-invent the wheel as businesses all across America face the same issues.

33. Performance-based compensation systems have recently been implemented for postal executives, as well as managers and supervisors. The success of these systems depends on the credibility, validity, transparency, and fairness of the performance measures and

their implementation. How can the Board ensure the credibility of the Service's performance-based compensation systems?

Like any merit pay system, the credibility of the Postal Service's performance-based compensation systems will only be established through effective implementation of the program and impartial employee performance evaluations. The Board must have credibility that it will independently and fairly review the performance of postal executives, managers and supervisors.

34. Concerns have been raised regarding diversity within the Postal Service, particularly in the composition of top executives and in contracting practices. What role do you see for the Board of Governors in addressing these concerns?

While the goal of diversity is worthwhile and should be considered, the Postal Service should hire the best most qualified people for the job.

35. The Postal Service has recently become subject to Occupational Safety and Health Act (OSHA) workplace safety laws in the same manner as other employers. How can the Board of Governors ensure compliance with this law and encourage efforts to improve the safety of the workplace?

Private employers have had to deal with OSHA requirements for decades. The Postal Service has been covered by OSHA for eight years. It is my understanding that the USPS has pioneered programs on ergonomics and has and is moving forward to improve the safety of the workplace. It is important that the USPS comply with OSHA requirements and I would work toward that compliance on the Board of Governors.

36. One longstanding postal issue has been the need to improve labor-management relations within the Postal Service. What can the Board of Governors do to encourage and facilitate greater cooperation between postal management and Postal Service labor unions?

The Board of Governors should foster positive relations with a variety of constituent groups including postal patrons, stakeholders, and labor unions. As a policy-making body, the Board should be mindful of the fact that it has a role to play in advising management during interactions with labor unions and it should take that responsibility seriously. The Board must be viewed as independent and must work to reach consensus if possible and if not then implement policy based on the laws passed by Congress.

37. According to the resume that you attached to the biographical material you submitted to the committee, you "[o]rganized the New Mexico Citizens for Right to Work in 1977." You also wrote that you "[s]erved as chief spokesman in testifying and working for

passage of the Right to Work law." In 1999, you filed a brief on behalf of the National Right to Work Legal Defense Foundation.

a. What was your role in organizing the New Mexico Citizens for Right to Work?

I served as chief organizer and spokesman for New Mexico Citizens for Right to Work. I recruited candidates who were supportive of "right to work" and testified in support of "right to work" legislation. As a State Senator in New Mexico from 1981-1985, I was supportive of "right to work" legislation and passed a bill enacting "right to work" in New Mexico (subsequently vetoed).

b. What was the goal of New Mexico Citizens for Right to Work?

The goal of New Mexico Citizens for Right to Work was to pass a "right to work" law in New Mexico. Such a law was passed by the Legislature but vetoed by Governor Bruce King. New Mexico does not currently have a "right to work" law.

c. What was your role in "testifying and working for passage of the Right to Work law"? What were the goals of this law?

I testified in support of legislation and the group supported "right to work" candidates. The law would have guaranteed that employees have the choice to decide for themselves whether or not they want to join or contribute money to a labor union.

d. Are you currently affiliated with either the New Mexico Citizens for Right to Work or the National Right to Work Legal Defense Foundation?

New Mexico Citizens for Right to Work is no longer active and any involvement ended in 1985. In fact, to my knowledge, there is no active "right to work" political action committee in New Mexico. As stated, I did file a brief on behalf of the Pueblo of San Juan as local counsel for the NRTLDF several years ago.

e. Do you support the goals of the Right to Work movement?

I personally believe that employees should have the opportunity to choose whether or not they want to join or financially support a labor union. That personal belief will not prevent me from impartially serving as a Governor for the United States Postal Service and following the law as passed by Congress.

38. To the extent that you support the goals of the Right to Work movement, how would those views influence your opinions and actions as a Governor, if confirmed?

I will put aside whatever personal beliefs I have and impartially serve as a Governor for the United States Postal Service, making my decisions based on the most current information provided to me by various stakeholders and the law as passed by Congress.

39. Please describe the kind of labor-management relationship you believe is most desirable at the Postal Service, and the steps you believe should be taken to achieve it. Is there anything in your past experiences that demonstrate or sheds light on your approach or views in the area of labor management relations?

In addition to what has been discussed above, I believe the needs of all postal employees must be considered when dealing with issues involving labor-management relations.

V. Relations with Congress

40. Do you agree without reservation to respond to any reasonable summons to appear and testify before any duly constituted committee on the Congress if you are confirmed?

Yes.

41. Do you agree without reservation to reply to any reasonable request for information from any duly constituted committee of the Congress if you are confirmed?

Yes.

VI. Assistance

42. Are these answers your own? Have you consulted with the Postal Service or any interested parties? If so, please indicate which entities.

These answers are my own. In keeping with my desire to be a Governor who listens to a wide range of opinions when making critical decisions, I have conferred with personal friends and advisors for their viewpoints regarding some portions of this questionnaire; including employees of USPS .

AFFIDAVIT

I, Mickey D. Barnett, being duly sworn, hereby state that I have read and signed the foregoing Statement on Pre-Hearing Questions and that the information provided therein is, to the best of my knowledge, current, accurate, and complete.

Mickey D Barnett

Subscribed and sworn before me this 9th day of June, 2006.

Amy Bailey

Notary Public

OFFICIAL SEAL
AMY BAILEY
NOTARY PUBLIC STATE OF NEW MEXICO
My commission 8/31/09

United States
Office of Government Ethics
1201 New York Avenue, NW., Suite 500
Washington, DC 20005-3917

March 21, 2006

The Honorable Susan M. Collins
Chair
Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, DC 20510-6250

Dear Madam Chair:

Under the Ethics in Government Act of 1978, Presidential nominees requiring Senate confirmation who are not expected to serve in their Government positions for more than 60 days in a calendar year are not required to file public financial disclosure reports. The Act, as amended, however, contains a provision in section 101(b) which allows the committee with jurisdiction to request any financial information it deems appropriate from the nominee.

We understand that your committee desires to receive a financial disclosure report (SF 278) from any Presidential nominee for a position on the Board of Governors of the United States Postal Service, along with a written opinion from this Office regarding any possible conflicts of interest.

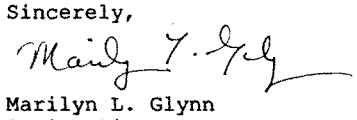
Therefore, I am forwarding a copy of the financial disclosure report of Mickey D. Barnett, who has been nominated by President Bush for the position of Governor with the United States Postal Service. Because Mr. Barnett is not expected to serve more than 60 days in any calendar year, the enclosed report and this letter are submitted to you in accordance with your committee's confirmation procedures and will be available for public inspection only to the extent provided by your practices. There is no authority under the Act for public release of this material by the executive branch.

We have reviewed the report and have obtained advice from the United States Postal Service concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is a letter dated March 8, 2006, from Mr. Barnett to the agency ethics official, outlining the steps which Mr. Barnett will

take to avoid conflicts of interest. Unless a specific date has been agreed to, the nominee must fully comply within three months of his confirmation date with the actions he agreed to take in his ethics agreement.

Based thereon, we believe that Mr. Barnett is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,



Marilyn L. Glynn
Acting Director

Enclosures

RON GODBEY

FORMER MEMBER
NEW MEXICO HOUSE OF REPRESENTATIVES

March 9, 2006

Hon. Susan M. Collins, Chair
Senate Committee on Homeland Security
and Governmental affairs
461 Dirksen Senate Office Building
Washington, DC 20510

Via FAX, 202/224-9603
(Committee Office)

Dear Madam Chair:

I'm asking that the confirmation hearings relating to the appointment of Mickey D. Barnett as Governor on the U.S. Postal Service Board not be put on fast track. To do so would disallow a due-diligence inquiry into Mr. Barnett's activities and his ties to George Soros while serving as a paid lobbyist and as the Republican National Committeeman from New Mexico.

I would appreciate information on confirmation hearings concerning Mr. Barnett's appointment. I would like to attend those hearings and present testimony as to why Mr. Barnett should not be confirmed.

Thank for your courtesy, and I am,

Sincerely

Ron Godbey,
Immediate Past-President, Drug Watch International
Former Member, New Mexico House of Representatives

2621 OXFORD AVENUE, SAN ANGELO, TEXAS 76904-5315, TELEPHONE 325/947-5950

EARLENE ROBERTS
FORMER NEW MEXICO STATE REPRESENTATIVE
AND REPUBLICAN MINORITY WHIP
P. O. BOX 39
LOVINGTON, NEW MEXICO 88260

March 14, 2006

The Honorable Susan Collins
Chairwoman, Senator Committee on Homeland Security
461 Dirksen Senate Office Building
Washington, DC 20510

Re: Postal Governor Nominee, Mickey Barnett

Dear Madam Chairwoman:

I am writing to you in opposition to the confirmation of Mickey Barnett of New Mexico to serve on the U. S. Postal Service Board of Governors.

As the former Minority Whip of the New Mexico House of Representatives, I am well acquainted with Mr. Barnett's attributes and personal characteristics. I can tell you in no uncertain terms that Mr. Barnett does not hold the qualifications or the person qualities that a Postal Governor should possess.

Mr. Barnett is a paid special interest lobbyist. In his work for his private clients in New Mexico, he has practiced the politics of personal destruction and intimidation. This has included (but has not been limited to) threatening state legislators with primary opponents when they do not vote for his legislation even if it requires voting against their constituents or the Republican Party platform.

Mr. Barnett has had his clients fund the primary opponents of state legislators who have not voted his way. He has run these campaigns out of his law

office. His political protégés has served as consultants to these opposition campaigns. They have even raised money for their own campaigns and then contributed those funds to the opponents of these legislators that Mr. Barnett has targeted for political extinction.

To put this in Washington terms, Mr. Barnett has engaged in "Jack Abramoff" style politics here in New Mexico. But the key difference between Mr. Barnett and Mr. Abramoff is that Mr. Barnett recruits your next opponent, helps fund them, provides the political expertise necessary to run their campaign and last but not least, gets his legislator protégés to attack you for voting your district and not Mr. Barnett's way.

I am requesting the opportunity to testify against Mr. Barnett's confirmation and will be happy to provide detail of Mr. Barnett's questionable political activities which I believe make him unfit and unqualified for public service.

Sincerely,

Earlene Roberts
Former Minority Whip
New Mexico House of Representatives

John Lattauzio
28 Adobe Ranch Trail • Alamogordo, New Mexico 88310

Thursday, April 06, 2006

The Honorable Susan Collins
Chairwoman, Senate Committee on Homeland Security
461 Dirksen Senate Office Building
Washington, DC 20510

Re: Postal Governor Nominee, Mickey Barnett

Dear Madam Chairwoman:

As former Chairman of the Republican Party of New Mexico (1988-89, 1990-94), I urge you to deny confirmation to Mr. Mickey Barnett of New Mexico, to serve as a Governor of the United States Postal Services.

Mr. Barnett is a paid special interest lobbyist who has little or no background in corporate business or the management of a large institution. Such knowledge is mandatory if a Postal Governor is to be effective.

I know Mr. Barnett personally and am well acquainted with his background and his character. I can tell you unequivocally that he does not possess the qualities that would benefit the nation or our postal service. His lack of business and management experience at a time when postal rates have once again been raised would actually be a hindrance; a step backwards in the nation's drive for an efficient and profitable postal service.

The prime indictment against Mr. Barnett is his four years of service as Republican National Committeeman from New Mexico. During this period, Mr. Barnett targeted Republican state legislators for defeat. He used his office to benefit and to derive profit for his lobbying efforts before the New Mexico Legislature. His tenure as national committeeman was torn with strife and bitterness and resulted in Mr. Barnett's defeat for re-election to that office. I can only describe Mr. Barnett's service as unprecedented in the history of the Republican Party of New Mexico. Previous national committeemen were men of integrity and loyal to well established Republican principles.

I have no doubt that Mr. Barnett would use his position as a postal governor in the same manner he demonstrated in his Republican Party of New Mexico position. It is my belief that he will use the prestige that accompanies this post to further his lobbying efforts and continue his destructive tactics; threatening and intimidating state legislators now with a new weapon ... the United States Post Office. Further, I have no doubt that he would use this as a recruiting tool for new clients.

A big question looms over this appointment: how could he have secured this position without having national political connections given his lack of background in these matters?

Please do not allow Mr. Barnett's style of politics to be elevated to the national political stage. Allowing this appointment to go through would be an embarrassment to the administration and to our great state.

If Mr. Barnett truly desires to serve the nation in this position, he should voluntarily suspend his lobbying practice for the time he is serving the nation. Would you not require this of any Washington, DC lobbyist?

Mr. Barnett is the wrong man at the wrong time for this position and I strongly urge you to reject this nomination in the name of all that is decent and fair to the nation and our nation's letter carriers.

Respectfully,

John Lattauzio
Former Chairman, Republican Party of New Mexico

JUDY VANDERSTAR RUSSELL, Ph.D

4104 La Colorada Court SE, Rio Rancho, NM 87124
(H) 892-1409 (W) 892-4412
(505) (505)

April 24, 2006

The Honorable Susan Collins
Chairwoman Senate Committee on Homeland Security
461 Dirksen Senate Office Building
Washington, DC 20510 FAX: 202-224-2693

Dear Senator Collins:

I am writing to oppose the nomination of Mickey D. Barnett of New Mexico to the United States Postal Board of Governors.

Mr. Barnett has a long history and reputation of using his position, whether political or party office, to coerce Republican legislators to support the positions of his lobbying clientele. I personally witnessed Mr. Barnett's tactics while I was a member of the New Mexico House of Representatives. Several Representatives (including myself) opposed the bill legalizing Indian Gambling in New Mexico, and were subjected to attempted coercion, primary election opponents, and threats of violence. At one point, I requested a meeting with Mr. Barnett to resolve our differences amicably, as I believe you may disagree on one issue today, but agree on another issue tomorrow. Barnett refused, and, remained vindictive and petty towards me during that legislative sessions and the ones that followed.

Even the local newspaper of record, the Albuquerque Journal, has reported on Mr. Barnett's tactics. A June 3, 2004 editorial noted that Barnett should "put as much energy into challenging Democrats as he does into recruiting candidates against Republicans who don't toe the party line." Please note that in the election prior to that editorial, NM Republicans lost seats in the House, and that our Governor, Party Chairman and Barnett lobbied extensively for the legalization of illicit drugs.

In summary, Mr. Barnett has a history of divisive and ethically questionable activities which render him unsuitable for a position of trust in our government.

I urge you to oppose his nomination to the United States Postal Service Board of Governors.

Sincerely,

Judy Vanderstar Russell, Ph.D.
Former Member
NM House of Representatives

Judy Vanderstar Russell

U.S. CONSUMER PRODUCT SAFETY COMMISSION
4330 EAST WEST HIGHWAY
BETHESDA, MD 20814

Hal Stratton
Chairman

Tel: 301 504-7900
Fax: 301 504-0768
Email: hstratton@cpsc.gov

April 24, 2006

The Honorable Susan M. Collins
Chair, Homeland Security and Governmental Affairs Committee
United States Senate
461 Dirksen Senate Office Building
Washington, DC 20510

Re: Nomination of Mickey D. Barnett, Governor, USPS

Dear Madam Chair:

I am writing to express my full support and recommendation for the President's nomination of Mickey D. Barnett as a Governor of the United States Postal Service.

I met Mr. Barnett and have known him since the mid-1970s as I was entering politics and he was returning from Washington to New Mexico after working on the Hill for Senator Domenici as a young staffer. Mr. Barnett and I served in the New Mexico legislature together and practiced law together in the early 1980s. He was instrumental in and, in fact, primarily responsible for my successful campaign to become New Mexico's only Republican Attorney General since 1930. During my time as Attorney General, Mr. Barnett remained a close advisor and trusted advisor and has been a close friend ever since. His reputation for hard work, honesty and integrity is unquestionable and beyond reproach.

Mr. Barnett has helped countless Republican candidates run for public office in New Mexico and no one has helped Republicans of all persuasions to become elected to public office more than Mr. Barnett. He has selflessly given his time in a number of party posts during the course of his life beginning in YRs, to Bernalillo County Chairman to New Mexico National Committeeman. There is no more loyal or hard working Republican in the state of New Mexico than Mr. Barnett.

I would like to reiterate my whole hearted and unqualified support and endorsement of Mr. Barnett as a Governor of the United States Postal Service. If I can provide any further information for you, please to not hesitate to contact me personally.

Sincerely,

Hal Stratton

New Mexico State Senate

State Capitol
Santa Fe

SENATOR ROD ADAIR
R-Chaves & Lincoln-33

Session E-Mail: rod.adair@nmlegis.gov
Roswell E-Mail: radair@dfn.com
Website: www.rodadair.com

April 24, 2006

COMMITTEES:

RANKING MEMBER:
· Rules

MEMBER:
· Judiciary

P.O. Box 96
Roswell, NM 88202

Phone: (505) 627-8372
Fax: (505) 627-8372

Sent by facsimile (202-224-2693), and by mail

The Honorable Susan M. Collins
Chairman
Homeland Security and Governmental Affairs Committee
461 Dirksen Senate Office Building
Washington, DC 20510

Re: Nomination of Mickey D. Barnett, for governor, United States Postal Service

Dear Senator Collins:

I want to express my enthusiastic support for the nomination of Mr. Mickey D. Barnett to be a governor of the United States Postal Service.

I have known Mr. Barnett for nearly 35 years – at first as an acquaintance as he was ahead of me in college and naturally paid little or no attention to underclassmen. After I returned to New Mexico and retired from the US Army, we were reacquainted. For the past fifteen years he has been a valued and trusted friend. During that entire time I have been continually impressed by his intellect, his articulateness, and his dedication to his state and his country. His integrity is above reproach. He is also selfless and sacrificing in support of causes he considers important to our nation's future. This can be said of relatively few people in our country.

If the United States Postal Service requires governors with a broad range of experience, with ability to think logically and critically, leavened with superb judgment, then I can think of no one who better fits that criteria than Mickey Barnett. It would be hard to imagine a better appointment.

I have read a petulant and frankly rather silly letter written by a former colleague of mine in the state legislature where I have served for the past ten years. During my time as a state senator I have served with ten state representatives – including the writer of that letter – who have represented my home county. Three have been defeated and two have retired, five are still serving, most of them new. Rarely do I find a defeated legislator who is reflective, who examines his or her own failings. The individual who attacked Mr. Barnett is a sad example of this unexamined life. I live in the community she represented. I can say unequivocally that Mr. Barnett not only did not recruit her opponent, he had nothing whatsoever to do with the campaign she lost. It is regrettable that she chose to lash out at him. It saddens me that I feel compelled to correct the

record on this point as Mr. Barnett is undeserving of having his reputation questioned in this way.

I close by offering to respond to any questions or providing any information you or your staff may want. I can be reached at the office phone shown above, or via e-mail at radair@dfn.com.

Again, I am proud to offer my earnest and enthusiastic support for Mickey Barnett's nomination.

Sincerely,

Rod Adair

Rod Adair
State Senator
R-Roswell
Chaves and Lincoln Counties

State of New Mexico
House of Representatives
Santa Fé

KEITH GARDNER
R - CHAVES, EDDY, LEA AND ROOSEVELT COUNTIES
District: 66

4500 Verde Drive
Roswell, NM 88201

Office Phone: (505) 622-6500
Fax: (505) 622-9777
Home Phone: (505) 623-2627
E-Mail: keith.gardner@nmlegis.gov

COMMITTEES:
Consumer & Public Affairs
Enrolling & Engrossing - B
Printing & Supplies
Taxation & Revenue

May 7, 2006

The Honorable Susan Collins
Chairman, U.S. Senate Homeland Security and Government Affairs Committee
461 Dirksen Senate Office Building
Washington D.C. 20510

Dear Senator Collins:

As a New Mexico legislator, I am writing to strongly urge you to confirm Mickey Barnett to the United States Postal Board of Governors.

I understand that former Representatives Earlene Roberts and Ron Godbey have launched a smear campaign against Mr. Barnett in an attempt to derail his nomination. I defeated Ms. Roberts in 2004 by 23 percentage points and would like to set the record straight.

The strong rhetoric in her attacks may cause some to believe that there must be something to her objections. But consider this is the same person who brought my 9-year old daughter to tears by telling her what a "bad man" her dad is. She also threatened to sue me and has spent the last two years trying, unsuccessfully, to instigate Secretary of State investigations against Republican legislators. She and Ron Godbey launch these character attacks on a regular basis and are now unfortunately bringing the petty politics of inner-party squabbling to the United States Senate. I hope you will look past the mean-spirited rhetoric and fairly consider the qualifications and character of Mickey Barnett.

Mickey Barnett is an honorable man of character and integrity. Republican legislators will tell you that Mickey Barnett is an honest and ethical man we can all count on. He is a straight shooter and keeps his word. Republican candidates will tell you that Mickey Barnett is someone they can count on for support, even if they are running in seemingly un-winnable races. He has worked to build this party for years and deserves much of the credit for making New Mexico a legitimate two-party state.

I am confident that when you explore Mickey Barnett's record and character you will understand why I, and so many other New Mexicans, consider Mickey Barnett one of the great leaders of our state and why I so strongly support his nomination.

Sincerely,

Keith Gardner
State Representative
District 66

State of New Mexico
House of Representatives
Santa Fé

DANIEL R. FOLEY
R-Chaves, Lincoln & Otero Counties
District 57

P.O. Box 3194
Roswell, NM 88202

Business Phone: (505) 624-0608
Home Phone: (505) 625-9528
Fax Number: (505) 624-0761
E-Mail: Foley@zianet.com

COMMITTEES:
Business & Industry
Judiciary

INTERIM COMMITTEES:
Economic & Rural Development & Telecommunications
Redistricting (Advisory)
Welfare Reform Oversight (Advisory)

The Honorable Susan Collins
Chairman, Homeland Security &
Governmental Affairs Committee
461 Dirksen Senate Office Building
Washington DC 20510

Dear Senator Collins:

I have enclosed a copy of my resume to introduce myself. Allow me to begin by saying that Mr. Mickey Barnett, candidate for the U.S. Postal Board of Governors, has wide support from people who actually live in New Mexico and represent a large number of folks as Reptesentatives and Senators. I thank you for taking public comment on Mr. Barnett and hope you will give the same weight to statements sent by people like me as you do disgruntled former "politicos" whose constituents threw them out of office with resounding defeats.

Mr. Barnett has a long history of helping young people running for office either in his capacity as an attorney or just a trusted advisor. Mr. Barnett and I have disagreed on a few issues and I have voted against the best interest of his clients, but never in my 8 years in office have I heard a threat or cross word from Mr. Barnett. Many times if an issue is unclear, Mr. Barnett has advised me to do what is right for my district, even if it meant voting against his client. That is a remarkable trait in a lobbyist and shows Mickey's integrity is impeccable.

Mr. Barnett has a lengthy history of working for the people of New Mexico, from serving in the state Senate to serving on committees at the Governor's request to helping people as an attorney in good standing. I am sure you are going to get a letter from at least one disgruntled former official opposing Mickey. I challenge you to please ask for examples of their accusations. Undoubtedly, they will be short on evidence to match their unfounded rhetoric. The few people who oppose Mr. Barnett have a long history of personally attacking people they personally do not like. I urge you not to let their unfounded claims cloud your judgment about Mickey Barnett, a dedicated servant of the people of New Mexico.

Thank you for considering this letter as you consider Mickey's nomination. I am willing to testify or discuss with your staff at any time my support of Mickey. Unlike Mickey's detractors, I, like you, wholeheartedly supported and actively worked on behalf of the reelection of President George W. Bush. I support the President's decision to nominate
Mickey and pray that more people with the values, morals and character of Mickey Barnett find the calling to serve our President and our citizens.

Sincerely,

Dan Foley
NM State Representative
District 57

cc: Senator Pete Domenici
Representative Steve Pearce
Representative Heather Wilson

Republican
National
Committee

Rosalind F. Tripp
National Committeewoman for New Mexico
Post Office Box 1369
Socorro, NM 87801
(505) 835-0766
(505) 835-2848 Fax

The Honorable Susan Collins
Chairman, Homeland Security and
Governmental Affairs Committee
461 Dirksen Senate Office Building
Washington, DC 20510

April 24, 2006

Dear Chairman Collins,

I am writing this letter in full support of President Bush's nomination of Mickey Barnett as a Governor of the United States Postal Service.

I have been involved with the Republican Party of New Mexico at the State level since 1986 and have served as the Republican National Committeewoman since 1996. I have had the opportunity to serve with Mickey on various committees and campaigns. Mickey and I served together for four years on the National Committee when he was National Committeeman. In this time I have gotten to know Mickey very well and I value his friendship and advice.

He is a staunch supporter of the Republican Party of New Mexico. He is a party builder. He recruits, outstanding candidates for state and local offices, raises money for the State and National Party and donates his time, legal expertise and money for the good of our Republican Party.

There is no finer person that I could recommend for this position. He is trustworthy and fair and will do an outstanding job if he is confirmed. He is committed and will give his full effort to the position.

I have heard that there are a few people from New Mexico who do not want to see him in the position. I will tell you and the Committee that these are people who are a negative force in our Party. They are antagonists and whiners who undermine the good work that Mickey has done and continues to do. I strongly urge you to confirm him as a Governor of the United States Postal Service.

Sincerely,

Rosalind F. Tripp
National Committeewoman NM

Paid for by the Republican National Committee. www.rnc.org
310 First Street, SE • Washington, DC 20003 • (202) 863-8500
Not authorized by any candidate or any candidate committee.

NEW MEXICO REPUBLICANS

April 28, 2006

ALLEN E. WEH
Chairman

The Honorable Susan Collins (R-ME)
561 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Collins,

I am writing on behalf of Mr. Mickey Barnett who has been nominated to the Board of Governors of the US Postal Service.

Mr. Barnett is eminently qualified for this appointment. He is an experienced attorney, a former New Mexico State Senator, a former Republican National Committeeman from this state, and someone who has committed most of his adult life to political service. This is a seasoned, mature individual who will bring common sense and good management to the Board of Governors. You would have to look a long way to find a more qualified person.

It has come to my attention that there have been a couple of former New Mexico State Representatives who have seen fit to object to Mickey's appointment. I know these people, and their remarks ring hollow. It's been my experience in life that folks who haven't stepped on a few toes in their professional life simply haven't done anything meaningful.

This is a good man who will bring an enormous amount of talent to our Government, and the good Lord knows we desperately need all the good people we can get in Washington.

I am very pleased to be able to provide you with my strongest endorsement for this very capable candidate for the Board of Governors.

With regards, I remain

Sincerely,

Allen E. Weh
Chairman

Copy to: The Honorable Ted Stevens
The Honorable John W. Warner
The Honorable George V. Voinovich
The Honorable Tom Coburn
The Honorable Pete V. Domenici
The Honorable Robert F. Bennett
The Honorable Lincoln Chaffee
The Honorable Norm Coleman

THE REPUBLICAN PARTY OF NEW MEXICO
P.O. Box 94083, Albuquerque, NM 87199-4083 • 5150-A San Francisco NE, Albuquerque, NM 87109
PHONE: (505) 298-3662 • FAX: (505) 292-0755 • www.gopnm.org

JOHN DENDAHL
693 QUAIL RUN
3101 OLD PECOS TRAIL
SANTA FE, NEW MEXICO 87505

VOICE/FAX (505) 983 5100
jdendahl@swcp.com

April 24, 2006

By U.S. Mail and facsimile – 202-224-2693

The Honorable Susan M. Collins, Chairman
Homeland Security & Governmental Affairs Committee
United States Senate
461 Dirksen Senate Office Building
Washington D.C. 20510

Dear Madame Chairman:

This letter is in full and enthusiastic support of the President's nomination of my friend, Mickey Barnett, as a Governor of the United States Postal Service.

My Republican Party work includes more than eight years as chairman of the state party in New Mexico. There is no individual who did more to help me in that wonderful work than Mickey Barnett. His help included party building, raising funds and generously contributing his own, recruiting candidates and, surely not least, wise counsel on policy.

You and your colleagues on the Committee and full Senate may be absolutely confident that this man will do a thoughtful, fair and thorough job as a postal system governor. He simply doesn't know how to behave otherwise as to any responsibility he undertakes.

It has been mentioned to me that a couple of sore-headed former state legislators are determined to undermine this nomination. You doubtless know how narrow is the line between love and hate, particularly in our "chosen" field of politics. I know this pair all too well, and I'm reminded of Gulliver in Lilliput.

If I might provide additional information that would be helpful to you in this matter, please do not hesitate to contact me or have a staff member do so.

Sincerely,

Baker Hostetler

Baker&Hostetler LLP

Washington Square, Suite 1100
1050 Connecticut Avenue, N.W.
Washington, DC 20036-5304

T 202.861.1500
F 202.861.1783
www.bakerlaw.com

E. Mark Braden
direct dial: 202.861.1504
mbraden@bakerlaw.com

April 27, 2006

The Honorable Senator Susan M. Collins
Chairman of the Homeland Security and
Government Affairs Committee
461 Dirksen Senate Office Building
Washington, DC 20510-1904

Dear Senator Collins:

I understand that the President has nominated Mickey Barnett to be a governor on the U.S. Postal Board of Governors. I am writing this letter to strongly urge his confirmation to this position by the United States Senate. I am sure that this letter is only one of the many that you will receive in enthusiastic support of Mr. Barnett's nomination. His history of service to our party and nation is long and distinguished.

For almost 30 years, I have worked as a lawyer representing the Republican Party, candidates and officeholders, including a number of your Senate colleagues. During that time, I had the opportunity to work with many party officials and lawyers across the country. I had extensive experience working with Mr. Barnett on redistricting and voting rights litigation in New Mexico. In my judgment, he is a man of unquestionable integrity. His combination of experience, ability and judgment unequivocally makes him qualified to serve our country in a position of importance and trust. The only factor giving me a moment of hesitation in writing this letter is that his position on the Board of Governors might makes it difficult for him to be of assistance if I am involved in the future in litigations in New Mexico.

If you or anyone on your staff should have any questions, please do not hesitate to contact me. I would be happy to explain in any length desired my ardent support of Mr. Barnett's nomination.

Sincerely,

E. Mark Braden

Prepared Statement of Katherine C. Tobin

Nominee for Governor of the U.S. Postal Service

June 28, 2006

Thank you, Chairman Collins, for your introduction and to the entire Committee and staff for having this hearing today, one I believe will bring new faces, energy, and ideas to the leadership team of the U.S. Postal Service.

Before I proceed with an opening statement, I would like to introduce my husband, Evan Wallach, Judge of the U.S. Court of International Trade, my sister Alice Tobin Zaff, my brother-in-law Alan Zaff, and my cousin Michael Morrissey, State Senator from the great state of Massachusetts. I wish to thank them all for their support, encouragement and interest in my nomination during the last nine months. Beyond my family, I'm delighted several of my friends could join us as well.

Let me also thank Senator Harry Reid for submitting my name to the President as a candidate for Governor. Senator Reid is a public servant of the highest order whom I admire and respect and whom I intend to make proud should I serve as a Governor of the U.S. Postal Service.

I am pleased to appear before this Committee today for your consideration as a Governor. As you know, I have worked for more than twenty-five years in two other

sectors – the business world and the academic-nonprofit world. I intend to draw on this experience. Let me briefly review.

I have worked as a manager, researcher and consultant within Corporate America, at institutions such as Hewlett-Packard Corporation and IBM. Additionally, while at Catalyst, a non-profit dedicated to advancing women to leadership positions in business, I conducted research studies on issues of diversity and gender equity. This research was done for the oil and gas industry, the food service industry and the high technology and diversified manufacturing. Thus I would bring eighteen years of experience with the business world to the work of Governor. I learned many lessons on how to, and in a few cases how NOT to, manage people, systems, products and services within large, complex, corporate structures.

The halcyon days of my career were the years at Hewlett Packard Corporation during the heady time when Silicon Valley was leading the nation forward with the creation and deployment of exciting new technology, most notably the personal computer and networked systems. HP was front and center and one of the best companies in the world for which to work. It had a reputation for innovation, quality, and for commitment to local communities and the nation. I watched, with an eye to learn, how Bill Hewlett, David Packard, John Young, and Lew Platt guided the company through periods of growth and times of economic challenge. They built and maintained a strong, values-based culture, one that emphasized hiring the right people, motivating and then building cross functional and interdivisional teams. In terms of delivery to the

marketplace, HP was also known for its commitment to customer satisfaction, and incorporating customer requirements into its new products. This experience is all directly relevant to the role I would play as a Governor. Organizations are never done with the job of focusing on customers, their product and service needs. To be continuously competitive requires systematic observation, inquiry, listening and then translating what is learned into new products and services.

Additionally I earned a Ph.D. in Administration and Policy Analysis from Stanford University's School of Education. This involved course work in policy-making and analysis of various policy enactments. As doctoral students, we were required to study policymaking from different disciplinary perspectives: that of economics, political science, sociology and anthropology. Extensive quantitative analysis was also a hallmark of our program. I took five courses in statistics, an extremely valuable course on how to conduct cost/benefit analyses, and a course in the School of Engineering on financial and cost accounting. Given the size and scope of the USPS, I'm sure this knowledge base will serve me well as a Governor.

Separate from professional qualifications, I am a lifelong and appreciative customer of the US Postal Service. Let me share a personal anecdote that conveys the personal and very powerful nature of this Service. My father, Lt. Commander Richard Tobin, died of war-related injuries when I was just 14 years old. My most treasured reflections of him, are not the pictures, but the postcards and letters he sent to me when I was 7, 8 and 9 years of age. He was part of the Seventh Fleet with overseas

duty in the Mediterranean. My mother, sister and I lived Stateside, in Norfolk Virginia and later Brunswick, Maine during these years. Regularly we received letters from Greenland, Barcelona, Rome, Beirut, Morocco, and Puerto Rico. As they say in Maine, Dad was "Away". But the Postal Service delivered his voice, from across the seas, to our door. Through his letters he was present in our lives, conveying his love while at the same time teaching us about the world.

Why is this relevant? Well, I actually believe every one of us has a special story or two concerning the Postal Service. Whether it be awaiting college admissions letters as teenagers, receiving love letters perhaps, a long-awaited job offer, annual birthday greetings, even, in your case, steady connections to your constituents, in all these cases important communication has occurred.

We've all grown accustomed to this our very own 6-day-a-week connection to our world, its people and organizations. But, our population is continually moving, changing and growing. Continuing this important and historic universal service, doing it well, in a financially responsible way in a way which serves both the American people and the hardworking talented people who are the Postal Service, is the leadership challenge we face. I would be honored to work on this challenge, together with the other Governors, the Postmaster and through the efforts of hundreds of thousands of postal employees.

Thank you, and I welcome any questions.

BIOGRAPHICAL AND FINANCIAL INFORMATION REQUESTED OF NOMINEES

A. BIOGRAPHICAL INFORMATION

1. **Name:** (Include any former names used.)

   Katherine C. Tobin

2. **Position to which nominated:**

   Board of Governors for the U.S. Postal Services

3. **Date of nomination:**

   Friday, March 3, 2006

4. **Address:** (List current place of residence and office addresses.)

5. **Date and place of birth:**

   October 27, 1950 at the Naval Air Station; Norfolk, Virginia

6. **Marital status:** (Include maiden name of wife or husband's name.)

   Married to Evan J. Wallach

7. **Names and ages of children:**

   None

8. **Education:** List secondary and higher education institutions, dates attended, degree received and date degree granted.

   Watsonville High School – 1964 to 1968, High School diploma received in June of 1968

   Skidmore College – 1968 to 1972, Bachelor of Arts degree received May of 1972

   University of Massachusetts, Amherst – 1972 – 1974, Master of Arts in Teaching received June 1974

   Stanford University – 1979 to 1984, Master of Arts degree received June of 1984 and Doctor of Philosophy (Ph.D.) received September of 1984

9. **Employment record:** List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment. (Please use separate attachment, if necessary.)

   Executive Secretary to the Treasurer of Hampshire College, Amherst, Massachusetts (approx. 1973-74). Worked full-time to support myself while a graduate student at the University of Massachusetts.

Instructor of English at Holyoke Community College, Holyoke, Massachusetts (1974-1975)

Carnegie Corporation Administrative Intern Program. One of sixteen women chosen nationally. Assigned to work as an Administrative Intern at Elmira College in Elmira, New York in the Office of Career Planning & Field Experience Programs (1975-76)

Director of Career Planning and Field Experience Programs at Skidmore College in Saratoga Springs, NY (1976-1979)

Research Assistant and Teaching Assistant at Stanford University's School of Education. These positions were held through my years of Ph.D. study (1979 – 1984)

Market Quality and "Voice of the Customer" manager in the Computer Systems Division and the Systems Technology Division of Hewlett-Packard Corporation in Cupertino, California (1984-1992)

Lecturer, William F. Harrah College of Hotel Administration at the University of Nevada, Las Vegas (1993- 1994)

Partner and Co-Founder of the Leadership Institute, LLC Las Vegas, Nevada (1994-1995)

Assistant Dean, School of Graduate and Professional Studies at Manhattanville College, Purchase, NY (1996 – 1998)

Director and then Senior Director of Research at Catalyst, New York, NY (1998-2003)

Senior Market Research Manager with Taylor Nelson Sofres (TNS) in White Plains, NY (2003 – 2005) Part of the team dedicated to serving IBM's corporate executives.

Self-Employed as a Market Research Consultant and as an Entrepreneur (June 2005 – present)

10. **Government experience:** List any advisory, consultative, honorary or other part-time service or positions with federal, State, or local governments, other than those listed above.

Co-Chair of the U.S. Senate Productivity Awards for Nevada in 1994-1995. Worked on the U.S. Senate Productivity Awards program team for two years from 1993 – 1995. This program was one of the state programs modeled on the national Malcolm Baldrige Quality Awards program.

11. **Business relationships:** List all positions currently or formerly held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business enterprise, educational or other institution.

Director of the Association for the Study of Higher Education, Washington, DC (1981-1983)

President, Vice President and Director of the Euphrat Museum of Art at DeAnza College in Cupertino, California (1987-1992)

Member of the Board of Directors of the Clark County Chapter of the American Red Cross (1992-1995)

Member, Board of Trustees, Preston High School (2005 – Present)

12. **Memberships:** List all memberships and offices currently or formerly held in professional, business, fraternal, scholarly, civic, public, charitable and other organizations.

Member of the BEST (Building Engineering and Science Talent) Initiative's Blue Ribbon WorkforcePanel (www.bestinitiative.org) (2002 – 2004)

Member of the Advisory Board of Mentor Net (www.mentornet.net) (2003 – Present)

Member of the Metropolitan Museum of Art (1995 – present), the New York City Public Library (approximately 1996 – present), and the Oregon Shakespeare Festival (approximately 1990 – present).

13. **Political affiliations and activities:**

(a) List all offices with a political party which you have held or any public office for which you have been a candidate.

None

(b) List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

None

(c) Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of $50 or more for the past 5 years.

Made financial contributions to Presidential candidates Wes Clark ($1,000) and John Kerry ($500) during the 2004 election campaign.

14. **Honors and awards:** List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals and any other special recognitions for outstanding service or achievements.

Bank of America – Achievement Award in Liberal Arts (1968)
Life Member in the California Honor Society (1968)
Daughters of the Cincinnati Scholarship (1968 - 69)
Stanford University Fellowship (1979)
Civic Service Award Recipient presented by the City of Cupertino (1991)
Designated Biographee, Who's Who In The West (1992)
Board Member of the Year, Clark County Chapter of the American Red Cross (1994)

15. **Published writings:** List the titles, publishers, and dates of books, articles, reports, or other published

materials which you have written.

Dissertation Research - *The Language of Request: Annual Giftgiving to the University.* Designed and conducted an anthropological study that examined how members of a university communicate academic purpose and fundraising needs to alumni, corporations and foundation leaders. (1984)

Co-edited a book and special journal issue of *Education and Urban Society*, both of which focus on the finance of adult education in the Americas and Europe, (Sage Publications, Los Angeles) (1981).

Co-edited two issues of the *Journal of Economic and Industrial Democracy*, (Sage Publications, London) (1981).

16. **Speeches:** Provide the Committee with four copies of any formal speeches you have delivered during the last 5 years which you have copies of and are on topics relevant to the position for which you have been nominated.

Gave speeches regularly while a Senior Director and Director of Research at Catalyst (www.catalystwomen.org). Prepared and delivered speeches to corporate audiences, such as Microsoft's Women's Conference, and to professional associations, including the Society for Women Engineers (SWE), the Institute for Women in Technology and the Information Technology Association of America. I no longer have copies of the speeches and they were not on topics directly relevant to the position for which I have been nominated.

17. **Selection:**

(a) Do you know why you were chosen for this nomination by the President?

Senator Harry Reid, whom I came to know when I lived in Nevada for two years, recommended me to the White House for consideration for this Board of Governors position.

(b) What do you believe in your background or employment experience affirmatively qualifies you for this particular appointment?

I have worked as a manager, researcher and consultant within Corporate America, at institutions such as Hewlett-Packard Corporation and IBM. While at Catalyst, I conducted research studies for the oil and gas industry, the foodservice industry, and the high technology and diversified manufacturing companies. My eighteen years of experience within the business world enabled me to learn how to effectively manage people, systems, products and services within large, complex corporate structures.

My years working at Hewlett-Packard Corporation were particularly valuable. As many know, HP was one of the best companies to work for and a place of innovation and commitment to the community. I say to people that "I cut my professional teeth" there, learning within a strong, positive and values-based culture how to hire, motivate and build teams. I believe this experience is

directly relevant to the role I would play as a Board of Governor for the U.S. Postal Service.

Additionally, I earned a Ph.D. in Administration and Policy Analysis from Stanford University's School of Education. This entailed graduate-level course work in policy-making and analyzing the effectiveness of various policy enactments. Considered policy alternatives from various viewpoints, i.e. through the analytical lenses of economics, political science and sociology. Took four courses in statistics and studied financial and cost accounting, decision analysis and cost/benefit analysis. This knowledge base will also be directly helpful to me and the Board as we look at difficult decisions which have far-ranging impact and then consider what the best alternatives are moving forward.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, business associations or business organizations if you are confirmed by the Senate?

   No

2. Do you have any plans, commitments or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, explain.

   Yes. This appointment is a part-time role. I plan to continue earning income as a self-employed researcher.

3. Do you have any plans, commitments or agreements after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization?

   No

4. Has anybody made a commitment to employ your services in any capacity after you leave government service?

   No

5. If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable?

   Yes, I look forward to serving my full-term on the Board of Governors of the USPS.

C. POTENTIAL CONFLICTS OF INTEREST

1. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

   None of which I am aware.

2. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation or affecting the administration and execution of law or public policy other than while in a federal government capacity.

None.

3. Do you agree to have written opinions provided to the Committee by the designated agency ethics officer of the agency to which you are nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position?

Yes.

D. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

No

2. To your knowledge, have you ever been investigated, arrested, charged or convicted (including pleas of guilty or nolo contendere) by any federal, State, or other law enforcement authority for violation of any federal, State, county or municipal law, other than a minor traffic offense? If so, provide details.

No

3. Have you or any business of which you are or were an officer, director or owner ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

No

4. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

I have no relevant additional information to offer.

E. FINANCIAL DATA

All information requested under this heading must be provided for yourself, your spouse, and your dependents. (This information will not be published in the record of the hearing on your nomination, but it will be retained in the Committee's files and will be available for public inspection.)

AFFIDAVIT

Katherine Tobin being duly sworn, hereby states that he/she has read and signed the foregoing Statement on Biographical and Financial Information and that the information provided therein is, to the best of his/her knowledge, current, accurate, and complete.

Katherine C. Tobin

Subscribed and sworn before me this 28th day of March, 20 06

Kirra Clark
Notary Public

Kirra Clark
Notary Public, State of New York
No. 01CL6125565
Qualified in Westchester County
Commission Expires April 18, 2007

U.S. Senate Committee on Homeland Security and Governmental Affairs
Pre-Hearing Questionnaire for the Nomination
of Katherine C. Tobin to be
Governor of the United States Postal Service

I. Nomination Process and Conflicts of Interest

1. Why do you believe the President nominated you to serve as Governor of the United States Postal Service (USPS)?

   Senator Harry Reid, whom I came to know when I lived in Nevada for two years, recommended me to the White House as a candidate for this Board of Governors position. The White House Office of Personnel in turn interviewed, investigated and nominated me.

2. Were any conditions, expressed or implied, attached to your nomination? If so, please explain.

   No.

3. What specific background and experience affirmatively qualify you to be a Governor of the Postal Service?

   I have worked as a manager, researcher and consultant within Corporate America, at institutions such as Hewlett-Packard Corporation and IBM. Also, while at Catalyst, I conducted research studies for leading oil and gas companies, the foodservice industry, and for high technology and diversified manufacturing companies. My eighteen years of experience with the business world has taught me many lessons on how to effectively manage people, systems, products and services within a large, complex organization.

   The years working as a manager at Hewlett-Packard Corporation, in its Computer Systems Division and Systems Technology divisions, were particularly valuable. This was the time when the personal computer was born, when servers were being developed to replace expensive mainframes, and the capabilities of the Internet were unleashed. I learned how important and difficult bringing new, relevant products to market is. I learned how service and consistency are often differentiators. I feel very fortunate to have had an exciting and positive corporate experience. HP was considered one of the top ten companies in the world to work for and it was recognized broadly for technological innovation and commitment to local communities and society at large. I tell people that "I cut my professional teeth" while working within this strong, innovative and values-based culture. Every single manager received rigorous training on how to hire, motivate and build teams and we were taught to put priority on listening to and communicating clearly with all kinds of constituents – from employees to customers and shareholders. This experience is directly relevant to the role I would play now as a Governor for the U.S. Postal Service.

I also earned a Ph.D. in Administration and Policy Analysis from Stanford University's School of Education. This academic journey involved extensive graduate-level course work in policy-making and the effective evaluation of enacted policies. I learned to consider policy alternatives from various disciplinary viewpoints, i.e. through the analytical lenses of economics, political science, sociology and anthropology. Further, I completed four courses in statistics and studied financial accounting, cost accounting, decision analysis, and cost/benefit analysis. This knowledge base and subsequent management experiences will also be useful to me and the Board as we look at difficult decisions that have far-ranging impact and then consider what are the best alternatives moving forward?

4. Have you made any commitments with respect to the policies and principles you will attempt to implement as Governor? If so, what are they and to whom have commitments been made?

   No.

5. If confirmed, are there any issues from which you may have to recuse or disqualify yourself because of a conflict of interest or the appearance of a conflict of interest? If so, please explain what procedures you will use to carry out such a recusal or disqualification.

   None of which I am aware, but if a conflict of interest were to arise, I would work with the U.S. Postal Service's General Counsel to determine what action was needed.

II. Role and Responsibilities of Governor

6. What do you see as the main challenges facing the Postal Service? How should the Board of Governors work with postal management to address these challenges?

   The Postal Service faces the challenge of a changing mix in the type of mail it processes, as First-Class Mail volume remains steady or falls and advertising mail bears a larger responsibility for contributing to overhead costs. In addition, like other major employers, the Postal Service faces increasing health benefit and retiree costs. The Board of Governors must work with Postal management to devise strategies in response to these challenges and ensure the strategies are implemented.

7. What do you think should be the Board of Governors' top priorities?

   The Board's top priorities should be stewardship of the Postal Service, both financially and in its mission; service to the American public; and continued innovation to ensure the long-term viability of the Postal Service.

8. The Governors are chosen to represent the public interest generally. How do you plan to interact with various stakeholders interested in postal issues and how do you think as a Governor you can effectively represent their ideas?

   I would meet with representative stakeholders who have views on Postal issues they wish to share. Beginning with my work at Hewlett-Packard, I have placed a strong emphasis on listening. I will avail myself of opportunities to listen to the positions of the various players in the Postal arena.

9. How do you view the role of a Governor of the Postal Service? What would you highlight from your experience that will enhance your effectiveness in this role?

   The Postal Board of Governors is equivalent to the Board of any major corporation. The Board needs to be independent and understand its role in working with, and overseeing, management decisions. I have served as a Board member for Clark County's Chapter of the American Red Cross (in Southern Nevada) and as the Co-Chair of the U.S. Senate Productivity Awards for Nevada. I believe this service has given me significant insight as to the appropriate role of a Board member.

10. What contributions do you hope to make during your tenure on the Board of Governors?

    I am very aware that the Postal Service touches everyone's life, both personally and professionally. I believe that there is nothing more American than the Postal Service, which has played a role in creating a sense of community throughout this nation. My hope is that my service on the Board can help the Postal Service continue that great tradition.

III. Policy Questions

Postal Reform and Financial Issues

11. What are your views on the extent to which fundamental reform is needed in the laws and regulations that govern the Postal Service?

    I have not fully formulated my views on this issue. I am aware that this is a complex matter and has been the subject of much hard work and debate over many years. As specific matters arise, I will consider them carefully.

12. One of the goals of the reform legislation is to give the Postal Service more flexibility to operate like a business while also providing appropriate accountability mechanisms. How should the role and responsibilities of the Board of Governors complement or balance the role and responsibilities of the regulator under postal reform to ensure appropriate accountability?

As any other Board, the Postal Board of Governors is responsible for giving strategic guidance to Postal management. Postal Service management is responsible for implementing the guidance and day-to-day operations of the Postal Service. It is important that those roles and responsibilities are clear and understood.

13. How can the Board of Governors provide leadership in working with Congress and postal stakeholders to ensure that postal reform legislation is passed and effectively implemented?

First, the Governor must listen to stakeholders to ensure the Board's position is fully informed. The Board must then be clear in communicating its views to all stakeholders, including Congress. This would include the need to be clear in providing strategic guidance to Postal management in implementing the legislation.

14. Recent data shows that the Postal Service is facing declining First-Class Mail volumes and revenues, which is its largest revenue-producing area, due largely to competition and electronic diversion. What approach should the Postal Service take to maintain its viability and competitiveness?

I believe the Postal Service should continue to use technology in innovative ways to increase the value of its products. The Postal Service must continue to evolve, as it always has, to meet the changing needs of its customers. To help them in that effort, the Postal Service has issued its second Transformation Plan, that outlines its vision for the future. For example, having completed its automation effort for letter size mail and having reaped the benefits of that effort for itself and its customers, the Postal Service is now focusing heavily on automating larger pieces of flat mail, such as large envelopes, magazines, and newspapers.

15. Recently, the growth in the Service's operating expenses has outpaced its revenue growth. Many suggestions have been made on ways that the Service could reduce costs and improve productivity. How should the Board be involved in identifying areas for cutting costs and improving efficiency in postal operations?

I know that the Postal Service is, in fact, making great efforts to restrain the growth in its operating costs. It is my intention to continue that effort, working with the other members of the Board.

16. Personnel expenses (which include wages, employee and retiree benefits, and workers' compensation) have consistently accounted for nearly 80 percent of operating expenses, even though the Service has downsized its workforce. These personnel expenses will continue to dominate the Service's financial condition, as growth in benefit costs, and retiree health costs in particular, continue to exceed inflation. What do you think the Service should do with respect to these circumstances?

This type of problem is being faced by corporations nation-wide. These are complex issues which require the balancing of employee, customer, and Postal concerns.

Innovation, efficiency and cooperative effort by labor and management, working as a team, are key aspects of any solution.

17. Some concerns have been raised about whether it is appropriate for the Postal Service to offer certain new products and services. What are your views regarding whether it is appropriate for the Postal Service to offer products and services that compete with private sector companies?

    I believe it is appropriate for the Postal Service to compete with private industry in their express, priority and package services. I believe such a competition is healthy and beneficial to the American public.

    I think the Postal Service has a good selection of products and services. It is essential that the Postal Service look for new ways to deliver and improve those products and services, such the introduction of mailing kiosks and other services such as Click & Ship.

Postal Rates

18. The Postmaster General and several Board members have expressed concern that the current ratemaking process is too restrictive and limits the Postal Service's ability to quickly adjust postage rates in a highly competitive and changing marketplace. Do you believe changes are needed in this area, and if so, what types of changes?

    It would be helpful if rates could be changed to rapidly reflect market changes.

19. Many postal customers are concerned about the prospect of more frequent and larger rate increases as the Service faces an increasingly difficult financial situation. Can the Service continue to operate by regularly increasing rates and remain competitive? What are your views with respect to the need and timing of rate increases?

    I believe the Postal Service can continue to be competitive if it moves to the idea of having any needed increases occur in a more predictable, understandable manner. Like any business, rate increases would have to take into account the business cycle and the needs of its customers. I would also note that simply increasing rates will not make the Postal Service competitive. The Postal Service, like other businesses would have to provide products and services its customers need at a reasonable rate. Rate increases work only if the product or service is considered sufficient in value.

Facility Closings

20. One of the major initiatives discussed in the Service's Transformation Plan was its goal to optimize its mail processing and distribution network to reduce costs and improve efficiency. Recently, the Service announced that it will begin implementing numerous consolidations of mail processing facilities. Many stakeholders have questions about these consolidations. For example, some have said that the Postal Service has failed to adequately provide sufficient information to affected communities and stakeholders about

the reasons for, and impact of, the proposed consolidations or closures. What information do you believe the Service should provide to the public about proposed consolidations of mail processing operations and closings of mail processing facilities, and how widely do you believe such information should be disseminated to affected communities and stakeholders? How can the Service ensure that its decisions related to closing postal facilities take appropriate account of community views and priorities and are fair and objective and perceived to be so?

I understand the Postal Service will be implementing public meetings to inform and engage the affected communities. It is important to provide information that is useful to the communities while continuing to protect sensitive data.

21. A major issue frequently raised by the public related to the Postal Service's decisions on relocating or closing post offices or processing plants is that the Postal Service does not adequately involve affected communities in the decision-making process. What are your views on this issue?

I understand that the Postal Service has a comprehensive process for notifying communities about building, relocating, or closing Post Offices, which includes opportunities for public comment. In addition, as mentioned above, I understand the Postal Service will be implementing public meetings as part of its processing plant consolidation. Generally, I believe that listening to stakeholder input is important for the Postal Service and the Board.

22. Some stakeholders are concerned about the potential decline in delivery services resulting from consolidations and workforce realignment. How can the Board ensure that delivery performance does not decline as a result of facility consolidations?

As part of its oversight role, the Board will monitor service and customer satisfaction measures. The Board receives regular briefings on these matters.

Transparency and Accountability

19. Some mailers have suggested that the Service should establish a set of service standards for specific classes of mail and that the standards, performance goals, and performance be measured and reported regularly, with timely updates included on the Service's web site. Do you agree with the suggestion and should the Board encourage the Service to provide more transparency on its performance information?

It is important to provide information that is useful to the communities while continuing to protect sensitive data. I do not have sufficient information about service standards and reporting, at this point, to provide specific suggestions.

20. The Postal Service is required to annually report to Congress on its plans and performance related to its major goals. This information is vital to congressional

oversight. However, some concerns have been raised that the Service has not established goals related to major postal functions and operations. What can the Board of Governors do to provide leadership in this area?

The Board's role is to provide leadership and guidance to allow the Postal Service to continually improve. I would note that the 2005 Comprehensive Statement of the Postal Service outlines its goals, one of which is improvement in total factor productivity. An improvement in total factor productivity would require the Postal Service to improve the efficiency of its operations.

Mail Safety and Security

21. What are the tradeoffs that should be considered to determine what actions USPS should take to enhance the safety and security of the mail? What are the potential impacts on postal operations and service delivery? How should the additional costs for enhancing mail security be funded – i.e., taxpayers or ratepayers? How should the Service manage risks posed by suspicious mail to enhance the safety and security of the mail?

    The safety of employees and customers is extremely important. However, the issue is highly complex and without a greater understanding of the risks and the costs involved in protecting against those risks, I am not able to provide a specific answer. In general, I believe that where extraordinary threats arise, public funding may well be a necessary part of any response, just as it was to private industry following 9/11.

22. What steps should the Postal Service be taking to maintain trust and credibility with its employees and customers that the mail system is safe? How can the Postal Service improve its response to hazardous incidents to ensure that appropriate safety procedures are understood and followed by all employees?

    It is my understanding that the Postal Service has a safety training plan for its employees. In fact, the Postal Service has monthly reminders for employees on what to do if they come across a suspect mail piece.

Workforce-Related Issues

23. The Service has projected that by 2010 about 75 percent of its executives and 50 percent of its managers and supervisors will be eligible to retire. How can the Board work with postal management to address these challenging succession, continuity, and associated cost issues? In your view, has the Postal Service taken sufficient advantage in recent years of the opportunity retirements offer to re-shape the workforce?

    Based on my experience at other organizations, I firmly believe that succession planning is an important management responsibility from mid-level management on up. The Postal Service has undertaken succession planning and the Board is briefed regularly on the Postal Service's progress. I would expect, too, that strategic planning for the USPS

future entails careful analysis of 1) needed core competencies of the workforce, 2) current staffing skill sets and 3) recruitment and training programs.

24. How do you believe the Postal Service can ensure that whatever steps it takes to realign its workforce is consistent with its universal service obligation and with any existing strategies on related issues such as automation, facilities consolidations, and worksharing?

    I believe that choosing between the universal service obligation and operational strategies is not an either/or choice. As it makes changes to maintain an effective and efficient organization, the Postal Service must factor customer needs into its operational decisions.

25. Performance-based compensation systems have recently been implemented for postal executives, as well as managers and supervisors. The success of these systems depends on the credibility, validity, transparency, and fairness of the performance measures and their implementation. How can the Board ensure the credibility of the Service's performance-based compensation systems?

    A well-understood compensation system is an important tool for any organization. I understand that there is an established performance-based pay system for non-union employees. The Board's responsibility is to monitor the operation of the system and evaluate its effectiveness.

26. Concerns have been raised regarding diversity within the Postal Service, particularly in the composition of top executives and in contracting practices. What role do you see for the Board of Governors in addressing these concerns?

    In order for the Postal Service to be competitive, diversity must be valued across the agency. The Board's oversight role regarding succession planning, staffing, and performance evaluation would provide insight as to how diversity is being considered and fostered.

27. The Postal Service has recently become subject to Occupational Safety and Health Act (OSHA) workplace safety laws in the same manner as other employers. How can the Board of Governors ensure compliance with this law and encourage efforts to improve the safety of the workplace?

    The Postal Service has been covered by OSHA since 1998. According to the Postal Service 2005 Annual Report, OSHA injury and illnesses are down 11.9%. In addition, the Postal Service is working with OSHA's Voluntary Protection Program and Ergonomics Risk Reduction Program. The Board's oversight role is to ensure compliance with all relevant statutes, including OSHA.

28. One longstanding postal issue has been the need to improve labor-management relations within the Postal Service. What can the Board of Governors do to encourage and facilitate greater cooperation between postal management and Postal Service labor unions?

The Postal Service's workforce is predominantly unionized. In order to be a healthy organization, there has to be effective communication. The Board must be aware of that dynamic and constantly model and encourage good communication. It is my understanding that efforts have been made to strengthen and improve labor-management relationships, but continuous improvement would be optimal.

29. Please describe the kind of labor-management relationship you believe is most desirable at the Postal Service, and the steps you believe should be taken to achieve it. Is there anything in your past experiences that demonstrate or sheds light on your approach or views in the area of labor management relations?

I think it is important for all employees to be heard, treated fairly, and have advocates. In my work at Catalyst, which focused on advancement of women in business, it was evident that systems must be in place at various levels of the organization to give employees opportunities for their views to be voiced, understood, and incorporated into a decision.

IV. Relations with Congress

30. Do you agree without reservation to respond to any reasonable summons to appear and testify before any duly constituted committee on the Congress if you are confirmed?

Yes.

31. Do you agree without reservation to reply to any reasonable request for information from any duly constituted committee of the Congress if you are confirmed?

Yes.

V. Assistance

32. Are these answers your own? Have you consulted with the Postal Service or any interested parties? If so, please indicate which entities.

These answers are my own. I consulted with the Postal Service's Office of Government Relations during the development of my answers.

AFFIDAVIT

I, Katherine C. Tobin, being duly sworn, hereby state that I have read and signed the foregoing Statement on Pre-Hearing Questions and that the information provided therein is, to the best of my knowledge, current, accurate, and complete.

Katherine C. Tobin

Subscribed and sworn before me this 8th day of May, 2006.

Marcos A. Cabral

Notary Public

MARCOS A. CABRAL
Notary Public, State of New York
No. 01CA6097143
Qualified in Westchester County
Commission Expires August 18, 2007

United States
Office of Government Ethics
1201 New York Avenue, NW., Suite 500
Washington, DC 20005-3917

March 21, 2006

The Honorable Susan M. Collins
Chair
Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, DC 20510-6250

Dear Madam Chair:

Under the Ethics in Government Act of 1978, Presidential nominees requiring Senate confirmation who are not expected to serve in their Government positions for more than 60 days in a calendar year are not required to file public financial disclosure reports. The Act, as amended, however, contains a provision in section 101(b) which allows the committee with jurisdiction to request any financial information it deems appropriate from the nominee.

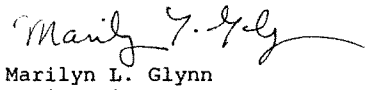
We understand that your committee desires to receive a financial disclosure report (SF 278) from any Presidential nominee for a position on the Board of Governors of the United States Postal Service, along with a written opinion from this Office regarding any possible conflicts of interest.

Therefore, I am forwarding a copy of the financial disclosure report of Katherine C. Tobin, who has been nominated by President Bush for the position of Governor with the United States Postal Service. Because Ms. Tobin is not expected to serve more than 60 ays in any calendar year, the enclosed report and this letter are submitted to you in accordance with your committee's confirmation procedures and will be available for public inspection only to the extent provided by your practices. There is no authority under the Act for public release of this material by the executive branch.

We have reviewed the report and have obtained advice from the United States Postal Service concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is a letter dated March 9, 2006, from Ms. Tobin to the agency ethics official, outlining the steps which Ms. Tobin will take to avoid conflicts of interest. Unless a specific date has been agreed to, the nominee must fully comply within three months of her confirmation date with the actions she agreed to take in her ethics agreement.

Based thereon, we believe that Ms. Tobin is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,



Marilyn L. Glynn
Acting Director

Enclosures

Prepared Statement of Ellen C. Williams
Nominee for Governor of the U.S. Postal Service
June 28, 2006

Senator Collins, Senator Carper, members of the Committee, -- Good Morning.

I am honored to appear before you today and I appreciate this opportunity to address the Committee.

Before I begin, I would like to take a moment to introduce to you my family and friends that are here with me today.

My good friends--Vicki Dixon and Dawn Riley. Fellow Kentuckian and dear friend, Scott Jennings, Deputy Director of White House Political Affairs.

Nephews Johnny Conaway from Florida and Matt Conaway from Ohio, an intern for Congressman Jim Gibbons this summer.

My brother retired Navy Commander and combat veteran from the Gulf War and now a pilot with Delta Airlines, David Conaway.

My youngest son, Joey Williams, an 8th grade student at Anderson County Middle School.

And my father, – Lieutenant General (Retired) John B. Conaway, former Chief of the National Guard Bureau 1990 – 1994. He was Chief during Desert Shield and Desert Storm. Through his example, I know the meaning of public service.

I appreciate each of you being here today and for your support!

I appear before this Committee today deeply humbled and honored at the prospect of becoming a Governor on the U.S. Postal Board. I am grateful for the opportunity to appear before you and present myself as you consider my nomination for this important position.

I would like to thank the President for his confidence in me by virtue of this nomination. It is indeed a tremendous honor and I am humbled by his faith in my ability to be a contributing member of the U.S. Postal Board of Governors.

I would like to thank the Staff of the U.S. Homeland Security and Governmental Affairs Committee for their diligence in asking questions to ensure that all relevant information necessary to consider my nomination is disclosed. They have been terrific to work with.

I have been involved in Government and politics for over 25 years. During that time, I have had the privilege of working in the U.S. House of Representatives, the U.S. Senate,

the White House, and in State Government for the Commonwealth of Kentucky as well as actively participating in election politics in Kentucky and nationally.

I bring a unique set of skills and experiences to the Board of Governors. I have business, government and management experience. I know the importance of public service.

And as a resident of a small town I understand and appreciate the valuable role the Post Office plays in the lives of people. It is often times the one thing that people can count on each day. It is their connection with family, friends and opportunities.

I understand the importance of a safe, secure Post Office and well-trained employees. They are the front line in this wonderful agency and I believe it is important that their input is listened to, considered and counted on. I will be a willing listener to management and labor on all issues and pledge not to make hasty decisions until understanding all the facts.

During my tenure as Vice Chairman of the Kentucky Public Service Commission I developed an understanding and knowledge of what it means to provide universal services to the public through fair and affordable rates. I am keenly aware of the differing positions that the stakeholders will have and am confident in my ability to listen and work with each group to make the right decisions to benefit the public and the Postal Service.

Through my involvement in Government, I understand of the importance of communicating with this body and pledge to you that I will work hard to learn the positions of all stakeholders and fairly work with each group to ensure that the U.S. Postal Service continues to be the most universally used, most trusted and respected service available.

Thank you for the chance to be here today. Thank you for your consideration of me to serve as a Governor on the U.S. Postal Service. I humbly ask for you support and will be happy to answer any questions.

Biographical and Financial information Requested of Nominees

A. Biographical information

1. Name: (Include any former names used.) Ellen Conaway Williams

   Ellen Rosemary Conaway

2. Position to which nominated:

   Governor, Board of Governors of the U.S. Postal Service

3. Date of nomination:

   May 8, 2006

4. Address: (List current place of residence and office addresses.)

   Home:

   Office: 311 Pin Oak Drive
   Lawrenceburg, KY 40342

5. Date and place of birth:

   November 23, 1956

   Tampa, Florida (Hillsborough County)

6. Marital status:

   Divorced

7. Names and ages of children:

8. Education: List secondary and higher education institutions, dates attended, Degree received and date degree granted.

   Westport High School, Louisville, KY, 1971-1975, diploma, 1975
   University of Kentucky, 1975 – 1980, BA in Business Education,

9. Employment Record: List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)

5/79 – 12/80	Office Manager, Hargett Construction Company, Lexington, KY
2/81 – 7/83	Staff Assistant, Congressman Larry J. Hopkins, Washington, DC
7/83 – 1/84	Executive Director, Young Republican National Federation, Washington, DC
1/84 – 11/84	Midwest Field Coordinator, Voter Programs Division, Reagan-Bush '84 Campaign, Washington, DC
11/84 – 1/85	Deputy Director, Special Groups Division, 50th Presidential Inaugural Committee, Washington, DC
2/85 – 6/85	Deputy Director, Republican Governor's Association, Washington, D.C.
6/85 – 12/85	Regional Political Director, Fund for American's Future, Washington, DC
1/86-4/86	Special Assistant, Vice President George Bush, Washington, DC
4/86 – 11/86	Deputy Campaign Manager, U.S. Senator Robert W. Kasten, Jr., Milwaukee, Wisconsin
3/88 – 5/88	Deputy Director, The President's Dinner, Washington, DC
11/86 – 11/88	Executive Assistant, U.S. Senator Robert W. Kasten, Jr., Washington, DC
11/88 – 1/89	Deputy Director, Public Liaison Division, American Bicentennial Inaugural Committee, Washington, DC
2/89 – 6/90	Deputy Political Director, National Republican Senatorial Committee, Washington, DC
2/91 – 6/92	Executive Director, Republican Party of Kentucky, Frankfort, KY
11/94 – 11/95	Deputy Campaign Manager, Larry Forgy for Governor Campaign, Louisville, KY

6/96 – 11/96 Political Director, Bob Dole for President Campaign, Lexington, KY

3-97 – 5/99 Part-time Consultant, Government Relations, Lexinxgton-Bluegrass Association of Realtors, Lexington, KY

2/99 – 4/04 Chairman/Executive Director, Republican Party of Kentucky, Frankfort, KY

4/04 – 5/05 Vice Chairman, Kentucky Public Service Commission, Frankfort, KY

5/05 – 1/06 Commissioner, Governor's Office for Local Development, Frankfort, KY

1/06 – Present Government Relations Director, Turfway Park, Florence, KY (Thoroughbred Race Track)

1/06 – Present Ellen C. Williams, LLC, Lawrenceburg, KY (Government Relations Firm)

10. Government experience: List any advisory, consultative, honorary or other part-time service or positions with federal, state, or local governments, other than those listed above.

none

11. Business relationships: List all positions currently or formerly held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business enterprise, educational or other institution.

1/06 – present Consultant, Kentucky Association of County Organizations, Frankfort, KY

1/06-4/06 Consultant, Commonwealth Brands, Inc, Bowling Green, KY

5/-6 – present Consultant, Houchens Industries, Bowling Green, KY

2/06 – present Consultant, Kentucky Downs Racetrack, Franklin, KY

3/-6-present Consultant, Data Recognition Corporation, Maple Grove, MN

12. Memberships: List all memberships and offices currently or formerly held in professional, business, fraternal, scholarly, civic, public, charitable and other organizations.

None

13. Political affiliations and activities:

(a) List all offices with a political party which you have held or any public office for which you have been a candidate.

Member, Executive Committee, Republican Party of Kentucky 1996-2004

Chairman, Republican Party of Kentucky 1999-2004

Co-Chairman, Defense Subcommittee, Platform Committee, Republican National Convention, 2000.

Chairman, Southern Chairmen's Association, Republican National Committee, 2001-2004

Chairman, 2004 Site Selection Committee, Republican National Committee

Chairman, Housing Committee, Committee on Arrangements for the Republican National Convention, 2004

Local Candidate for Magistrate, Anderson County, Kentucky 1998 (lost)

(b) See answer above (a)

(c) Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of $5 or more for the past 5 years.

3/2000	Carolynn Horn for State Senate	$250
5/2001	Bob Leeper for State Senate	$200
1/2003	Damon Thayer for State Senate	$250
3/2003	Adam Koenig for State Treasurer	$200
5/2003	Ernie Fletcher for Governor	$1,000
10/2003	Larry VanMeter for Ct of Appeals Judge	$250

1/2004	Harold Fletcher for State Senate	$500
1/2004	Carroll Gibson for State Senate	$1,000
10/2004	Dana Stephenson for State Senate	$250
12/2005	David Williams for State Senate	$1,000
2/2006	Bill Roberts for City Council	$500
4/2006	Bill Farmer for Mayor	$1,000
4/2006	John Roach for Supreme Court Judge	$1,000
3/2004	George Bush for President	$2,000
9/2004	Geoff Davis for Congress	$250
2/2006	Anne Northup for Congress	$500
2/2000	Republican Party of KY	$1,000
8/1999	Republican Party of KY	$250
1/2004	Alice Kerr for Congress	$500
2/2004	Alice Kerr for Congress	$500
6/2000	Republican Party of Kentucky	$1,000
9/1997	Republican Party of KY	$283
2/2001	Mitch McConnell for Senate	$250
8/2001	Mitch McConnell for Senate	$250
12/2005	Republican Party of KY	$1,000
10/2004	Republican Party of KY	$500
1/2005	Republican Party of KY	$300
5/2003	Republican Party of KY	$500
7/2003	Republican Party of KY	$1,000

4/2001	Republican Party of KY	$250
5/2001	Republican Party of KY	$550
2/2006	Repubican Party of KY	$300
6/2000	Ed Whitfield for Congress	$250

14. Honors and awards: NONE

15. Published writings: NONE

16. Speeches: NONE

17. Section:

(a) Do you know why you were chosen for this nomination by the President?

I was and am a loyal, active support of the President and his policies.

(b) What do you believe in your background or employment experience affirmatively qualifies you for this particular appointment?

My most recent position with the Regulatory Agency in Kentucky provided me with a unique experience to understand the quasi-judicial nature of this Regulatory Board that I have been nominated to.

B. Future Employment Relationships

1. Will you sever all connections with your present employers, business firms, business associations or business organizations if you are confirmed by the Senate?

This position is a part-time board appointment. I have communicated with Postal Board Ethics about avoiding any conflicts either real or perceived during my term.

2. Do you have any plans, commitments or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, explain.

The position I have been nominated to is a part-time board appointment. I intend to continue to run my business, Ellen Williams, LLC in order to support my family.

3. Do you have any plans, commitments or agreements after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization?

   N/A

4. Has anybody made a commitment to employ your services in any capacity after you leave government service?

   No

5. If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable?

   Yes

C. Potential Conflicts of Interest

1. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

   None exist

2. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation or affecting the administration or execution of law or public policy other than while in a federal government capacity.

   None

3. Do you agree to have written opinions provided to the Committee by the designated agency ethics officer of the agency to which you are nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position?

   Yes

D. Legal Matters

1. Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? Is so, provide details.

   No

2. To your knowledge, have you ever been investigated, arrested, charged or convicted (including pleas of guilty or nolo contendere) by any federal, State, or other law enforcement authority for violation of any federal, State, county or municipal law, other than a minor traffic offense? If so, provide details.

   No

3. Have you or any business of which you are or were an officer, director or owner ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

   No

4. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

E. Financial Date

All information requested under this heading must be provided for yourself, your spouse, and your dependents. (This information will not be published in the record of the hearing on your nomination, but it will be retained in the Committee's files and will be available for public inspection.)

1. Please provide a personal financial information that identifies and states the value of all assets of $10,000 or more and liabilities of $10,000 or more that are not already listed on the SF 278 Financial Disclosure form. If the aggregate of your consumer debts exceeds $10,000, please include the total as a liability. Please include additional information, as necessary, to assist the Committee in determining your financial solvency. The Committee reserves the right to request additional information if a solvency determination cannot be made definitively from the information provided.

   All information is listed on my SF 278 Financial Disclosure Form.

D. Legal Matters

1. Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? Is so, provide details.

   No

2. To your knowledge, have you ever been investigated, arrested, charged or convicted (including pleas of guilty or nolo contendere) by any federal, State, or other law enforcement authority for violation of any federal, State, county or municipal law, other than a minor traffic offense? If so, provide details.

   No

3. Have you or any business of which you are or were an officer, director or owner ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

   No

4. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

E. Financial Date

All information requested under this heading must be provided for yourself, your spouse, and your dependents. (This information will not be published in the record of the hearing on your nomination, but it will be retained in the Committee's files and will be available for public inspection.)

U.S. Senate Committee on Homeland Security and Governmental Affairs
Pre-Hearing Questionnaire for the Nomination
of Ellen C. Williams to be
Governor of the United States Postal Service

I. Nomination Process and Conflicts of Interest

1. Why do you believe the President nominated you to serve as Governor of the United States Postal Service (USPS)?

I am a supporter of the President and his policies. I have an understanding and knowledge of government, the legislative process and management organizations and governmental entities that will be beneficial to me in this position.

2. Were any conditions, expressed or implied, attached to your nomination? If so, please explain.

No

3. What specific background and experience affirmatively qualify you to be a Governor of the Postal Service?

My knowledge of government, management and experience in consensus building when necessary and implementing tough decisions at other times provides me with a depth of experiences that should I have the honor of being confirmed will prove beneficial to the Board of Governors of the Postal Service.

4. Have you made any commitments with respect to the policies and principles you will attempt to implement as Governor? If so, what are they and to whom have commitments been made?

No

5. If confirmed, are there any issues from which you may have to recuse or disqualify yourself because of a conflict of interest or the appearance of a conflict of interest? If so, please explain what procedures you will use to carry out such a recusal or disqualification.

No.

6. Have you ever been asked by an employer to leave a job or otherwise left a job on a non-voluntary basis? If so, please explain.

No

II. Background of the Nominee

7. What were your responsibilities while serving as Vice Chairman of the Kentucky Public Service Commission? As Commissioner of the Governor's Office for Local Development?

Vice Chairman of the Kentucky Public Service Commission – I was a member of the 3 person administrative body with quasi-legislative and quasi-judicial duties and powers involving regulation of 1,137 conventional utilities.

As a member of this body, I participated in the hearing process to set rates, hear complaints, expand service territories, site power plants, site electrical transmission lines, and rule on the regulatory necessity of the telephone and broadband industry. As a Commission we would hear the cases through formal proceedings and procedures, and then issue our decision through a written Order.

We also participated in discussions to help shape legislative policy that pertained to the Public Service Commission and the regulatory climate in Kentucky. We worked with members of the State Senate and State House to provide information and guidance on specific pieces of proposed legislation.

The Commission has an Executive Director who is responsibility for the daily operation of the Commission.

The 3 Commissioners have regulatory responsibility for rate increases or reduction, expansion or reduction of utility service boundaries, construction and operation of utility facilities, conducting management audits, review of natural gas and coal purchasing practices, monitoring of consumer complaints, monitoring compliance to service and safety regulations .

The overall mission is to ensure that every utility receives fair, just and reasonable rates for the services rendered and that their services are adequate, efficient and reasonable.

Commissioner, Governor's Office for Local Development (GOLD) - I was responsible for providing financial help in the way of grant and loan assistance, as well as advising local governments in matters of budget, personnel and other items relevant to those entities.

As Commissioner, I was very hands-on. I held weekly staff meetings with each of my division directors to discuss issues that were occurring across the state and within GOLD. I oversaw the administrating of millions of dollars in state and federal grant and loans through our Grants Division, the management of county governments and implemented an aggressive monitoring program for all state grant monies.

I testified before the General Assembly on programs within GOLD to provide periodic updates as required by law and when requested otherwise.

I also managed the Kentucky Infrastructure Authority which is a loan program that administers millions of dollars in loans primarily for infrastructure projects in Kentucky.

I worked closely with our Legal Department on day to day issues. Approximately, 1 week after I was named Commissioner, the Attorney General of Kentucky launched an investigation into the hiring practices of Governor Fletcher's administration. One of the entities the Attorney General accused of wrong doing was "LINK" (an outreach office created and implemented by my predecessor.) I spent considerable time working with our attorneys to provide information as requested by the Attorney General in the investigation of a government wide hiring "scandal". I abolished the office known as LINK, and created a Field Services division to deal directly with our county and local officials on behalf of State Government. I developed strict guidelines and held trainings for these individuals in the field so there would be no mistake about their roles and responsibilities.

8. Did you serve the government in any other capacity, including any advisory boards or task forces, while employed by the Commonwealth of Kentucky? If so, please provide the names of the boards or task forces, and the dates during which you served on them.

As Commissioner of GOLD, by statute, I was a member of many boards, some active, some not. However, during my time as Commissioner I had my hands full of day to day management issues and crisis that required my constant attention so I was not a participant in these boards.

I am attaching for your review the statute listing the Board membership for the Commissioner of GOLD.

(Attachment 1)

9. In response to Question A.17.b of the Committee's biographical questionnaire, you wrote, "My most recent position with the Regulatory Agency in Kentucky provided me with a unique experience to understand the quasi-judicial nature of this Regulatory Board that I have been nominated to."

   a. What do you believe the similarities are between the Regulatory Agency and the Postal Board of Governors? Between your role in the Regulatory Agency and the role of a Governor?

The primary similarity is to ensure a high-quality service to the public at an affordable rate and with the best possible services. I dealt with the various stakeholders at the Public Service Commission and learned quickly the far reaching impact of each and every decision we made. I also appreciate the fact that each stakeholder comes to the table with valid issues, recommendations and problems. To discount one without fully understanding the others is in my mind irresponsible.

To that extent, I believe the Postal Board of Governors and the Regulatory Agency has some similarities. While the Board of Governors functions as the corporate board of directors for the US Postal Service, it is very important that the Board understand the stakeholders positions as we work to implement plans and make suggestions on the direction of the USPS.

b. In what way do you believe the Board of Governors is a "Regulatory Board" with a "quasi-judicial nature"?

I appreciate the opportunity to clarify my earlier statement. I believe the Board of Governors must understand the various stakeholders' positions, be judicious in their recommendations and decision making, and understand that the issues we are dealing with amongst the various stakeholders have far reaching implications. It is a delicate balance.

As was the balance I was required to understand and help maintain as a Commissioner of the Kentucky Public Service Commission.

10. What do you believe are the principal responsibilities of the Board of Governors? What in your training and experience demonstrates your qualifications to fulfill each of these responsibilities?

The principal responsibilities of the Board of Governors are comparable to a board of directors for a company, or the executive committee of an organization or association. The board approves, disapproves, or modifies the rates recommended to them by the Postal Rate Commission. The Board will also review Postal Service practices, conduct long-range planning, set policies on all postal matters, direct and review all expenditures working with management. The board will also take up matters such as service standards, capital investments and facilities projects exceeding $25 million and approve officer compensation.

My most recent service as Vice Chairman of the Kentucky Public Service Commission provided me great training and experience to be a contributing member of the Board of Governors. Obviously, as the Governors review the rates as recommended by the Postal Rate Commission, I am knowledgeable of this type of process and all the factors that could come into play. I have been intimately involved in developing long-range plans regarding transmission and infrastructure and have set policy in these areas. I am also familiar and have been involved in the siting of large power plants and transmission lines and the building of water and sewer plants so I understand the importance of facilities investment, but I also know that new is not always better.

I think I bring a unique set of skills to the Board of Governors. I have business, government and management experience, but I also understand providing services to the public through affordable, fair rates.

11. Question C.2 in the Committee's biographical questionnaire asks: "Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation or affecting the administration and execution of law or public policy other than while in a federal government capacity." You responded "None." You have engaged in several activities that one might generally expect would have involved some of the activities asked about in Question C.2:

First, let me state that I apologize for not listing these legislative activities. When I read the question I believed it to be pertaining to federal government activities. In no way did I intend to not be forthright in my answers. I believed that because this was a federal board appointment, you were concerned about federal activity. My activity has been on the local level and the state level in Kentucky.

a. Between March 1997 and May 1999 you were a part-time consultant for Government Relations at the Lexington Bluegrass Association of Realtors.

My responsibilities were to liaison with the Lexington-Fayette Urban County Government Council Members on behalf of the Lexington Bluegrass Association of Realtors. They were interested in the Councils' positions on the development of farmland in Fayette County. I also provided them with information during the General Assembly pertaining to real estate issues. At no time did I engage in passage or defeat of a particular piece of legislation. I was more of an information provider. I also assisted them in strengthening their PAC and developed a process for them to fairly assess candidates who wanted their support.

b. Currently you run a Government Affairs and PR Consulting Firm, "Ellen Williams, LLC."

I began this firm January 16, 2006 upon departing from State Government. I represent clients that need assistance in the Executive Branch and Legislative Branches of Kentucky State Government. I monitor Committees, communicate with elected officials in Kentucky and provide information to my clients as requested and as pertinent.

c. According January 24, 2006 article in *The Cincinanti Post* entitled: "Turway hires lobbyist in effort to expand gambling," "[Ellen] Williams will lead Turfway's effort to get legislation passed in Frankfort that would allow for legalized casino gambling at the track and others around the commonwealth."

Again, this was for work done during the Kentucky General Assembly. I assisted Turfway in legislation pertaining to the thoroughbred industry. The gambling issue is one that has been discussed for at least the last 10 years. We were not successful in the passage of this legislation. However, we were successful in some small things to assist our signature industry—the thoroughbred industry.

d. You have registered as a "Registered Legislative Agent (Lobbyist)" with the Kentucky Legislative Ethics Commission.

Kentucky State Law is fairly strict regarding the registering as a legislative agent. Kentucky law requires a person must register as well as the company that has hired that person in order to ensure that all activities are reported and transparent. We are required to report on a monthly basis during the session on bills lobbied for and any expenditure. I will be happy to provide you with my filings if you would like.

I apologize I did not detail this originally.

(For each of these, please describe your activities in general terms, and please explain why these activities were not reported to the Committee in response to Question C.2. Please describe any additional activities responsive to Question C.2. of the Committee's biographical questionnaire)

12. Question D.2 of the Committee's biographical questionnaire asks: "To your knowledge, have you ever been investigated, arrested, charged or convicted (including pleas of guilty or nolo contendere) by any federal, State, or other law enforcement authority for violation of any federal, State, county or municipal law, other than a minor traffic offense? If so, provide details." You responded "No."

The Kentucky Attorney General has been investigating charges that the office of Local Initiatives for a New Kentucky (LINK), which you oversaw while at the Governor's Office for Local Development, was a political patronage office for Governor Fletcher. In an article ("Former GOP chair up in arms," *The Lexington Herald Leader*, November 28, 2005) about this investigation you were quoted as saying: "I bared my soul because they were convinced that I was some mastermind of this."

a. Why did you not list this investigation under Question D.2 of the Committee's biographical questionnaire?

I responded no, because I was not a target of any investigation in state government personally. Again, I apologize and hope I can clear up any questions you have through the specific questions you are asking me.

b. What were your responsibilities with respect to the Local Initiatives for a New Kentucky?

I took over GOLD, which is where LINK was housed in May, 2005. LINK was created by my predecessor. When I took over, I set about the task of reorganizing, and restructuring the office formerly known as LINK. LINK was structured by my predecessor who was indicted in this

investigation. I inherited some issues which I worked diligently and transparently to restructure, reorganize and to regain trust in the mission of the division.

c. For what time period were you involved with LINK?

I took over as Commissioner of GOLD in May, 2005. LINK was disbanded in August, 2005. At that time, I organized the Office of Field Services. This office was responsible for outreach to the local communities based on the regions the Field Representatives lived and served in. Their mission was to bring Frankfort closer to the local communities. I developed a manual outlining their job descriptions, detailed their duties, included what was unacceptable activity and stated in no uncertain terms the repercussions should they fail to follow these instructions.

Until that point, these young people had no clear guidance, nor set of job duties, nor a clear chain of command. It was a situation that as you have discovered was not good. However, I am very proud of the changes and the procedures that were put in place under my leadership. The Office of Field Services is functioning today with no issues to my knowledge and they are still housed within GOLD and being supervised by the new Commissioner.

d. Were you investigated by the Attorney General's office in connection with your involvement with LINK? If not, why did you believe that the Attorney General's office was "convinced that [you were] some mastermind of this"?

In the Fall of 2005, I was subpoenaed to appear before the Franklin County Grand Jury as a witness. In lieu of an appearance before the Grand Jury I met informally with an Assistant Attorney General for the Commonwealth of Kentucky. I took over as GOLD Commissioner one week after the investigation began and had nothing to hide

I was very candid with the Asistant Attorney General, which led me to say I bared my soul. He all but said in our informal interview, which he indicated would be kept private prior to me walking into his office, that "how could I not know or how could I not have played a role in setting up this personnel initiative." It was as if they were assuming that as a successful five year Republican Party Chairman who had overseen the election of the First GOP Governor in 32 years that I was key in the planning—nothing could have been further from the truth and I intended to make that known. I did, and even though I made some colorful statements at time, the Attorney General's office stated that they had no reason to believe that I was anything but truthful and that I was not a target in the investigation.

e. Did you leave your position at the Governor's Office for Local Development as a result of the investigation or any issues related to it?

I did not. I left my position at GOLD to pursue opportunities in the private sector. Kentucky has strict rules on what Commissioned Officers in state government can and cannot do upon their departure from state government. I needed to depart prior to the Legislative Session so I would

not incur any conflicts that would prohibit me from representing clients in Kentucky Government.

f. Do you expect that you may to be called to testify in any upcoming proceedings relating to the LINK office?

I have no way of knowing that. However, based on my interview in the Fall of 2005 and the opinion of my attorney, we do not anticipate I will be called to testify in any upcoming proceedings.

g. Please provide any additional information that would be responsive to Question D.2 of the Committee's biographical questionnaire.

In the Summer of 2004, I was sued in my capacity as Commissioner along with the two other Commissioners and some key state of the Kentucky Public Service Commission in the Franklin Circuit Court, Commonwealth of Kentucky.

13. While you were a member of the Kentucky Public Service Commission, Kentucky Attorney General Greg Stumbo investigated charges of improper meetings between the Commission, Louisville Gas & Electric Co., and Kentucky Utilities. You were subpoenaed during this investigation. The Attorney General also requested the financial disclosure forms that you filed with the Executive Branch Ethics Commission, along with "boxes of travel, phone and meeting records." ("Attorney general investigating PSC commissioners," *The Associated Press*, July 14, 2004). As a result the Public Service Commission reopened the rate case for Louisville Gas & Electric Co., and Kentucky Utilities.

a. Why did you not list this investigation under Question D.2 of the Committee's biographical questionnaire?

I listed it on my White House Clearance Form and in my desire to quickly turn around my questionnaire I neglected to state it on your questionnaire. I was in no way trying to hide anything from the Committee. Again, I apologize.

b. Please provide any additional information that would be responsive to Question D.2 of the Committee's biographical questionnaire.

The charges leveled by Attorney General Greg Stumbo about improper meetings between the Commission, Louisville Gas and Electric Co., and Kentucky Utilities occurred prior to my joining the Commission. My first week on the job was the start of this Rate Case. Upon the filing of a rate case by a utility with the Commission, it is a very long process before if comes to the Commission for a hearing. All the meetings and communications in questions occurred prior to my coming on board. But in my capacity as Commissioner, I had to comply with the subpoena. I did not have a lot of information to present them. The investigation was just

recently completed and it was determined that no improper communications by the KY Public Commission occurred in this rate case.

14. Beyond the events discussed in Questions 13 and 14, please detail your involvement in any events under investigation by any federal, State, or other law enforcement authority for violation of any federal, State, county or municipal law and the disposition, if any, of the investigation as it related to you.

I was the petitioner in my Divorce Proceeding in the Anderson County Circuit Court in 2002. Ellen C. Williams v. Gregory R. Williams.

III. Role and Responsibilities of Governor

15. What do you see as the main challenges facing the Postal Service? How should the Board of Governors work with postal management to address these challenges?

The Postal Service should strive to continue to be the number one provider of delivery of letters and to be aware of the challenges of internet diversion.

The Board should open lines of communication with all stakeholders of the US Postal Service to ensure the continuation of reliable, affordable and accessible services. We must make sure that the services we provide are done professionally, and efficiently. We to focus on the services we do well and work closely with all stakeholders when considering and implementing new services.

16. What do you think should be the Board of Governors' top priorities?

I believe the Board's top priorities should be one of an oversight role, working closely with management to discuss and oversee the implementation of policies and to continually review policies and procedures to ensure we are meeting the needs of the public while providing the motivation and conditions conducive to have a productive workforce at all levels.

17. The Governors are chosen to represent the public interest generally. How do you plan to interact with various stakeholders interested in postal issues and how do you think as a Governor you can effectively represent their ideas?

I believe the most effective way to interact with the various stakeholders is to first meet and learn and understand their issues and listen to their suggestions for solutions and improvements. I would be open to meeting and discussing the issues of concern to each of the individual stakeholders. In order to effectively participate in the Board of Governors, I believe a Governor should learn the issues and understand the concerns prior to making judgments.

18. How do you view the role of a Governor of the Postal Service? What would you highlight from your experience that will enhance your effectiveness in this role?

My past experiences in federal government, state government and managing large organizations have provided me with the training and leadership opportunities to effectively work with groups with differing views and work together to come to good compromises for consumers and to the organization. My understanding of the government will be beneficial as we work to implement postal reform legislation that I understand is pending in Conference Committee at this time.

19. Your term will expire on December 8, 2007. During that time period, what contributions do you hope to make on the Board of Governors?

It would be my hope that on December 8, 2007, all stakeholders believed that I was an integral part in the working group who took the time to learn and understand all issues and challenges and worked in a fair and judicious manner to better the Postal Service. It is hard for me to state specifically the contributions until I better understand the details of the challenges. But I will pledge to be open minded, accessible and mindful that the solutions to problems come from many sources.

IV. Policy Questions

Postal Reform and Financial Issues

20. What are your views on the extent to which fundamental reform is needed in the laws and regulations that govern the Postal Service?

I am not familiar enough with existing laws and regulations to state my views on reform at this time.

21. One of the goals of the reform legislation passed by the Senate (S.662) is to give the Postal Service more flexibility to operate like a business while also providing appropriate accountability mechanisms. How should the role and responsibilities of the Board of Governors complement or balance the role and responsibilities of the regulator under postal reform to ensure appropriate accountability?

I understand there is legislation pending at this time. I would reserve comment until I have had the opportunity to more fully understand the legislation in its final form. In general, I will state that it is very important that the Board of Governors and the regulator work together and provide the balance that is necessary for this trusted and valued government agency to continue to operate with the same level of respect and efficiency that it enjoys today.

22. How can the Board of Governors provide leadership in working with Congress and postal stakeholders to ensure that postal reform legislation is passed and effectively implemented?

The Postal Board of Governors is in the unique position of being able to provide information to Congress from the perspectives of all stakeholders. Once legislation is passed and signed into law, the Board, working with all stakeholders, can assist in ensuring that the legislation is properly implemented.

23. Recent data show that the Postal Service is facing declining volumes in First-Class Mail, which is its largest revenue-producing area, due largely to competition and electronic diversion. What approach should the Postal Service take to maintain its viability and competitiveness?

I wish I had the answer on how to effectively compete with the internet. However, I do believe we can continue to ensure that good products and good service to the hallmark of the US Postal Service. I also believe that there is no substitute for the written word in a piece of mail.

24. Recently, the growth in the Service's operating expenses has outpaced its revenue growth. Many suggestions have been made on ways that the Service could reduce costs and improve productivity. How should the Board be involved in identifying areas for cutting costs and improving efficiency in postal operations?

As with any business or organization, the Board should be involved in working with management to monitor policies, procedures, expenses and revenues. We as a Board must remain vigilant in maintaining our competitive edge and pushing management to communicate with us in an open and ongoing basis.

25. Personnel expenses (which include wages, employee and retiree benefits, and workers' compensation) have consistently accounted for nearly 80 percent of operating expenses, even though the Service has downsized its workforce. These personnel expenses will continue to dominate the Service's financial condition, as growth in benefit costs, and retiree health costs in particular, continue to exceed inflation. What do you think the Service should do with respect to these circumstances?

The Service should remain diligent in monitoring costs and the overall financial condition of the operation. I am not prepared at time to offer an opinion on specific action to be taken. I do anticipate one of my first priorities will be to fully understand the overall budget of the Postal Service as well as the needs and priorities of the workforce both active and retired.

26. Some concerns have been raised about whether it is appropriate for the Postal Service to offer certain new products and services. What are your views regarding whether it is appropriate for the Postal Service to offer products and services that compete with private sector companies?

Whatever the Postal Service does, we must do it well. It is important we continue to focus and improve on what it is we do better than our competitors. I would welcome discussions on new opportunities to serve the public.

Postal Rates

27. The Postmaster General and several Board members have expressed concern that the current ratemaking process is too restrictive and limits the Postal Service's ability to quickly adjust postage rates in a highly competitive and changing marketplace. Do you believe changes are needed in this area, and if so, what types of changes?

Not being familiar with the specific rate- making process, I will reserve comment at this time on this very important issue.

28. Many postal customers are concerned about the prospect of more frequent and larger rate increases as the Service faces an increasingly difficult financial situation. Can the Service continue to operate by regularly increasing rates and remain competitive? What are your views with respect to the need and timing of rate increases?

I am not prepared to discuss the rate increases for the Service at this time. I do look forward to dealing with this very important issue should I be confirmed. At which time, I will thoroughly and completely look into all aspects of the issue.

Facility Closings

29. One of the major initiatives discussed in the Service's Transformation Plan was its goal to optimize its mail processing and distribution network to reduce costs and improve efficiency. Recently, the Service announced that it will begin implementing numerous consolidations of mail processing facilities. Many stakeholders have questions about these consolidations. For example, some have said that the Postal Service has failed to adequately provide sufficient information to affected communities and stakeholders about the reasons for, and impact of, the proposed consolidations or closures. What information do you believe the Service should provide to the public about proposed consolidations of mail processing operations and closings of mail processing facilities, and how widely do you believe such information should be disseminated to affected communities and stakeholders? How can the Service ensure that its decisions related to closing postal facilities take appropriate account of community views and priorities and are fair and objective and perceived to be so?

In theory, the Board should want to provide transparency and full disclosure where it will not violate security and safety measures. But until I more fully understand the Transformation Plan, I will reserve comment.

30. A major issue frequently raised by the public related to the Postal Service's decisions on relocating or closing post offices or processing plants is that the Postal Service does not adequately involve affected communities in the decisionmaking process. What are your views on this issue?

Again, I believe the Board should want to provide full transparency and include all stakeholders in major discussions. However, I do not have enough information on the specifics of this issue to state what my views are.

31. Some stakeholders are concerned about the potential decline in delivery services resulting from consolidations and workforce realignment. How can the Board ensure that delivery performance does not decline as a result of facility consolidations?

The Postal Service must do what we can to maintain the trust and credibility of the public to ensure safety and reliability and provide the absolute best service we can. However, I also know that nothing is failsafe and we as a Board must be vigilant on the changing factors that could affect our performance.

Transparency and Accountability

32. Some mailers have suggested that the Service should establish a set of service standards for specific classes of mail and that the standards, performance goals, and performance be measured and reported regularly, with timely updates included on the Service's web site. Do you agree with the suggestion and should the Board encourage the Service to provide more transparency on its performance information?

Absolutely, I would encourage the Service to provide transparency without jeopardizing safety and security measures. It is important for any business or organization to be open and on target with their reporting and updates to their board and governing body. However, I am not familiar with what is currently being done to comment further.

33. The Postal Service is required to annually report to Congress on its plans and performance related to its major goals. This information is vital to congressional oversight. However, some concerns have been raised that the Service has not established goals related to major postal functions and operations. What can the Board of Governors do to provide leadership in this area?

It is my understanding that the Service has goals and performance objectives that are set for a variety of purposes. But I would need to know more in order to provide the necessary leadership in the particularly area. I do believe that Congress is entitled to timely comprehensive reports on our plans and performance relating to our major goals.

Mail Safety and Security

34. What are the tradeoffs that should be considered to determine what actions USPS should take to enhance the safety and security of the mail? What are the potential impacts on postal operations and service delivery? How should the additional costs for enhancing mail security be funded – i.e., taxpayers or ratepayers? How should the Service manage risks posed by suspicious mail to enhance the safety and security of the mail?

This is a federal response issue and one that I am not knowledgeable enough of to comment on at this time. I do believe it is important for the credibility and trust of the Postal Service to be maintained and we should be mindful of our role in serving the public as well as ensuring the safety of our workforce and the communities we serve.

35. What steps should the Postal Service be taking to maintain trust and credibility with its employees and customers that the mail system is safe? How can the Postal Service improve its response to hazardous incidents to ensure that appropriate safety procedures are understood and followed by all employees?

The Postal Service has done a tremendous job, to the outside observer, of managing and preparing and adapting to the changed environment that is occurring across this country and the world. While nothing is failsafe, the Postal Service must always do everything within our power to maintain trust and credibility of all stakeholders and always do the best can to ensure safety to the public and our workforce.

Workforce-Related Issues

36. The Service has projected that by 2010 about 75 percent of its executives and 50 percent of its managers and supervisors will be eligible to retire. How can the Board work with postal management to address these challenging succession, continuity, and associated cost issues? In your view, has the Postal Service taken sufficient advantage in recent years of the opportunity retirements offer to re-shape the workforce?

It is my understanding there is comprehensive succession plan in place for the Service and it is important for the Board to continually communicate with management on the structure and leadership within the Service. It is the workforce that has afforded the Postal Service to be one of the top governmental agencies. I am, however, not prepared at this time to answer the question regarding specific steps the Service has taken to re-shape the workforce.

A good succession plan must constantly be reviewed, revised if necessary and renewed.

37. How do you believe the Postal Service can ensure that whatever steps it takes to realign its workforce is consistent with its universal service obligation and with any existing strategies on related issues such as automation, facilities consolidations, and worksharing?

The Postal Service must set priorities; constantly review priorities and performance goals, keeping in mind restraining cost growth to continue affordable universal service.

38. Performance-based compensation systems have recently been implemented for postal executives, as well as managers and supervisors. The success of these systems depends on the credibility, validity, transparency, and fairness of the performance measures and their implementation. How can the Board ensure the credibility of the Service's performance-based compensation systems?

The credibility of the Service's performance-based compensation system depends on fair and transparent implementation. The Board should review and oversee this compensation system to ensure its fairness and question its implementation on a regular basis. The Board's involvement and oversight is a key component working with management in the fair and transparent implementation of performance-based compensation.

39. Concerns have been raised regarding diversity within the Postal Service, particularly in the composition of top executives and in contracting practices. What role do you see for the Board of Governors in addressing these concerns?

The Board should be diligent is in encouraging and providing outreach to all stakeholders to encourage diversity in top management position and in contracting practices. This should be a point of discussion and review when strategy of retirements is discussed, when succession plans are reviewed and simply in discussion of overall goals of the Service. As a woman who has participated in fairly male-dominated arenas, I have a great passion for ensuring that there is diversity in management. I believe this provides a stronger, more creative, well rounded structure when dealing with problems and future planning.

40. The Postal Service has recently become subject to Occupational Safety and Health Act (OSHA) workplace safety laws in the same manner as other employers. How can the Board of Governors ensure compliance with this law and encourage efforts to improve the safety of the workplace?

I am not in a position to answer this question without more detailed information on exactly what is being done by the Service at present. I can tell you that I will be a strong advocate for the Postal Service to always comply with any regulations and statutes currently on the books.

41. One longstanding postal issue has been the need to improve labor-management relations within the Postal Service. What can the Board of Governors do to encourage and facilitate greater cooperation between postal management and Postal Service labor unions?

We need to always urge management to listen and work with labor striving to find common ground in solutions. I believe it is important that we encourage employees' views to be not only

heard, but taken into account as we work to improve and strengthen the relationships between management and labor and thus continue to work towards the best Postal Service ever.

Should I be confirmed, I will be interested in interacting with our union leadership and members to first-hand understand the needs and suggestion they have for improving conditions for our workers and the overall success of the Postal Service.

42. Please describe the kind of labor-management relationship you believe is most desirable at the Postal Service, and the steps you believe should be taken to achieve it. Is there anything in your past experiences that demonstrate or sheds light on your approach or views in the area of labor management relations?

I believe the best labor-management relationship needs to be a strong and open relationship. Understanding that both may have different short-term goals, with the long-term goal being the same—provide universal service in an affordable manner with the best trained workforce available. And provide the workforce with the environment where they feel secure, well-compensated, and part of the solution.

V. Relations with Congress

43. Do you agree without reservation to respond to any reasonable summons to appear and testify before any duly constituted committee on the Congress if you are confirmed?

Yes

44. Do you agree without reservation to reply to any reasonable request for information from any duly constituted committee of the Congress if you are confirmed?

Yes

VI. Assistance

45. Are these answers your own? Have you consulted with the Postal Service or any interested parties? If so, please indicate which entities.

I have consulted with the Postal Service Government Affairs staff initially in the discussion of the questions and development of answers.

AFFIDAVIT

I, Ellen C. Williams, being duly sworn, hereby state that I have read and signed the foregoing Statement on Pre-Hearing Questions and that the information provided therein is, to the best of my knowledge, current, accurate, and complete.

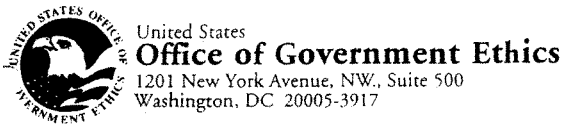
Ellen C. Williams

Subscribed and sworn before me this 25th day of June, 2006.

Lois Ann Dispenett

Notary Public State at Large

My Commission expires June 1, 2008



May 19, 2006

The Honorable Susan M. Collins
Chair
Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, DC 20510-6250

Dear Madam Chair:

Under the Ethics in Government Act of 1978, Presidential nominees requiring Senate confirmation who are not expected to serve in their Government positions for more than 60 days in a calendar year are not required to file public financial disclosure reports. The Act, as amended, however, contains a provision in section 101(b) which allows the committee with jurisdiction to request any financial information it deems appropriate from the nominee.

We understand that your committee desires to receive a financial disclosure report (SF 278) from any Presidential nominee for a position on the Board of Governors of the United States Postal Service, along with a written opinion from this Office regarding any possible conflicts of interest.

Therefore, I am forwarding a copy of the financial disclosure report of Ellen C. Williams, who has been nominated by President Bush for the position of Governor on the Board of Governors of the United States Postal Service. Because Ms. Williams is not expected to serve more than 60 days in any calendar year, the enclosed report and this letter are submitted to you in accordance with your committee's confirmation procedures and will be available for public inspection only to the extent provided by your practices. There is no authority under the Act for public release of this material by the executive branch.

We have reviewed the report and have obtained advice from the United States Postal Service concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is a letter from Ms. Williams to the agency's ethics official, outlining the steps which Ms. Williams will take to avoid

conflicts of interest. Unless a specific date has been agreed to, the nominee must fully comply within three months of her confirmation date with the actions she agreed to take in her ethics agreement.

Based thereon, we believe that Ms. Williams is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

Marilyn L. Glynn
Acting Director

Enclosures