

Treasury and United States Postal Service Reach Agreement on Terms of CARES Act Loan



July 29, 2020

WASHINGTON – Today the U.S. Department of the Treasury announced that it had reached an agreement with the United States Postal Service (USPS) on the material terms and conditions of a loan of up to \$10 billion to the USPS under Section 6001 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The loan will be documented in an agreement to be developed and executed by Treasury and the USPS.

The CARES Act authorizes the USPS to borrow up to \$10 billion from Treasury for operating expenses if the USPS determines that, due to the COVID-19 emergency, it will not be able to fund operating expenses without borrowing money.

“While the USPS is able to fund its operating expenses without additional borrowing at this time, we are pleased to have reached an agreement on the material terms and conditions of a loan, should the need arise,” said Secretary Steven T. Mnuchin. “I look forward to continuing to work with Postmaster General DeJoy to fulfill the President’s goal of establishing a sustainable business model under which USPS can continue to provide necessary mail service for all Americans, without shifting costs to taxpayers.”

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