



US Postal Service to Face Financial Crisis by 2027

Description

The U.S. Postal Service could run out of money within a year. Postmaster General David Steiner warned this may happen unless Congress allows the agency to borrow more money. If the cap does not change, the Postal Service might not pay its workers or suppliers by February 2027, affecting mail delivery.

Steiner plans to speak to Congress about the financial issues the Postal Service faces. He said the borrowing limit of \$15 billion, set in 1990, needs to change. The Postal Service is mostly funded by postage fees but has many responsibilities like delivering mail six days a week, without government funding.

Steiner believes that raising the borrowing limit is an easy step lawmakers can take to assist the agency. He also suggested expanding services, such as a delivery option called last-mile delivery, which focuses on getting packages to customers' homes.

In 2025, the Postal Service lost \$9 billion, even as its revenue increased. Steiner said other changes are essential, like allowing the Postal Service to raise postage prices. He suggested the price of a first-class stamp should increase from 78 to 95 cents. However, an independent commission must approve such changes.

Vocabulary List:

1. **cap** /kæp/ (noun): A maximum limit set on something (for example the highest amount allowed to be borrowed).
2. **borrowing limit** /'bɔːr.ɒs.ɪŋ 'lɪm.ɪt/ (noun phrase): The maximum amount of money an organization or person is allowed to borrow.
3. **postage** /'pəʊ.stɪdʒ/ (noun): Money paid to send letters or packages by mail.
4. **last-mile delivery** /,læst-'maɪl dɪ'lɪv.ər.i/ (noun phrase): The final stage of delivering goods when a package is brought from a local hub to the customer's home; a logistics term.
5. **revenue** /'rev.ə.nuː/ (noun): Money that a business or organization receives from its normal activities (such as sales or fees).
6. **commission** /kə'mɪʃ.ən/ (noun): An official group or body given authority to make decisions or give approvals.

Comprehension Questions



Multiple Choice

1. Who is the Postmaster General mentioned in the text?
Option: David Steiner
Option: Jane Doe
Option: Jonathan Smith
Option: Michael Johnson
2. What is the borrowing limit for the Postal Service set in 1990?
Option: \$10 billion
Option: \$15 billion
Option: \$20 billion
Option: \$25 billion
3. What delivery option does Steiner suggest expanding?
Option: Next-day delivery
Option: Same-day delivery
Option: Last-mile delivery
Option: Bulk delivery
4. How much did the Postal Service lose in 2025?
Option: \$5 billion
Option: \$7 billion
Option: \$9 billion
Option: \$11 billion
5. What is the current price of a first-class stamp mentioned?
Option: 65 cents
Option: 78 cents
Option: 85 cents
Option: 95 cents
6. By what year might the Postal Service not be able to pay its workers according to the text?
Option: 2025
Option: 2026
Option: 2027
Option: 2028



True-False

7. The U.S. Postal Service is funded by government funding.
8. David Steiner believes raising the borrowing limit is important for the Postal Service.
9. The Postal Service delivers mail five days a week.
10. An independent commission must approve changes to postage prices.
11. The borrowing limit for the Postal Service was set in 2000.
12. Steiner plans to communicate with Congress regarding financial issues.

Gap-Fill

13. The Postal Service might not pay its workers or suppliers by _____ 2027.
14. The borrowing limit needs to change from _____ billion.
15. Steiner suggested the price of a first-class stamp should increase to _____ cents.
16. The Postal Service has many responsibilities like delivering mail six days a _____ .
17. In 2025, the Postal Service lost _____ billion.
18. The Postal Service is mostly funded by _____ fees.

Answer

Multiple Choice: 1. David Steiner 2. \$15 billion 3. Last-mile delivery 4. \$9 billion 5. 78 cents 6. 2027

True-False: 7. False 8. True 9. False 10. True 11. False 12. True

Gap-Fill: 13. February 14. 15 15. 95 16. week 17. 9 18. postage

Vocabulary quizzes



Multiple Choice (Select the Correct answer for each question.)

1. What does the cap refer to in financial contexts?
 - Option: Borrowing limit
 - Option: Postage fees
 - Option: Last-mile delivery
 - Option: Revenue generated

2. Which of the following is a primary goal for companies regarding revenue?
 - Option: Maximizing damage
 - Option: Increasing commission
 - Option: Reducing costs
 - Option: Enhancing facilities

3. What is a concern when discussing damage in shipping?
 - Option: Operational efficiency
 - Option: Postage rates
 - Option: Last-mile delivery issues
 - Option: Shipping costs

4. What can cause tensions in the Strait during shipping?
 - Option: New legislation
 - Option: Increased costs
 - Option: Strikes
 - Option: Technological advancements

5. Which of the following is essential for mapping in shipping?
 - Option: Genetic therapies
 - Option: Interruption management
 - Option: Tracking technology
 - Option: Postage calculations

6. What does commission typically refer to in a business context?
 - Option: A form of damage assessment
 - Option: A type of facility
 - Option: Revenue sharing between agents
 - Option: Cap on borrowing

7. What are companies often keen to reduce to increase profits?
 - Option: Prices
 - Option: Facilities
 - Option: Damage



Option: Costs

8. What type of legislation is often discussed to regulate shipping?

- Option: Proposed policies
- Option: Past regulations
- Option: Current tariffs
- Option: Obsolete laws

9. In logistics what does mapping primarily refer to?

- Option: Cost estimation
- Option: Route planning
- Option: Damage control
- Option: Revenue tracking

10. What is last-mile delivery crucial for in the shipping process?

- Option: Pricing strategies
- Option: Customer satisfaction
- Option: Damage assessment
- Option: Mapping routes

Gap-Fill (Fill in the blanks with the correct word from the vocabulary list.)

11. The borrowing limit for small businesses is often set by financial institutions at _____

.

12. Postage rates can significantly affect the overall _____ of shipping products.

13. Agents often earn a commission based on the _____ they generate from sales.

14. In logistics assessing damage is necessary to determine the _____ of goods.

15. Power interruptions can severely impact _____ in a delivery network.

16. Geopolitical tensions can affect the _____ of goods across certain straits.

17. Labor strikes can lead to _____ in service delivery and supply chains.

18. Emerging technology can revolutionize the _____ of shipping logistics.

19. Accurate mapping is crucial for ensuring timely _____ in last-mile delivery.



20. Increasing _____ is a fundamental goal for businesses seeking expansion.

Matching Sentences (Match each definition to the correct word from the vocabulary list.)

21. A cap is placed on borrowing limits to ensure financial stability for individuals and businesses.
22. Last-mile delivery refers to the final step of transporting goods to the end customer.
23. Revenue is the total income generated from business operations before any expenses are deducted.
24. Commission is a fee paid to an agent or employee based on the sales they facilitate.
25. Damage assessment is crucial after shipping incidents to determine the loss incurred.
26. Power outages can disrupt various operations leading to delays and increased costs.
27. Technology advancements are shaping the future of logistics and shipping industries.
28. Tensions in international relations can significantly impact trade routes and shipping activities.
29. Mapping technology improves route efficiency and optimizes delivery times in logistics.
30. Strikes in the transportation sector can lead to widespread disruptions in service delivery.

Answer

Multiple Choice: 1. Borrowing limit 2. Reducing costs 3. Last-mile delivery issues 4. Strikes 5. Tracking technology 6. Revenue sharing between agents 7. Costs 8. Proposed policies 9. Route planning 10. Customer satisfaction

Gap-Fill: 11. specific thresholds 12. costs 13. revenue 14. replacement costs 15. operations 16. shipping routes 17. interruptions 18. efficiency 19. dispatch 20. profit

Matching sentence: 1. cap 2. last-mile delivery 3. revenue 4. commission 5. damage 6. power 7. technology 8. tensions 9. mapping 10. strikes

CATEGORY

- 1. Business - LEVEL2

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Date Created

2026/03/06

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