

# Expanding Access to Government Services Through the Postal Network

## RISC REPORT

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# Executive Summary

The U.S. Postal Service operates the nation's most extensive public service infrastructure. Its network of facilities, logistics capabilities, and nationwide workforce provides unmatched geographic reach, strong public trust, and daily engagement with every address in the country. In addition to its core mail delivery mission, USPS supports other agencies and generates supplemental revenue through nonpostal government services, such as passport processing, identity verification, and facility leasing. In FY 2025, these nonpostal services produced \$387 million in revenue, with passport processing representing roughly 80 percent of the total. To date, these services have been provided exclusively to federal agencies.

## Opportunities for Expansion

Historically, nonpostal services have been limited by law to federal entities. However, the Postal Service Reform Act of 2022 broadened USPS's authority allowing it to partner with state, local, and tribal governments. Despite this expanded authority, and the Delivering for America plan's stated goal of positioning USPS as a national "government storefront", the organization has not yet reached out to nonfederal partners or established a formal strategy to explore new opportunities.

To assess where development opportunities may exist, the Office of Inspector General (OIG) interviewed selected federal and state officials and reached out to the National Governors Association. These discussions revealed interest in leveraging the postal network to improve service access in rural and underserved areas.

Agencies highlighted in-person identity verification for social service programs, self-service Department of Motor Vehicle (DMV) kiosks, and leveraging postal real estate for collocated services. They also pointed to opportunities for rooftop leasing to support broadband and 5G expansion, particularly given that about 9,000 post offices operate in underserved

counties nationwide. Additional concepts included using carrier routes for passive data collection, such as environmental monitoring, and activating postal last-mile assets to support national and local emergency response. Although the OIG's outreach was limited and not designed to quantify the market for these services, the interest expressed by participants provides insights into agencies' needs and suggests substantial potential demand beyond the organizations consulted. This report also includes numerous specific use cases proposed by the interviewed agencies, offering USPS a possible starting point.

## Key Success Factors

To better understand how USPS could advance this opportunity, the OIG examined practices adopted by international postal operators with more advanced government services portfolios. While not exhaustive, the review identified several recurring success factors.

Effective postal operators maintain consistent, proactive engagement with government partners through dedicated sales teams and accessible online resources. They rely on a centralized internal organizational structure that serves as a single point of contact and oversees partnership development with clear processes and responsibilities. These posts seek out external funding, including government grants or inclusion in national public service plans. They use data and market intelligence to identify areas where service needs exist, and private sector options are limited. They develop standardized offerings to reduce customization costs. And, most importantly, they structure these efforts into comprehensive strategic plans with clear objectives, governance, operating models, and funding requirements.

Currently, at the federal level, USPS's approach to government services remains largely reactive and handled on a case-by-case basis. At the state level, the Postal Service has not yet initiated

engagements, and agencies showed limited awareness of USPS's existing services and its authority to partner with them, leaving many unsure of how to initiate potential partnerships. Although USPS has established an internal government services workgroup, responsibilities for outreach, service design, and implementation remain split across multiple organizational units. USPS has also not yet developed a unified strategic plan to identify and evaluate opportunities to develop this line of business going forward and move toward its vision of a modern government storefront capable of meeting evolving community needs nationwide.

The OIG recommends that the Postal Service develop a government services strategic roadmap that outlines the steps to identify and evaluate opportunities to expand services across the different levels of government.

# Observations

## Introduction

Throughout its 250-year history, the United States Postal Service has been a cornerstone of American life, serving as a trusted civic institution that fosters social and economic connectivity across communities, particularly in rural and underserved areas.<sup>1</sup> With a vast infrastructure consisting of physical facilities, logistics capabilities, and a nationwide workforce, USPS stands as the nation's most expansive public service infrastructure.

### Box 1: Postal Service's Infrastructure - FY 2025

**A CRITICAL INFRASTRUCTURE THAT REACHES EVERY ADDRESS IN AMERICA**

 **108.7 Billion Mail Pieces**  
Delivered to 156 Million Residences and 12.6 Million Businesses

**34,000 Retail Locations**  
with 655 Million Customer Visits and one of the Most Visited Federal Government Websites 

 More than **630,000 Employees**

**Over 258,000 Vehicles**   
Representing one of World's Largest Civilian Fleets

 **Interconnected Network**  
Producing and Collecting Billions of Data Points

**Over 170.4 Million Addresses**   
in the Nation's Most Comprehensive Addressing Database

Source: USPS OIG

USPS provides a critical link for American commerce and communication, with delivery operations reaching nearly every residence and business across the country, six days a week. This expansive network includes one of the world's largest civilian fleet of vehicles, a nationally interconnected network producing and collecting billions of data points, over 630,000 employees, and the nation's largest retail network, which serves hundreds of millions of customers annually (see Box 1).

In addition to providing its own services to the public, the Postal Service leverages its infrastructure to assist other government entities in fulfilling their public mandates. It plays a vital role in the electoral process through the secure management and timely delivery of millions of mail-in ballots and Election Mail. Furthermore, the Postal Service facilitates broader access to government functions by providing nonpostal services to federal entities through Inter-Agency Agreements (IAAs). These partnerships include public-facing functions provided by the Postal Service, such as passport processing and identity verification, that enhance convenience for citizens while reducing costs for government entities.

These capabilities generate revenue for the organization while reinforcing the importance of its public service role. While nonpostal services were historically limited to the federal government, the Postal Service Reform Act (PSRA) of 2022 enabled partnerships with state, local, and tribal governments.

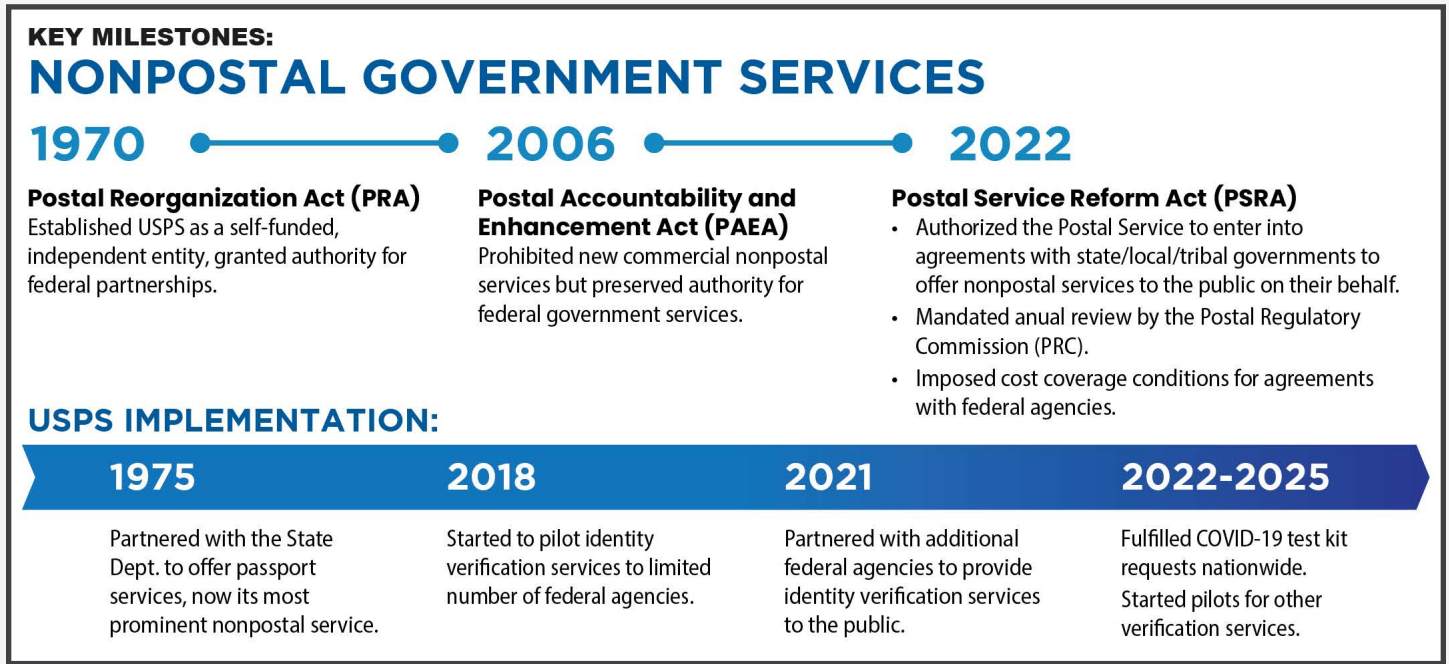
Building on this foundation, this paper examines the current landscape of USPS's nonpostal government services and identifies strategic opportunities for expanding revenue and social value, particularly through potential partnerships with state and local governments (see Appendix A).

<sup>1</sup> USPS Office of Inspector General (OIG), Rural and Urban Origins of the U.S. Postal Service, RISC-WP-19-007, August 26, 2019, <https://www.uspsig.gov/reports/white-papers/rural-and-urban-origins-us-postal-service>.

# Expanded Authority to Offer Government Services

Over the last 50 years, the Postal Service’s authority to deliver government services has evolved through three landmark legislative acts. (See Figure 1.)

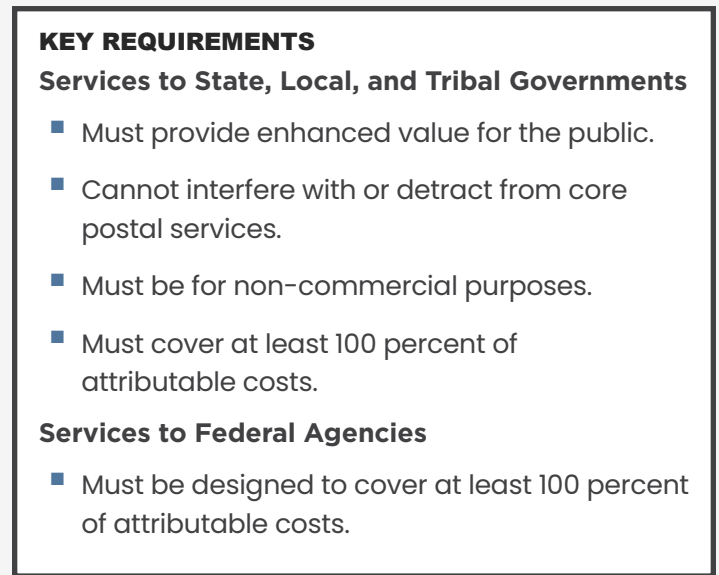
Figure 1: Key Milestones Shaping Nonpostal Government Services (1970–2025)



Source: USPS OIG

The Postal Reorganization Act (PRA) of 1970 transformed the Post Office Department into the U.S. Postal Service, an independent establishment of the executive branch. The PRA mandated that USPS operate like a business by prioritizing financial self-sufficiency while maintaining universal service obligations.<sup>2</sup> The Postal Service also obtained broader authority to offer nonpostal services to the public and enter into IAAs with other federal agencies.<sup>3</sup> In 1975, USPS began a partnership with the U.S. Department of State to offer passport services.

Figure 2: PSRA Criteria for Government Services



Source: OIG analysis of 39 U.S.C. § 3703-3705.

<sup>2</sup> Postal Service offerings are strictly governed by statutory limits designed to protect core operations, ensure fair competition, and prevent discriminatory practices. Such limits are established in laws like 39 U.S.C. §§ 404(a), 101(e), 403(c), and the Postal Accountability and Enhancement Act of 2006. For additional context, refer to USPS OIG, *Business or Public Service? Insights into the Unique Laws and Regulations Applying to the Postal Service*, Report No. RISC-WP-24-006, August 2, 2024, <https://www.uspsig.gov/sites/default/files/reports/2024-08/risc-wp-24-006.pdf>.

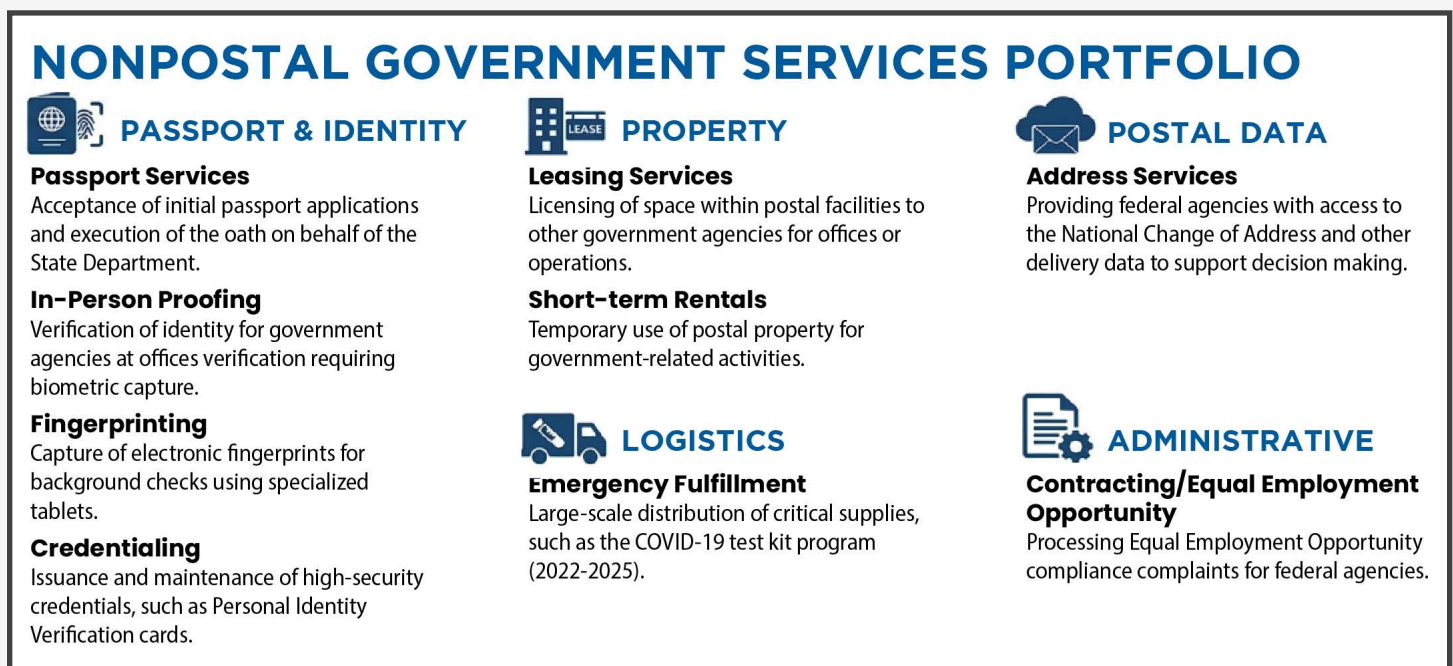
<sup>3</sup> These agreements establish the scope of work, technical requirements, and financial terms between USPS and partner agencies.

The 2006 Postal Accountability and Enhancement Act (PAEA) prohibited USPS from providing new "commercial" nonpostal services.<sup>4</sup> However, it explicitly preserved the Postal Service's ability to provide property and services to federal agencies.

The Postal Service Reform Act (PSRA) of 2022 significantly broadened the Postal Service's authority to leverage its network as a "storefront" for all levels of government service, allowing USPS to partner with state, local, and tribal governments for non-commercial purposes.<sup>5</sup>

These services are strictly limited to core government functions, or services provided on behalf of government agencies that prioritize public value and accessibility, such as lowering costs or increasing community convenience, rather than operating for the sole purpose of financial gain. Under the PSRA, government services must satisfy three primary criteria: they must provide a clear public benefit, maintain operational integrity by not interfering with core postal duties, and ensure full cost coverage by generating revenue that accounts for at least 100 percent of attributable costs (see Figure 2).<sup>6</sup>

Figure 3: Nonpostal Government Services in FY 2025



Source: OIG analysis

## Existing Government Services

The Postal Service's government service portfolio helps federal agencies expand access and reduce the cost of public services, while providing USPS with a steady, though limited, revenue stream (see Figure 3).

## A Varied Portfolio of Services

In FY 2025, the Postal Service's government services portfolio included the following key services:

- **Passport & Identity:** In partnership with the U.S. Department of State, the Postal Service manages

4 In 2008, the Postal Regulatory Commission (PRC) characterized activities of a commercial nature as involving "ongoing activity of a commercial nature offered to the public for purposes of financial gain." Postal Regulatory Commission, *Review of Nonpostal Services Under the Postal Accountability and Enhancement Act*, Order No. 154, 2008, <https://www.prc.gov/sites/default/files/pr/PRC%20Rules%20on%20Nonpostal%20Services.pdf>.

5 As part of a series of recommendations to help USPS achieve financial sustainability, a 2018 Presidential Task Force recommended that the USPS "explore supplying services for Federal, State, and local government entities that have substantial scale, would generate revenue, and would not present a balance sheet risk to the USPS." See Presidential Task Force on the United States Postal System, *United States Postal Service: A Sustainable Path Forward*, December 2018, [https://home.treasury.gov/system/files/136/USPS\\_A\\_Sustainable\\_Path\\_Forward\\_report\\_12-04-2018.pdf](https://home.treasury.gov/system/files/136/USPS_A_Sustainable_Path_Forward_report_12-04-2018.pdf), p. 61.

6 Beginning in 2024, the Postal Service is required to report to the PRC on the "costs, revenues, rates, and quality of service" relating to all nonpostal government services. See Postal Regulatory Commission, *Order Revising Rules for Periodic Reporting of Service Performance*, Order No. 6439, February 9, 2023, <https://prc.arkcase.com/api/prc-dockets/filing/downloadFile?fileId=156260&inline=true>, p. 16-17.

the intake of new passport applications.<sup>7</sup> As a supplementary service, the Postal Service also offers the capture of passport photos to the public.

The most widely available type of identity service is in-person proofing (IPP). IPP at post offices can be a convenient fallback option when online identity verification is impractical or unsuccessful. The other main category, biometric services, includes the taking of fingerprints at the post office as part of background check requests.

- **Property:** Leasing of USPS-owned property and rentals for federal partners, typically through the General Services Administration (GSA).
- **Logistics:** Distribution of critical supplies, such as the COVID-19 Test kit program, which concluded in March of 2025.
- **Postal Data:** Helping federal agency operations by providing ZIP-Code or address-related postal data that supports their operations (see [Appendix B](#)).<sup>8</sup>
- **Administrative Support:** Support for the processing of Equal Employment Opportunity (EEO) claims on behalf of over a dozen other federal agencies.

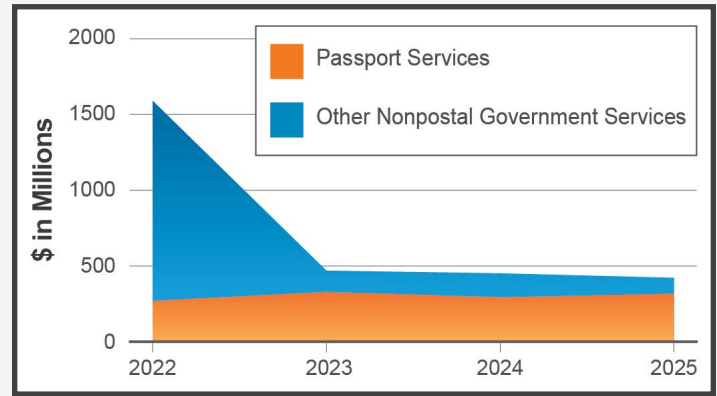
In FY 2025, nonpostal government services generated \$387 million, contributing approximately 0.5 percent to the Postal Service’s \$80.5 billion total operating revenue.

### Government Services Generate Steady Revenue

While the Postal Service has provided various government services for decades, the PRC began a formal review of nonpostal revenue in FY 2022 following legislative changes. Since this formalization, revenue from nonpostal government services has remained largely steady, apart from a significant surge to \$1.46 billion in FY 2022. This spike was driven by the COVID-19 Test Kit Fulfillment program, which delivered over 668 million kits nationwide. Following the program’s conclusion in March 2025, total

government service revenue has stabilized to levels consistent with a portfolio driven by passport services (see Figure 4).<sup>9</sup>

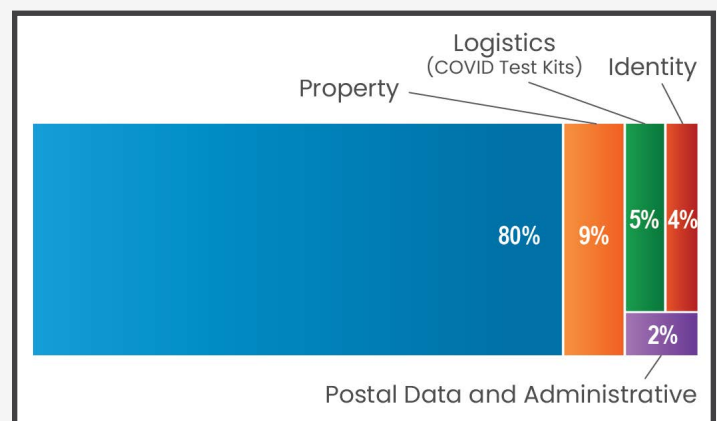
**Figure 4: Revenue from Nonpostal Government Services FY 2022 to 2025**



Source: OIG analysis of USPS data.

In FY 2025, revenue from passport application fees alone represented 80 percent of the total portfolio. The second largest category was property services (leasing) with 9 percent, followed by logistics (5 percent), which included the COVID-19 test kit program (see Figure 5). While widely available to the US population, identity services comprised less than 4 percent of the total revenue.

**Figure 5: Revenue from Nonpostal Government Services in FY 2025 as Percentages of Total Government Services Revenue**



Source: USPS

7 The USPS serves as a Passport Application Acceptance Facility for first-time applications and certain renewals (Form DS-11). While the USPS facilitates the mailing of renewal applications, the U.S. Department of State began a full rollout of its Online Passport Renewal (OPR) system in 2024 for eligible adult applicants, though mail-in renewals remain a standard option.

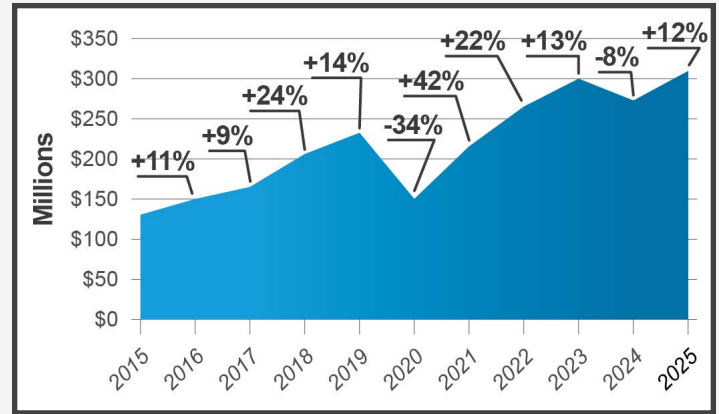
8 For example, the Postal Service provides the Department of Housing and Urban Development (HUD) with aggregated address vacancy rates to serve as leading indicators for housing market shifts. Additionally, USPS provided geocoordinates for delivery points to agencies like the Census Bureau and USDA (See [Appendix B](#).)

9 While all nonpostal government service categories cover their direct costs, profitability levels vary by operational demand. Services such as Logistics and Postal Data and Property Services yield higher margins because they leverage existing infrastructure and data with minimal additional overhead. Conversely, labor-intensive services like Passport & Identity involve higher operational costs, resulting in lower relative margins.

Revenue from passport services is driven by the volume of applications and has historically demonstrated overall growth, a trend briefly interrupted by the COVID-19 pandemic. Since 2015, passport revenue has doubled, while the fee USPS earns for each passport executed has increased by only 40 percent, from \$25 to \$35. Revenue increased by 12 percent in FY 2025 after a decrease of 8 percent the year prior (see Figure 6).




Identity services are currently anchored by agreements with the FBI (fingerprinting), which represents 83 percent of this segment’s revenue, the Department of Labor (for unemployment insurance), and the GSA (Login.gov) (see Box 2).<sup>10</sup>

**Figure 6: Passport Fee Revenue (FY 2015 to FY 2025)**



Source: OIG analysis of USPS data

**Box 2: The Postal Services Identity Portfolio FY 2025**

| IDENTITY SERVICES ARE PROVIDED TO THREE FEDERAL AGENCIES                            |                                       |  |   |
|---|---------------------------------------|--|---|
|   | Primary Service Provided              | Purpose & Use Case   | Scale   |
|   | Basic In-Person Proofing (IPP)        | Verifying identity for unemployment insurance benefits to prevent fraud.                 | Available at over 18,000 Post Office locations nationwide.  |
|  | IPP via Login.gov & PIV Credentialing | Verifying identity of new Login.gov users and PIV card activation for federal employees. | Login.gov IPP available at over 18,000 locations. Approximately 30 strategic locations offer PIV credentialing. |
|  | Digital Fingerprinting (IdHSC)        | Background checks for employment, adoption, and firearm purchase appeals.                | Expanded to approximately 1,200 locations nationwide as of FY 2025.   |

Source: OIG analysis

**Partner Agencies Needs Generally Drive Service Locations**

The availability of government services at post offices depends on two primary factors: the geographic coverage needs of the partner agency and the location’s technical capabilities.

For example, the Postal Service provides passport services at about 4,850 locations nationwide, effectively serving as the primary bridge with the

public where Department of State’s facilities are not present. The Postal Service told the OIG that the Department of State determines the location criteria taking into account population density among other considerations.

Similarly, the deployment of Biometrics primarily aligns with FBI needs. The service requires specialized Electronic Biometric Identity Services (EBIS) tablets for high-security verification and digital fingerprinting.

<sup>10</sup> Login.gov is the federal government’s secure, shared sign-in service operated by the General Services Administration (GSA). It allows people to use one account to access many different government websites and services. For more details, see OIG, The Role of the Postal Service in Identity Verification, RISC-WP-22-006, May 11, 2022, RISC-WP-22-006.pdf. In FY 2025 USPS conducted over 750,000 identity verification transactions on behalf of federal agencies.

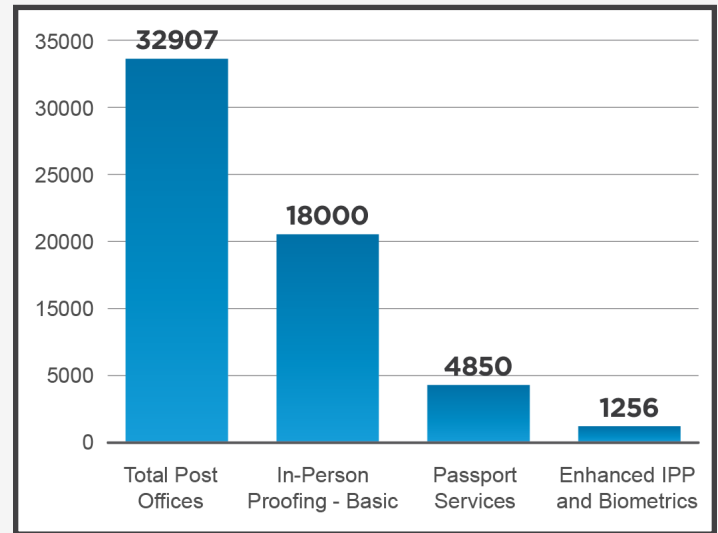
Services are currently deployed at approximately 1,256 locations (compared to 600 in FY 2024) primarily in higher-density areas. By utilizing a shared technical foundation, the Postal Service benefits from economies of scale: once a facility is equipped with the necessary hardware for one agency, such as fingerprinting for the FBI, onboarding additional agencies should require minimal incremental investment.

In contrast, the implementation of the basic In-Person Proofing service was mainly shaped by the availability of the Postal Service’s Retail Systems Software (RSS), deployed in the mid-2010s to 18,000 locations (see Figure 7).

While at least 98 percent of the US population can get to the nearest basic IPP and passport services locations within a convenient half-hour drive, biometric services are less widespread and concentrated in regional hubs (see Table 1).<sup>11</sup> In fact, approximately 30.4 million people (9 percent of the population) would have to travel more than 60 minutes to access a USPS biometric site. This

coverage gap is most pronounced in the western United States and rural corridors (see Appendix C). These findings highlight an opportunity to expand the biometric service footprint to better serve underserved communities.

**Figure 7: Post Offices Offering Government Services in FY 2025**



Source: USPS

**Table 1: Summary of Coverage Gaps (FY 2025)**

| Service Type                           | Population within 15-min drive | Population within 30-min drive |
|--|--------------------------------|--------------------------------|
| Post Office                            | 93 %                           | 98 %                           |
| Post Office offering Passport Services | 71 %                           | 92 %                           |
| Post Office offering Fingerprinting    | 47%                            | 76%                            |

Source: OIG analysis

### The Postal Service has Not Yet Explored Partnerships with State, Local or Tribal Governments

Despite the expanded authority and the intent to engage with state and local government, stated in the Delivering for America plan, the Postal Service does not have IAAs with state, local, or tribal entities, and has not yet initiated outreach or systematic efforts to assess the interest, service needs or technical requirements of non-federal government agencies.

The Postal Service’s Delivering for America ten-year plan strategically positions postal retail locations as

the “storefront for government services.” Postmaster General Steiner has reaffirmed this objective, noting

**“It’s just the nature of small-town life that the post office becomes the hub of activity. That’s where you go in and you go to get your mail ...it’s where you come in to do your business.”**

**State Government Official**

<sup>11</sup> According to the Postal Service, 99 percent of the U.S. population are within 10 miles of Basic IPP Services.

that USPS is a "natural partner" to increase the accessibility and efficiency of services at all levels of government.<sup>12</sup>

However, as of January 2026, all active agreements remained exclusively with federal agencies and engagement with state and local governments has been limited to:

- **Past Pilots:** The most notable example is the 2021–2022 partnership with the California Department of Motor Vehicles (DMV). While it successfully demonstrated that post office kiosks could handle vehicle registration renewals and replacement stickers, it was a time-bound pilot that has not yet been renewed due to insufficient demand, and it has not yet been tested in other states.<sup>13</sup>
- **Indirect Support:** Currently, state governments benefit from USPS services indirectly through federal IAAs. A prime example is In-Person Proofing (IPP): while the USPS has a contract with the U.S. Department of Labor (DOL), the actual service supports state-run unemployment insurance programs. For example, a claimant in Colorado filing for unemployment may be required to visit a local post office to verify their identity in person, satisfying state requirements through a federal framework. Similarly, the Postal Service coordinates with FEMA to provide emergency logistical support that benefits local disaster zones, though the formal agreement remains federal.
- **Local Non-Profit Initiatives:** The USPS maintains a presence in local communities through non-revenue public services, such as the National Association of Letter Carriers (NALC) Food Drive. While these initiatives build public trust and highlight the "civic" value of the carrier network, they do not function as the revenue-generating, cost-covering agreements envisioned by the PSRA.

## Opportunities for Expansion

To identify strategic opportunities, we interviewed federal stakeholders (including the Federal Communications Commission and the U.S. Treasury Inspector General for Tax Administration) held deep-dive discussions with state officials in Colorado, Texas, and New Mexico, and engaged with the National Governors Association. The OIG also discussed current and potential capabilities with the Postal Service.

These discussions focused on determining where the postal network could provide the most additional value, particularly in serving rural and underserved populations. While not designed to quantify the market for government services, the interviews provided insights into the agencies' needs and highlighted opportunities for expansion at both federal and state levels. Although the additional revenue government services may yield is uncertain, they could contribute to the bottom line and meaningfully advance USPS's role as essential public service infrastructure.

### Identity Services

Both interview insights and USPS's statements to the OIG indicate that identity services are a growth area (see [Table 2](#)).

The Postal Service told the OIG that they are working to leverage one opportunity with the Transportation Security Administration (TSA). In September of 2025, USPS launched a pilot with private company Telos to allow TSA PreCheck® enrollment and renewal.<sup>14</sup> Six locations, all on the East Coast, piloted the service. Currently, PreCheck is available at approximately 1,300 private-sector locations. If the Postal Service was able to work with the TSA to provide the service at the 1,250 postal locations already equipped with biometric hardware, USPS would improve access for applicants, in particular in rural areas where private vendors lack a physical presence.

<sup>12</sup> See Postmaster General David Steiner's November 14, 2025, USPS Board of Governors Meeting Remarks, USPS National News, November 14, 2025, <https://about.usps.com/newsroom/national-releases/2025/1114-pmg-ceo-david-steiner-remarks-during-the-nov-14-usps-bog-meeting.htm>.

<sup>13</sup> According to the Postal Service, when kiosks were tried with California's DMV, the needed use did not materialize to justify California continuing to pay for the spaces.

<sup>14</sup> National Association of Postal Supervisors, Retail Service Talk, September 9, 2025, [https://naps.org/files/galleries/New\\_Pilot\\_Program\\_to\\_Perform\\_TSA\\_PreCheck\\_Enrollment\\_Services\\_Richardson\\_09102025.pdf](https://naps.org/files/galleries/New_Pilot_Program_to_Perform_TSA_PreCheck_Enrollment_Services_Richardson_09102025.pdf).

States identified two high-gap areas where USPS could fill identity service needs, particularly for residents without high-speed internet. One area is benefit enrollment, in particular the provision of IPP and document scanning for the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Medicaid.<sup>15</sup> The other relates to streamlining the credentialing process for essential workers, such as teachers or nurses.<sup>16</sup>

To identify priority areas, the Postal Service could determine where its IPP and emerging biometric locations would close coverage gaps. By mapping areas where private sector competitors (such as Identigo of IDEMIA) are not active, the Postal Service could identify underserved areas. These maps would help the Postal Service assess which states, beyond the sample of agencies the OIG interviewed, show the greatest unmet demand for benefit enrollment and high security biometrics for state licensing, prioritizing its outreach where the need and potential impact are highest.

**Table 2: Potential Growth Areas for Identity Services**

| Service   | Opportunity   | Description   | Stakeholders   |
|---|---|---|--|
| Biometric Services for TSA                        | Expand ongoing USPS pilot                           | Expand TSA PreCheck® and other biometric enrollments to all 1,250 existing biometric-equipped locations.  | Transportation Security Administration (TSA)   |
| IPP – Benefit Enrollment Support                  | Explore partnership with state and federal agencies | Provide in-person identity verification and document scanning for SNAP, TANF, and Medicaid applicants.  | State Departments of Health and Human Services; Centers for Medicare & Medicaid Services (CMS) |
| Biometric Services – State Professional Licensing | Explore partnership with state                      | Streamline state-required fingerprinting and identity checks for nursing, teaching, and other essential credentials before workers can be legally licensed to practice. | State Licensing Boards; Departments of Education; State Regulator Agencies                     |

Source: OIG analysis

Finally, the Administration’s recent initiative to improve eligibility verification processes in Federal and state-administered benefit programs may further drive IPP growth. The Postal Service’s IPP services could provide the high-assurance verification required to eliminate fraud caused, in particular, by self-certification of identity.<sup>17</sup>

**Property Leasing and Co-location**

The Postal Service can rent out to third parties, including other government entities, buildings it no

longer needs for its operations but also underutilized space in facilities it currently uses (co-location).

The Postal Service owns about 8,500 facilities, about 45 of which are currently rented out to federal government agencies compared with 76 in 2015. Geographically, active government leases are most concentrated in the Southeast region and are generally located in mid-sized or rural areas (see [Figure 8](#)).<sup>18</sup>

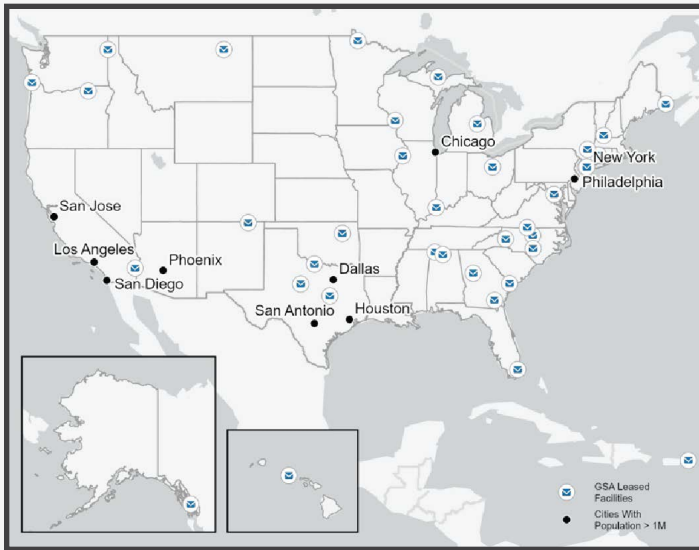
<sup>15</sup> SNAP, formerly known as “food stamps,” is a federal program provides food-purchasing assistance for low – and no-income people living in the United States. TANF is a federal grant program that allows states to provide monthly cash assistance and related support services to low-income families with children. While applications can be started online, federal law requires identity verification before benefits are certified, a step that often presents a barrier for those without reliable transportation or internet access.

<sup>16</sup> In many states, a newly graduated nurse must provide a government-verified identity check and fingerprinting to the State Board of Nursing before being issued a license to practice.

<sup>17</sup> Executive Order 14395 of March 16, 2026 created a Task Force which, among other goals, will oversee stronger eligibility checks, identify emerging fraud risks, and establish baseline anti-fraud standards, such as identity verification and documentation. See White House, “Establishing the Task Force to Eliminate Fraud,” Presidential Actions, March 16, 2026, <https://www.whitehouse.gov/presidential-actions/2026/03/establishing-the-task-force-to-eliminate-fraud/>.

<sup>18</sup> USPS also occasionally offers short-term rentals of its facilities, for purposes such as training, professional development, and temporary use by external organizations.

**Figure 8: Locations of Long-term Leased Facilities (FY 2024)**



Source: OIG analysis of Postal Service data.

USPS told the OIG that the decline in rentals is the result of an increased focus on reducing the number of underutilized facilities rather than maintaining them for long-term co-location or rental agreements. Most of the current rental agreements are with federal agencies (such as U.S. District Courts and the U.S. Marshals Service) and are managed by the General Services Administration (GSA). The Postal Service can also enter into direct lease agreements with federal agencies holding independent leasing authority, as it has with the Smithsonian Institution for the National Postal Museum. Finally, other existing forms of small-scale rentals include co-location, such as the rental of post office space to private operators of biometric kiosks like NextGenID.<sup>19</sup>

As far as state, local or tribal governments are concerned, USPS stated that it does not currently have any rental or co-location agreements in place. However, interviews with state officials identified co-locating services in active postal facilities such as post offices represents a possible partnership area.

For example, the Postal Service’s post offices could act as a public service hub providing several public

services from a single, convenient location. State agencies in Texas told the OIG that the postal network could serve as a multi-agency hub, offering a ‘single lease’ solution to bridge service gaps in remote areas where citizens may currently travel over 100 miles for state services. Past OIG projects have explored the value of this model, which has been successfully implemented by posts in other countries such as France.<sup>20</sup> By renting space to these entities, the Postal Service could generate rental revenue while creating a “one-stop shop” for public services that also brings additional foot traffic into its post offices.

**“More [state agency] locations without the difficulty of a lease with the private sector – and instead just a single USPS lease? This makes sense.”**

**State Government Official in discussion with the OIG**

At the federal level, the Postal Service could join the GSA’s Space Match platform. Launched in March 2024 by the GSA, this initiative connects federal agencies in need of workspace with those that have extra seats available, fostering collaboration, reducing costs, and supporting increased occupancy rates. The Postal Service could market “micro” excess space, such as individual workstations or small workroom footprints, to federal agencies seeking flexible environments.

A 2025 OIG audit identified that inconsistent data, and the lack of a centralized inventory prevented the Postal Service from accurately identifying and marketing underutilized space for federal co-location.<sup>21</sup> Addressing these data and inventory gaps is a prerequisite for effectively expanding this portfolio (see Table 3).

<sup>19</sup> NextgenID, NextgenID completes Phase 1 of PresenceID network deployment across USPS locations, February 11, 2025, <https://www.nextgenid.com/news-nextgenid-completes-phase-1-presenceid-network-deployment-across-usps-locations.php>.  
<sup>20</sup> For a discussion of the “France Services House” model, see USPS OIG, *Maintaining Rural Retail Networks: Best Practices Abroad and Implications for the U.S. Postal Service*, RISC-WP-20-003, April 9, 2020, <https://www.usps.oig.gov/reports/white-papers/maintaining-rural-retail-networks-best-practices-abroad-and-implications-us>, p.10.  
<sup>21</sup> For a discussion of these data and compliance issues, see USPS OIG, *Excess and Underutilized Space*, Report Number 25-090-R26, November 24, 2025, <https://www.usps.oig.gov/sites/default/files/reports/2025-11/25-090-r26.pdf>.

**Table 3: Opportunities for Expanding the Government Services Real Estate Portfolio**

| Service        | Opportunity   | Description  | Stakeholders                               |
|----------------|---|--|--|
| Direct Leasing | Leasing vacant postal buildings.                    | Explore opportunities to direct leases to state or local agencies.                         | Federal, state, local, and tribal agencies |
| Co-location    | Leasing through the GSA Space Match platform.       | Market small, underutilized space to other agencies through the platform.                  | GSA; Federal Agencies                      |
| Co-location    | Post offices as hubs for state government services. | Identify states interested in leasing space to pilot co-located state government services. | Federal, State, Local, and Tribal Agencies |

Source: OIG analysis

### Self-Service Kiosks

Renting space in postal retail facilities to third-party service kiosks has the potential for USPS retail facilities to become a broader platform for public access.

**Figure 9: California Department of Motor Vehicles (DMV) Advertisement for Kiosks Piloted at Post Offices in 2022**



An example of this partnership model is the 2021–2022 pilot with the California Department of Motor Vehicles (DMV). Touchscreen kiosks were installed at select California post offices, allowing customers to renew vehicle registrations and receive replacement stickers without visiting a DMV field office (see Figure 9).<sup>22</sup>

While, as previously mentioned, this particular pilot was not successful, several agencies expressed an interest in exploring partnerships with the Postal Service (see Table 4). At federal level, the Treasury Inspector General for Tax Administration (TIGTA) told the OIG that an opportunity may exist for the Internal Revenue Service (IRS) to host self-service kiosks within post offices. This initiative would target "service deserts," or communities with limited physical IRS presence, to improve taxpayer accessibility.

Similarly, DMVs in Texas and Colorado told us they are looking to expand into counties currently lacking local offices. For instance, out of 64 counties in Colorado, DMV officials identified 12 that currently lack self-service kiosks, creating 'service deserts' where residents must travel long distances to a DMV office in a county seat for simple renewals. State officials told the OIG that post offices are the primary candidates for expansion in these areas – particularly in areas where residents lack home delivery and already visit the post office daily to access their Group E PO boxes.<sup>23</sup> By prioritizing post offices with 24-hour lobbies and high concentrations of these boxes, the USPS may provide secure, accessible sites that may meet the needs of some DMVs.

Officials from the Colorado DMV also expressed interest in a shared-service kiosk model. In this "all-in-one" configuration, a single physical kiosk would support multiple government entities, potentially including USPS, through a unified software interface. Customers could toggle seamlessly between

<sup>22</sup> The Postal Service also told the OIG that California's requirements for training, credentialing, and surety bonds at external DMV sites also presented significant administrative and legal hurdles for potential partnerships.

<sup>23</sup> The USPS provides Group E PO Box service at no cost to residents whose physical addresses are ineligible for any form of carrier delivery, a policy intended to fulfill the agency's mandate for universal mail service. See Postal Service, DMM Revision: Group E Post Office Box Service, Postal Bulletin, no. 22317, August 11, 2011, [https://about.usps.com/postal-bulletin/2011/pb22317/html/updt\\_003.htm](https://about.usps.com/postal-bulletin/2011/pb22317/html/updt_003.htm).

services, such as renewing DMV vehicle registrations, fingerprint capture and possibly printing USPS labels.

Under this model, a private vendor or state agency would typically manage the hardware and software maintenance, while the USPS would collect a percentage of each transaction fee or a lease payment. By consolidating multiple agency

services into a single kiosk, vendors could achieve the minimum volume of transactions needed to justify deployment in rural areas. However, technical incompatibilities (such as different IT requirements across agencies) remain a major challenge to implementing a shared-service kiosk.

**Table 4: Opportunities for Self-Service Kiosks**

| Service                    | Opportunity                            | Description  | Stakeholders                                       |
|----------------------------|--|--|--|
| Federal Agency Kiosks      | Leasing revenue                        | Hosting self-service kiosks in "service deserts" with limited physical presence                  | Internal Revenue Service (IRS)                     |
| State DMV Kiosks           | Leasing revenue                        | Expansion into counties that currently lack DMV services   | State Departments of Motor Vehicles                |
| Shared Service Kiosk Model | Leasing revenue or fee per transaction | Combining USPS and other agency functions (e.g., registration tabs + stamps) on a single machine | State Department of Motor Vehicles; County Offices |

Source: OIG analysis

### Leasing Rooftop Space

The Postal Service already leases space for communications infrastructure at about 60 of its facilities.<sup>24</sup> State agency interest suggests an opportunity to expand the leasing of postal properties for 5G and broadband infrastructure to improve rural access.

#### Opportunities for fixed broadband connectivity may exist in over 1,200 US counties

According to the Federal Communications Commission (FCC), approximately 20 million Americans lack access to fixed broadband at the current 100/20 Mbps benchmark.<sup>25</sup> Disparities remain particularly sharp for specific populations: approximately 24 percent of Americans on Tribal Lands lack reliable broadband access.<sup>26</sup>

As of December 2025, 1296 US counties do not reach the FCC's 100/20 Mbps broadband benchmark at more than 90 percent of their addresses.<sup>27</sup> Within these areas, there is an average of nine post offices

**In the US, the thousand underserved counties contain 9,000 postal offices — potential sites for new broadband towers and infrastructure.**

per county, representing about 11,000 potential post offices (owned and leased) that could be considered as potential sites for broadband towers.<sup>28</sup> Consequently, states with vast rural expanses may be a primary target for rooftop leases. **Box 3** provides an example of how the Postal Service could help expand connectivity in Texas' unserved and underserved broadband areas.

24 OIG, Next Generation Connectivity: Postal Service roles in 5G and Broadband Deployment, RISC-WP-20-007, September 14, 2020, <https://www.uspsig.gov/reports/white-papers/next-generation-connectivity-postal-service-roles-5g-and-broadband-deployment>.

25 Tyler Cooper, "Mind the Map: The Hidden Impact of Inaccurate Broadband Availability Claims," BroadbandNow, June 4, 2025, <https://broadbandnow.com/research/fcc-broadband-overreporting-by-state>; Federal Communications Commission, Internet Access Services: Status as of June 30, 2024, <https://docs.fcc.gov/public/attachments/DOC-411463A1.pdf>.

26 Fiber Broadband Association, "The Importance of Fiber in Tribal Communities: How Fiber Broadband can Close the Digital Divide in Tribal Communities", March 2026, [FBA-Whitepaper\\_The-Importance-of-Fiber-in-Tribal-Communities\\_FINAL.pdf](https://fiberbroadband.org/wp-content/uploads/2026/03/FBA-Whitepaper_The-Importance-of-Fiber-in-Tribal-Communities_FINAL.pdf).

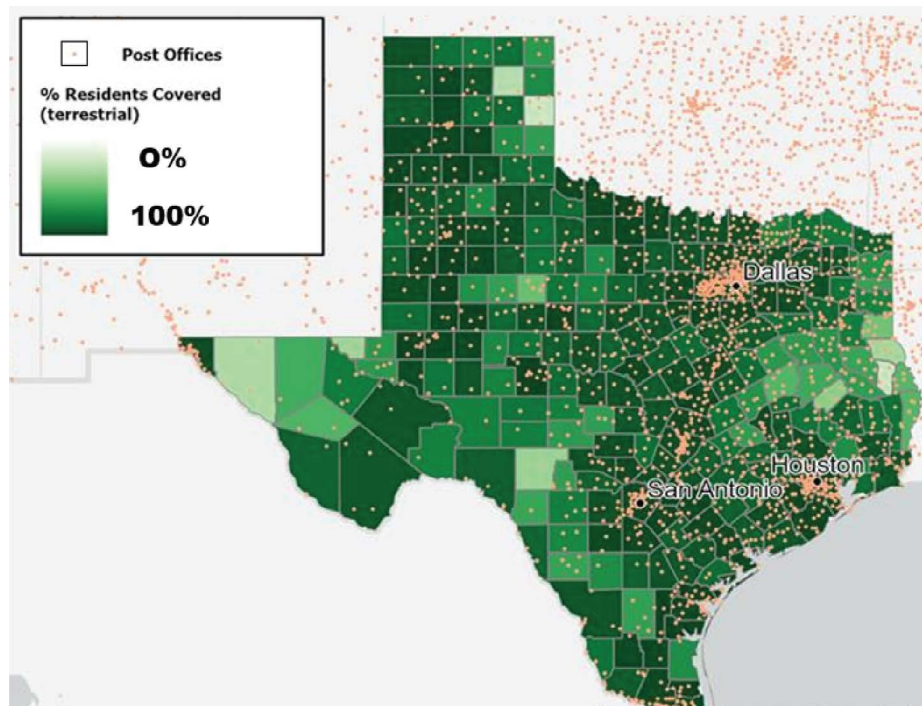
27 For the FCC, a location is underserved if it lacks a reliable terrestrial connection (fiber, cable, copper, or licensed fixed wireless) offering at least 100 Mbps download and 20 Mbps upload speeds. Locations below 25/3 Mbps are classified as unserved. Satellite and unlicensed wireless are generally excluded from these specific eligibility determinations.

28 While owned facilities offer direct leasing opportunities, utilizing leased postal facilities for broadband infrastructure would involve a subleasing process, requiring coordination with the primary property owners.

### Box 3: Potential Opportunity for Broadband Deployment at Post Offices in Texas

#### USE CASE: BRIDGING THE DIGITAL DIVIDE IN TEXAS COUNTIES

**THE POTENTIAL FOR ROOFTOP LEASING IS HIGHER IN STATES WITH VAST RURAL EXPANSES WHERE TRADITIONAL WIRELINE INFRASTRUCTURE CAN BE COST PROHIBITIVE.**



554 (33 percent) of Texas' 1,679 (owned and leased) post offices are in underserved or unserved counties.

By hosting fixed wireless equipment, these facilities are uniquely positioned to serve as connectivity hubs for rural residents.

Source: OIG analysis

#### USPS could work with the FCC to grow states' awareness of the rooftop lease opportunity

The federal government has established a \$42 billion Broadband Equity, Access, and Deployment (BEAD) program to achieve universal coverage by 2030. The FCC noted that they had not been approached by USPS regarding the potential use of postal rooftops for leasing purposes.

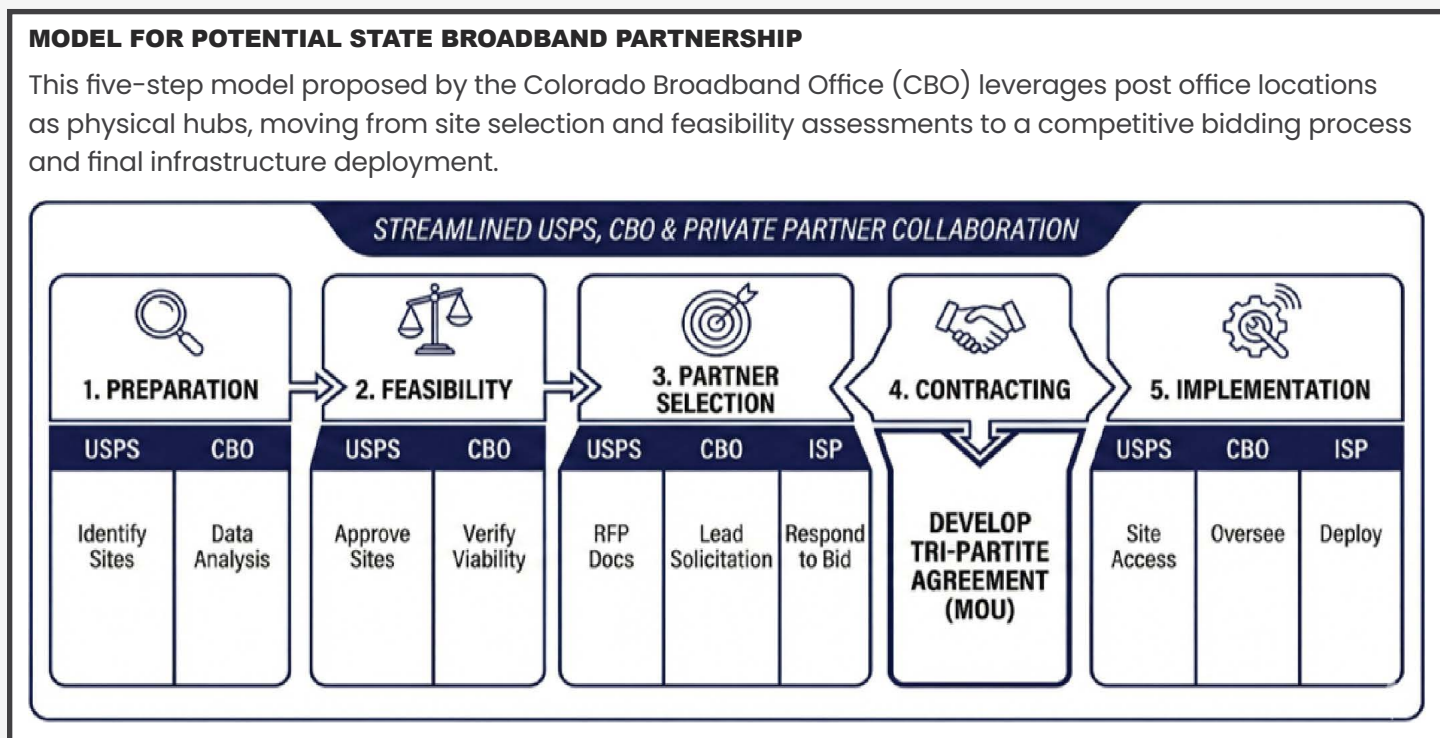
The OIG asked the FCC how the Postal Service could potentially support initiatives to promote national connectivity. The FCC suggested that the Postal Service designate as pre-authorized co-location sites all postal facilities where a rooftop could potentially be leased. The FCC would then integrate facilities geo-coordinates into its National

Broadband Map. This would help private providers accurately target and bridge identified internet gaps, making USPS a primary choice for mobile and broadband towers across the nation.

#### There is scope for USPS to develop innovative partnerships with state agencies

The three states the OIG interviewed have identified closing gaps in fixed broadband coverage as a strategic goal, although none of them had considered the role USPS could play in closing that gap. For example, the Broadband Office of Colorado suggested a collaborative framework between the Postal Service, a state broadband office, and private internet service providers (ISP) to expand internet access (see [Box 4](#)).

**Box 4: Model for Potential State Broadband Partnership Between USPS and a State**



Source: OIG interview with the Colorado Broadband Office.

**Table 5: Opportunities for Leasing Rooftop Space**

| Service   | Opportunity                       | Description  | Stakeholders   |
|---|-----------------------------------|--|--|
| Rooftop leasing - Wireless infrastructure expansion | FCC Data Integration              | 1. Integrate USPS locations' geo-coordinates into the FCC database.  | Federal Communications Commission (FCC)  |
|   | Wireless Infrastructure Expansion | 2. Reach out to states to seek their interest in partnerships and prioritize opportunities to close coverage gaps. | State Broadband Offices (e.g., Texas Broadband Development Office, Colorado Broadband Office). |

Source: OIG analysis

While this particular model may not be applicable in all states, it illustrates one possible way for the Postal Service to consider growing its rooftop leasing services (see Table 5).

**Collecting Nonpostal Data from Postal Vehicles**

The Postal Service's vast delivery network offers a platform for real-time, location-based data collection that federal, state, and local agencies could utilize to monitor infrastructure and environmental conditions cost-effectively. Integrating mobile sensors into delivery vehicles allows for consistent, "passive" data collection on road conditions, air quality, and wireless

signal strength without disrupting the primary delivery mission.

This is far from being a new concept. A 2016 OIG report and a 2019 GAO report already highlighted its value.<sup>29</sup> The OIG explored various operational models, from passively carrying third-party sensors to actively processing data, noting that each approach has different costs and revenue. In fact, since 2019 the USPS has tested vehicle-based sensors for street-level imagery and air quality monitoring through partnerships with vendors: the vendor equips leased postal fleet space with sensors to facilitate




29 USPS OIG, *The Postal Service and Cities: A "Smart" Partnership*, RARC-WP-16-017, September 26, 2016, <https://www.uspsoig.gov/document/postal-service-and-cities-smart-partnership>; Government Accountability Office, *U.S. Postal Service: Offering Nonpostal Services through Its Delivery Network Would Likely Present Benefits and Limitations*, GAO-20-190, <https://www.gao.gov/assets/gao-20-190.pdf>, pp. 26-27.

passive data collection. Additionally, in 2021 the USPS and FCC initiated a signal mapping pilot to identify gaps in wireless coverage across rural and urban corridors. The pilot was halted due to technical hurdles (see Box 5).

In spite of these early roadblocks, the model is still relevant. Internationally, France’s Groupe La Poste operates a subsidiary, Geoptis, which leverages sensors on its 65,000 vehicle fleet to sell road maintenance and environmental data to municipalities. Officials in Texas, Colorado, and

New Mexico also identified air quality monitoring as priorities. In Texas, state officials told the OIG that this model aligns with current state-level monitoring from the Texas Commission on Environmental Quality (TCEQ) and suggested that the postal fleet’s constant presence could offer a more efficient way to gather this data across Texas’ vast geography (see Table 6). Future iterations of this partnership could involve a “three-party” model between the USPS, private technology providers, and state or local governments to address specific data collection needs.

**Box 5: USPS Pilots Involving Data Collection from Postal Vehicles 2019-2026**

| 2019-2022   | 2021-2023  | 2020-Present   |
|---|--|--|
|  <p><b>Street Imagery</b></p> <p><b>Proof of Concept Pilot</b><br/>Captured street imagery data.<br/>📍 2019 - Pittsburgh, PA</p> <p><b>Asset Mapping</b><br/>Street imagery for asset mapping.<br/>📍 Fall 2020 - Mountain View, CA</p> <p><b>Image Tagging</b><br/>Street Imagery and Image Tagging.<br/>📍 2020-2022 - Beaverdam, WI &amp; Naperville, IL &amp; Salt Lake City, UT</p> |  <p><b>Radio Spectrum</b></p> <p><b>Signal Mapping with FCC</b><br/>Radio signal strength and quality mapping.<br/>📍 Spring 2021 - Denver, CO</p> <p><b>Wireless Signal Monitoring</b><br/>Monitoring for wireless signal strength.<br/>📍 2021 - 2022 - San Francisco, CA</p> <p><b>Cell Coverage Data</b><br/>Monitoring for cell phone coverage data.<br/>📍 2022 - 2023 - Seattle, WA</p> |  <p><b>Monitoring Air Quality</b></p> <p><b>Pollution Monitoring</b><br/>Monitoring for indicators of air pollution.<br/>📍 Summer 2020 &amp; 2021 - Oakland, CA</p> <p><b>Methane Leak Detection</b><br/>Air quality monitoring for methane gas leaks.<br/>📍 Spring 2023 - Current - Denver, CO &amp; Southern CA</p> |

Source: USPS

**Table 6: Opportunities for Vehicle-Based Data Collection**

| Service                   | Opportunity                               | Description   | Stakeholders  |
|---------------------------|---|---|---|
| Infrastructure Monitoring | Partnership with state and local agencies | Deploy mobile sensors to monitor road conditions and air quality. | State Departments of Transportation; Environmental Protection Agency (EPA); Municipal Public Works & Health Departments |

Source: OIG analysis

**Services By Mail Carrier**

Because mail carriers travel to nearly every address in the country, they are well positioned to provide government services that require in-person contact or localized knowledge. The Postal Service has a long

history of providing valuable volunteer and civic services through its carriers. The most prominent example of this type of civic services is the Carrier Alert Program. Established in 1982 as a joint public service by the USPS and the National Association of

Letter Carriers (NALC), this program relies on carriers to monitor the well-being of elderly and disabled patrons on behalf of local community or social service organizations (see Figure 10).<sup>30</sup> Beyond social welfare, carriers collaborate with state wildlife agencies through the Rural Mail Carrier Survey to tally wildlife sightings along their routes, providing critical data for conservation efforts.<sup>31</sup>

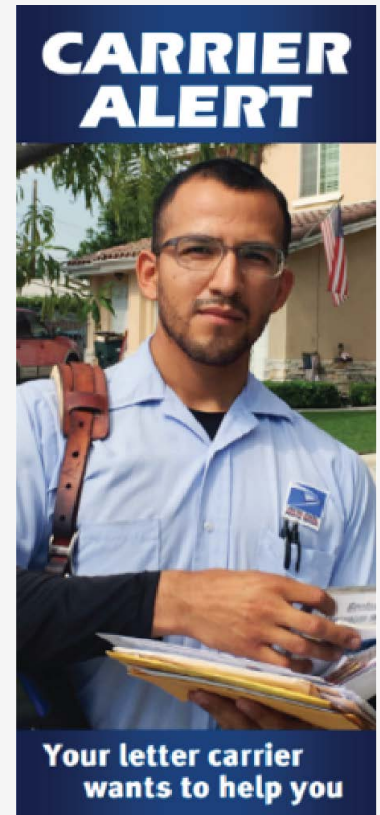
These voluntary programs may serve as a model for similar services provided on behalf of local, state, or federal agencies. Officials in Texas, Colorado, and New Mexico highlighted the Postal Service’s unique “last mile” presence as a way to perform property checks and localized wellness programs. The Postal Service’s unique last-mile presence also creates opportunities to develop other revenue-generating carrier services.

**The 2030 Census may present an opportunity for partnership**

The localized reach of carriers is particularly relevant for the U.S. Census. In 2020, over 35 percent of households required in-person visits from enumerators. A 2018 partnership proposed using mail carriers as enumerators to collect demographic data. However, the pilot was ultimately canceled because the legal requirements for Census and postal workers were incompatible.<sup>32</sup> Additionally, the average 10-minute in-field enumeration response time presented a risk of significant disruption to regular mail delivery.

The Department of Commerce (DOC) is considering resurrecting this concept (see Table 7). As part of pilot tests to be conducted in Alabama and South Carolina in 2026, the DOC intends to study the feasibility of using postal carriers in the capacity of Census Bureau enumerators as well as “various capacities typically performed by temporary Census Bureau field workers.”<sup>33</sup> While a successful pilot may lead to an IAA, the viability of this opportunity is still difficult to assess. The Postal Service told the OIG that a primary concern with carrier-based services is ensuring they do not interfere with core postal activities. Maintaining operational integrity was highlighted as a key requirement for any potential partnership.

**Figure 10: Carrier Alert Brochure Cover**



Source: National Association for Letter Carriers

**Table 7: Opportunities for Carrier-Based Community Services**

| Service        | Opportunity   | Description  | Stakeholders        |
|----------------|---------------|--|---------------------|
| Census Support | Potential IAA | Utilize carriers for a range of Census tasks, from address verification and outreach to studying the feasibility of USPS staff acting as full enumerators to conduct interviews. | DOC (Census Bureau) |

Source: OIG analysis.

30 Carriers who participate in the program monitor the well-being of elderly and disabled mail patrons by reporting an accumulation of mail, which could signal a sudden illness or accident. When a carrier observes this, they notify a designated contact or sponsoring agency to check on the individual.  
 31 See Audubon Magazine, You’ve Got Quail: Why Thousands of Rural Mail Carriers Count Roadside Wildlife Every Year, June 13, 2017, <https://www.audubon.org/news/youve-got-quail-why-thousands-rural-mail-carriers-count-roadside-wildlife-every>.  
 32 The privacy and disclosure rules required for Census employees (Title 13) were legally incompatible with the existing legal obligations and employment rules for Postal workers (Titles 18 and 39). See U.S. Census Bureau, *2020 Research and Testing: Proposed Postal Carriers as Census Bureau Enumerators Pilot, 2019, 2020 Research and Testing: Proposed Postal Carriers as Census Bureau Enumerators Pilot*, p.15.  
 33 See Bureau of the Census, *2026 Operational Test in Support of the 2030 Census*, February 3, 2026, <https://www.regulations.gov/document/USBC-2026-0034-0001>.

## Emergency Fulfillment Services

The Postal Service has supported the American people during times of crisis for over 200 years. It is an integral part of the federal emergency response structure and is designated as a support agency within the National Response Framework (see Appendix D).

In the aftermath of natural disasters, USPS coordinates with agencies like the Federal Emergency Management Agency (FEMA) to restore essential services. This role extends beyond mail delivery; for example, following major hurricanes, the Postal Inspection Service has secured critical infrastructure, escorted fuel and recovery supplies into devastated regions, and launched educational campaigns to prevent disaster-related fraud (see Figure 11).<sup>34</sup>

**Figure 11: Mobile Mail Centers Function as an Emergency Response**



A man collects mail after Hurricane Ike heavily damaged a post office in 2008.

Source: National Archives NAID: 5700534

Between January 2022 and March 2025, the Postal Service also played a critical role in the nationwide distribution of COVID-19 test kits in partnership with the Department of Health and Human Services (HHS).<sup>35</sup> In total, the Postal Service

delivered over 900 million test kits to American households. This initiative not only provided critical support to communities during the pandemic, it also generated over \$1 billion in revenue.

While recognizing the role USPS plays through FEMA to respond to emergencies, state officials told the OIG they would be interested in direct partnerships with the Postal Service. They stated that such agreements would create a direct line with USPS, allowing carriers to respond to local requests.

For example, Colorado officials stated that during the critical initial hours of a disaster, USPS carriers could provide vital situational awareness by reporting infrastructure failures (such as washed-out bridges or culvert overflows) into state-managed portals like Colorado's Crisis Track. They also highlighted that establishing an agreement with USPS could allow the state to leverage the postal network's unique reach in high-risk rural areas where the carrier is often the only federal official on the ground.

Texas officials noted that the "natural gravitation" of rural citizens toward the post office makes it an ideal hub for integrating state services like emergency ID replacement and for providing a stabilized infrastructure for state health initiatives, such as wellness checks and the rapid distribution of emergency medical supplies like antivirals or test kits.

Formalizing these partnerships involves moving beyond the standard National Response Framework. Where states may not have resources to fund such programs, DHS or FEMA discretionary grants may be available. These opportunities, as summarized in Table 8, are just examples based on interviews with a sample of states. The Postal Service would have to reach out to states' emergency services agencies to identify the strongest use cases and then, subject to availability of federal or state funding, implement pilot tests.

<sup>34</sup> For a comprehensive history of these efforts, including the deployment of over 300 inspectors during Hurricane Katrina to safeguard employees and secure facilities, see USPS OIG, The U.S. Postal Service and Emergency Response: A History of Delivering for the American Public, RISC-WP-20-006, September 10, 2020, <https://www.usps.oig.gov/sites/default/files/reports/2023-01/RISC-WP-20-006.pdf> and USPS OIG, Postal Inspection Service Emergency Preparedness for Hurricane Katrina, Report Number SA-AR-06-005, June 5, 2006, SA-AR-06-005.pdf.

<sup>35</sup> To streamline public access, USPS launched a dedicated website for ordering test kits, which received over 42 million orders within 24 hours of its launch. The test kits were stored and shipped from more than 40 USPS package sorting facilities across the country, demonstrating the Postal Service's ability to mobilize resources on a national scale.

**Table 8: Examples of Opportunities for Emergency Management & Public Health**

| Service                             | Opportunity  | Description  | Stakeholders   |
|-------------------------------------|--|--|--|
| Real-Time Damage Assessment         | Potential revenue from partnership with state agency | Carriers report infrastructure failures (e.g., washed-out bridges, culvert overflows) directly into state portals during the critical initial hours of a disaster. | Colorado and New Mexico Division of Homeland Security and Emergency Management; Texas Division of Emergency Management |
| Expanded Disaster Recovery Services | Potential revenue from partnership with state agency | USPS staff provide expedited passport replacement and state ID assistance at FEMA/State Disaster Recovery Centers (DRCs) for displaced residents.                  | Texas, New Mexico and Colorado Health Departments  |
| Public Health Infrastructure        | Potential revenue from partnership with state agency | Post Offices in rural communities serve as hubs for state health initiatives, including vaccine distribution and the delivery of emergency medical supplies.       | Texas, New Mexico and Colorado Health Departments  |

Source: OIG analysis

## Key Success Factors for the Postal Service

The OIG’s engagements with federal and state government organizations, while limited to a sample of agencies, demonstrate an interest in collaborating with the Postal Service to reduce costs and expand access. This indicates a potential for widespread interest that extends well beyond the surveyed organizations.

However, for the Postal Service to capitalize on the expanded legal authorities introduced by the PSRA and achieve the Delivering for America plan’s

strategic goal of becoming a national “government storefront”, several factors would help enable this progress and enhance the likelihood of success.

To identify these factors, the OIG conducted interviews with the Postal Service and reviewed the strategic plans and practices of several international posts that have successfully implemented government services. While not exhaustive, this analysis revealed consistent patterns and strategies that can inform how to effectively implement an expanded government services role (see Table 9).

**Table 9: Examples of Best Practices from the Posts of Australia, France, and Italy**

| Key Success Factors                        |   |
|--|---|
| Government Partners Engagement             | Dedicated government sales teams and web portals (Australia Post, Poste Italiane).  |
| Dedicated Organizational Structure         | Single “Enterprise & Government” units manage the full partnership agreement lifecycle (Australia Post).  |
| Availability of External funding           | Public financial support complementing the post’s own investment resources (Poste Italiane’s Polis project).                                      |
| Market Intelligence                        | Detailed market segmentation to identify customer needs and target “service deserts” where private vendors are absent (Poste Italiane).           |
| Efficiency Through Service Standardization | A “middle-layer” plug-and-play standardized interface for all government partners to reduce customization costs (Australia Post, Poste Italiane). |
| Strategic Plans                            | International posts structure their business development activities into cohesive strategic plans designed to meet government departments’ needs. |

Source: OIG analysis

## Creating Awareness Through Proactive Engagement

Discussions with state agencies revealed a significant lack of awareness, not only of the Postal Service's current government service offerings but also of its explicit legal authority to partner with state, local, and tribal governments. As a result, agencies were unsure how to begin engaging with USPS about potential partnership opportunities, often stating that they don't know where to start.

International posts approach this differently. Many maintain regular engagement with designated points of contact at various levels of government and rely on dedicated sales or account management teams. Australia Post and Poste Italiane, for example, have detailed sections of their website that outline the capabilities and solutions offered to various levels of government. They also provide contact information for government service inquiries. Poste Italiane told the OIG that they regularly meet with their points of contact to identify any issues or new needs. Groupe La Poste's senior leadership also regularly presents to the associations representing local governments.

By contrast, USPS's current engagement model emerged as being generally reactive, relying on incoming inquiries or individual relationships. While this has enabled current federal collaborations, the approach is not yet comprehensive or strategically consistent. Significantly, the USPS.com website has a 'Government Services' page that features a very short description of only one nonpostal service: the passport application service.<sup>36</sup>

A more proactive and coordinated outreach strategy, built on a network of government points of contact, would help ensure that agencies at all levels understand USPS' authorities and service capabilities. Such an approach would also support more consistent identification and pursuit of partnership opportunities. USPS' initial outreach to explore partnerships opportunities could begin with:

- **State Level:** Initial outreach to each state Governors Office to present Postal Service's capabilities, assess areas of potential collaboration, and identify the main points of

contact. The engagement could start with the states the OIG spoke with.

- **Federal Level:** In addition to current engagement with agencies such as TSA (PreCheck®), and the DOC's Census Bureau (2026 pilot), initiate discussions with the FCC (broadband), and IRS (taxpayer kiosks).

## Establishing a Unified Organizational Structure

Although the Postal Service has established an internal government services workgroup, responsibility for the various phases of offering government services, from outreach to service design and delivery, remains split across Facilities, Retail, Delivery Operations, and other organizational components.

To strengthen both internal and external coordination of government services, USPS would benefit from a dedicated team or unit operating under a centralized government services management model. This unit would serve as the primary point of contact for business development, manage the full lifecycle of partnership development, and coordinate implementation across relevant business units.

Australia Post serves as a primary example of this centralized approach through its dedicated Enterprise & Government unit. This unit acts as the sole point of contact for government agencies seeking to utilize the postal network and manages the entire lifecycle of these partnerships from initial negotiation and contract management to final service delivery. By consolidating these responsibilities, a postal operator can prevent fragmented or localized negotiations, ensuring that government services are implemented with a consistency nationwide.

## Identifying Dedicated Funding Streams

Both USPS and its potential state and local government partners face significant budget constraints. The Postal Service told the OIG that restrictive legislative and budget approval cycles create significant hurdles for partnerships, delaying or preventing the timely implementation of new government services. Similar constraints exist

<sup>36</sup> See 'Government Services', usps.com, [Government services - About.usps.com](#).

internationally, and other posts have implemented strategies to mitigate them.

Specifically, several countries include nonpostal government services in their national postal regulations and strategic public service plans, providing the necessary legal framework and funding to support them. A recent example is Poste Italiane's Polis Project to transform 7,000 post offices into digital one-stop shops providing a variety of government services (including passports, electronic identity cards, and social security documents). Polis supports the government's goal of increasing the accessibility of public services by leveraging the postal network as critical infrastructure. Following a 2021 law, the post received a \$1.1 billion (€800 million) grant from the government's National Reform Program to implement the project.<sup>37</sup>

Unlike Poste Italiane, the USPS lacks the legislative mandate and dedicated federal funding to provide non-postal government services. However, the USPS could secure specialized interagency grants — such as DHS/FEMA funding for disaster response or Digital Equity and rural broadband grants — to support targeted initiatives, which could include the following:

- **Identity Services:** modernizing biometric capture and in-person proofing,
- **Access to Benefits and Licensing:** serving as a physical storefront for federal applications,
- **Digital Inclusion:** bridging the digital connectivity divide in underserved areas,
- **Disaster Relief:** community intelligence and public health infrastructure,
- **Rural Government Service Delivery:** ensuring equitable access in underserved areas.

### Using Market Intelligence to Prioritize Expansion

With 50 states and thousands of county and local governments, identifying and prioritizing the most promising segments of the government services market is critical. Italy's Polis Project specifically

targets rural municipalities where private and government service providers are absent. Similarly, in the US, market intelligence and data analysis could identify geographical gaps in the service footprint of state governments and their private sector partners. Leveraging market intelligence can help USPS prioritize investments, avoid competing directly with existing private-sector firms, and increase the likelihood of success.

### Standardizing Offerings

Establishing government partnerships can be slow and expensive because each agency operates with unique rules, data formats, and legacy systems. If the Postal Service had to build a custom computer system for every state's DMV or every federal benefits program, the costs would quickly outweigh the revenue.

Instead of building unique systems for every agency, Australia Post offers a standardized catalog of services as part of their Enterprise & Government unit. Poste Italiane told the OIG that they offer a standardized, uniform interface across both online and postal kiosk channels to ensure the user experience remains identical whether a citizen is applying for a social security card or a judicial certificate.<sup>38</sup> Behind the scenes, the post's platform collects data and "repackages" it to meet the specific backend requirements of each government partner, regardless of that agency's digital maturity.

Adopting a similar approach, standardized intake procedures supported by consistent technological and data-sharing protocols could allow USPS to offer diverse services, such as state identity verification or DMV kiosks, without developing custom IT solutions for every partnership. Furthermore, a standardized framework ensures a consistent user experience across different states, providing citizens with a familiar and reliable interface for similar types of government services regardless of their location.

### Comprehensive Strategic Plans

Leading international postal operators have navigated the expansion of government services

<sup>37</sup> Polis was supported by Decree-Law No. 59 of 6 May 2021, which established the Complementary National Plan (CNP) to the Italian National Recovery and Resilience Plan.

<sup>38</sup> For example, Poste Italiane's 'SuperApp' serves as single digital access point for all government products and services. The SuperApp currently has over four million daily active users.

by establishing formal strategic plans. These plans clearly define objectives, governance structures, operating processes, and funding needs and strategies. These postal operators have built successful government services businesses and evolved from simple service vendors into integral partners in delivering national public services.

The Delivering for America plan only includes a high-level statement of intent regarding its role in government services, without a detailed framework to articulate that vision. The Postal Service recently launched a Retail Modernization initiative that aims to improve the passport and identity services user experience by introducing dedicated infrastructure, such as private transaction areas, customer waiting rooms, and separate entrances for non-postal business. As of early 2026, 12 locations are part of the initial phases, with plans to expand to a total of 43 sites by 2027. However, when the OIG inquired about the existence of a formal comprehensive plan to identify and assess opportunities to expand the government services portfolio, especially at the state, local and tribal levels, the USPS stated that such a plan has not been developed yet.

A formal strategic roadmap would help better align internal roles and resources, establish clear management processes, approach government customers and evaluate the full potential of nonpostal government services. With this foundation, leadership could more effectively prioritize geographic areas, service offerings, and partnerships that deliver both revenue growth and public-service value.

### OIG Recommendation

Current government partnerships with federal agencies generate revenue and underscore the Postal Service's value as essential public infrastructure. OIG analysis suggests that the Postal Service has the potential opportunity to expand its portfolio of government services. However, USPS' current approach to federal government services remains largely reactive and handled on a case-by-case basis. Furthermore, the agency has not yet engaged with state and local entities to explore the new avenues enabled by the PSRA. State representatives interviewed by the OIG were

unaware of how to access or partner with USPS on these services. A unified strategic plan to identify and evaluate possible areas for growth would help the Postal Service advance its vision of a modern government storefront capable of meeting evolving community needs nationwide.

### Recommendation #1

We recommend the **Chief Customer and Marketing Officer and Executive Vice President** in consultation with the **Chief Technology Officer and Executive Vice President** develop a government services strategic roadmap that outlines the steps to identify and evaluate opportunities to expand services across the different levels of government.

### Management Response

Management agreed with the recommendation to develop a government services strategic roadmap. The Postal Service intends to formalize and refine previous evaluation efforts into a roadmap featuring a structured, phased approach to assessing partnership opportunities. The target implementation date is May 31, 2027.

### OIG Evaluation

We consider management's comments responsive to the recommendation and the planned corrective actions should resolve the issue identified in the white paper.

### Conclusion

The Postal Service has the reach, public trust, and physical infrastructure to play a broader role in delivering government services, strengthening its social value, particularly for rural and underserved communities, while generating new revenue. Although profitable, its current portfolio of nonpostal government services (including passport processing, identity verification, property leasing, emergency fulfillment, and data collection) remains limited to federal agencies, relies heavily on passport demand, and contributes to a small share of total revenue.

The Postal Service Reform Act of 2022 authorized USPS to partner with state, local, and tribal governments, yet the agency has not engaged with these entities to explore the potential of this expanded authority.

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Interviews conducted by the OIG with federal and state organizations, while limited in scope, revealed interest in working with USPS to reduce service delivery costs and expand access in rural areas, suggesting that interest is likely broader than the sample captured.

Opportunities such as emergency relief, identity verification, self-service DMV kiosks, property and rooftop leasing, and the use of postal vehicles and carriers for data collection demonstrate the breadth of public value the postal network could provide. The OIG recommends establishing a coordinated planning effort to guide USPS in assessing and prioritizing potential government-service opportunities across all levels of government.

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# Appendix A: Additional Information

## Objectives

The objectives of this research were to:

- Provide a detailed overview of the government services the Postal Service currently offers or that have been proposed over time, highlighting the legal foundation, limitations and rationale for these services.
- Identify challenges and opportunities for the Postal Service to expand its support to federal, state, and local governments.

The scope of this white paper was the nonpostal government services that the Postal Service currently provides — or could provide — to federal, state, or local governments, or to the public on their behalf, excluding traditional postal functions such as government mail, election mail, or the Alaska Bypass.

## Methodology

This study applies a mixed-methods approach combining desk research and stakeholder interviews to assess the Postal Service's current and potential role in delivering nonpostal government services.

Desk research involved identifying and categorizing both existing and proposed services through a review of USPS interagency agreements, past initiatives (such as DMV kiosk pilots and sensor-equipped delivery vehicles), and concepts proposed in prior OIG reports and federal policy discussions. Services were categorized based on the level of government served (federal, state, or local), the service delivery model (to the public on behalf of agencies or directly to agencies), and the elements of USPS infrastructure utilized (e.g., facilities, carriers, vehicles, IT systems). Revenue trends and transaction volumes were also analyzed across service types.

To provide a global context, the OIG conducted comparative benchmarking of international postal operators, specifically Australia Post, France's Groupe La Poste, and Italy's Poste Italiane. These posts were selected for their mature government service portfolios.

To complement this research, we conducted semi-structured interviews with USPS leadership; state leadership, including deep-dive discussions with the National Governors Association and officials from agencies in Colorado, Texas, and New Mexico (selected to represent diverse rural and urban service needs); federal agencies, such as the Federal Communications Commission and the U.S. Treasury Inspector General for Tax Administration; and a foreign post, Poste Italiane, selected for the advanced implementation of its multi-service hubs in rural areas. These interviews focused on current perceptions of value, real-world operational friction (such as IT integration costs), and the specific regulatory barriers impacting implementation.

The OIG's analysis focused on reconciling the high level of interest expressed by state and local agencies with the significant 'awareness gap' identified during our interviews. By vetting service concepts against USPS's footprint and legal mandates, we identified the service categories that are most likely to satisfy the cost-coverage requirements. This methodology directly informed our selection of the identity, property, and data-collection opportunities presented in the main body of the paper.

This research was conducted in accordance with the Council of the Inspectors General on Integrity and Efficiency's Quality Standards for Inspection and Evaluation. We discussed our observations and conclusions with management and included their comments where appropriate.

## Prior Coverage

| Title   | Objective   | Report Number  | Final Report Date  | Monetary Impact |
|---|---|----------------|--------------------|-----------------|
| <i>Business or Public Service? Insights into the Unique Laws and Regulations Applying to the Postal Service</i> | To provide a high-level overview of the different laws and regulations that uniquely apply to the Postal Service and to create a detailed analysis of the most critical regulations and their impact on the Postal Service's business agility.                              | RISC-WP-24-006 | August 2, 2024     | \$0             |
| <i>The Role of the Postal Service in Identity Verification</i>  | To better understand potential opportunities for the Postal Service to contribute to government efforts to create and implement more secure identity verification systems.  | RISC-WP-22-006 | May 11, 2022       | \$0             |
| <i>Uncompensated and Undercompensated Services</i>  | To determine whether the U.S. Postal Service is appropriately compensated for selected government and business services.  | 20-208-R21     | April 5, 2021      | \$0             |
| <i>The U.S. Postal Service and Emergency Response: A History of Delivering for the American Public</i>          | To describe the Postal Service's role in the federal emergency response structure. Identify select historical examples of how the Postal Service participated in emergency response. Describe how the Postal Service has participated in response to the COVID-19 pandemic. | RISC-WP-20-006 | September 10, 2020 | \$0             |

# Appendix B: Postal Data Services Offered Commercially

The Postal Service leverages its expansive logistical network to provide high-resolution spatial and demographic datasets.

By licensing this data, organizations, including federal agencies, gain access to verified, real-time updates on national infrastructure and domestic migration patterns, ensuring accuracy in logistics, market research, and urban planning.

|  |  |
|--|--|
| <b>USPS Post Office &amp; Collection Box Data*</b> | <p>Provides geocoded coordinates of USPS Post Offices and blue collection boxes. Includes detailed information on services offered and hours of operation or collection times.</p> <p><b>Main Application:</b><br/>Calibrating coordinates and optimizing national marketing campaigns.</p> <p><b>Provided to:</b><br/>Business customers: Logistics, Navigation, Marketing and Retail</p>   |
| <b>USPS Occupancy Trends</b>                       | <p>Aggregates vacancy data collected by USPS carrier operations. Offers insights into vacant addresses by ZIP Code, USPS carrier route, county, and congressional district.</p> <p><b>Main Application:</b><br/>identifying areas of low occupancy for potential investment or targeting marketing campaigns.</p> <p><b>Provided to:</b><br/>Federal Agency: Housing and Urban Development (HUD)</p> <ul style="list-style-type: none"><li>USPS provides information about vacant mail delivery points that helps HUD measure and forecast neighborhood change and assess neighborhood needs.</li></ul> <p>Business customers: Real Estate, Construction, Marketing and Retail</p> |
| <b>USPS Population Mobility Trends</b>             | <p>Highlights the top destination ZIP Codes people are migrating to from each source ZIP. Includes demographic data such as income, age, and household size.</p> <p><b>Main Application:</b><br/>identifying migration patterns and demographics to optimize marketing and development strategies.</p> <p><b>Provided to:</b><br/>Federal Agencies: U.S. Census Bureau, USDA (APHIS)</p> <ul style="list-style-type: none"><li>USPS provides address forwarding data to help track household movements.</li></ul> <p>Business customers: Real Estate, Construction, Marketing and Retail</p>   |

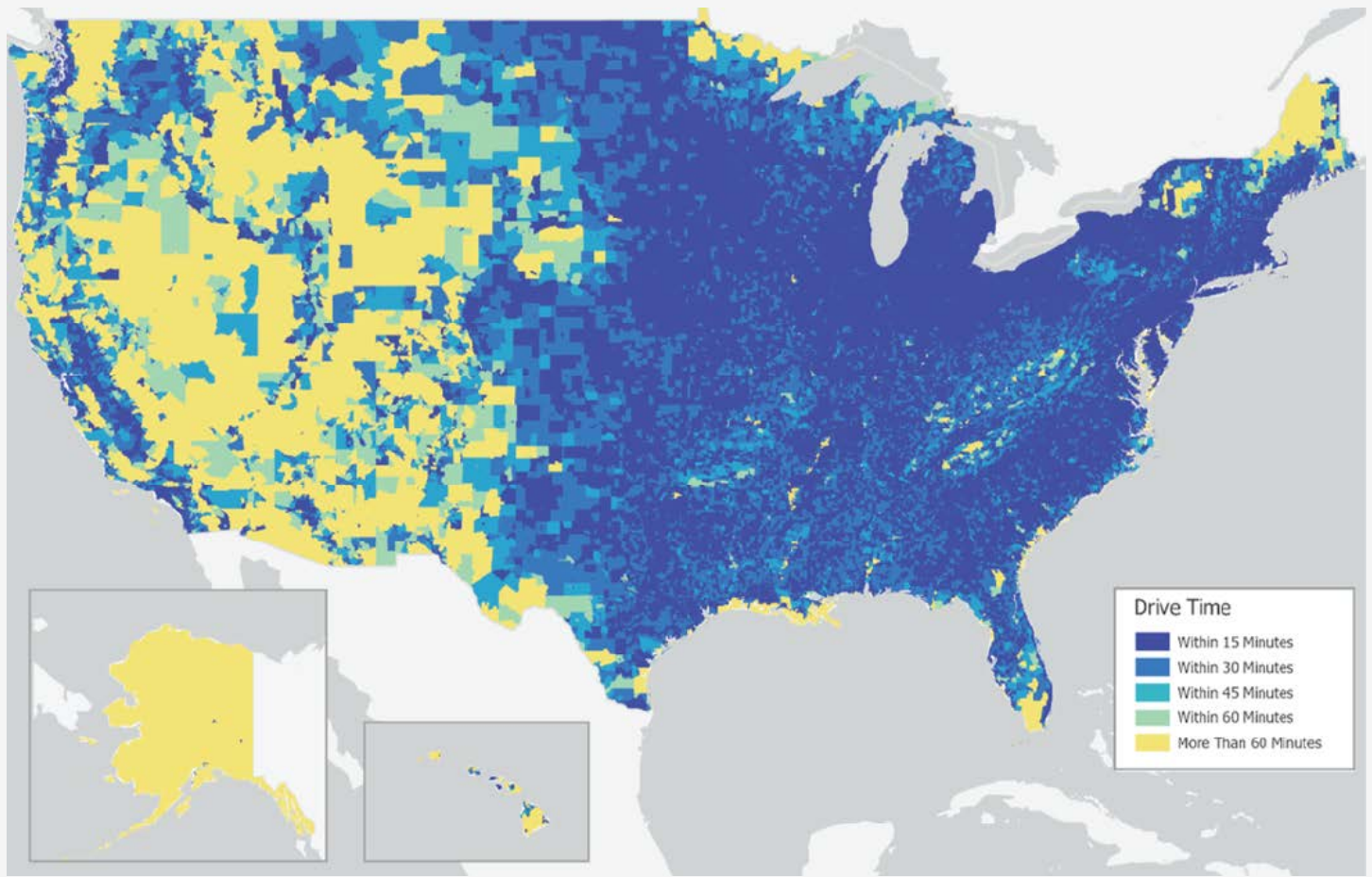
\*Not a government service.  
Source: USPS

# Appendix C: Drive Times to Nearest Post Office, Passport and Biometric Services

The following geospatial analyses evaluate the accessibility of the Postal Service's retail network and its integration of federal identity services. By categorizing drive times into 15-minute and 30-minute intervals, these maps identify areas where postal facilities are located within a reasonable distance of residents' homes.

## Drive Times to Post Offices, FY 2025

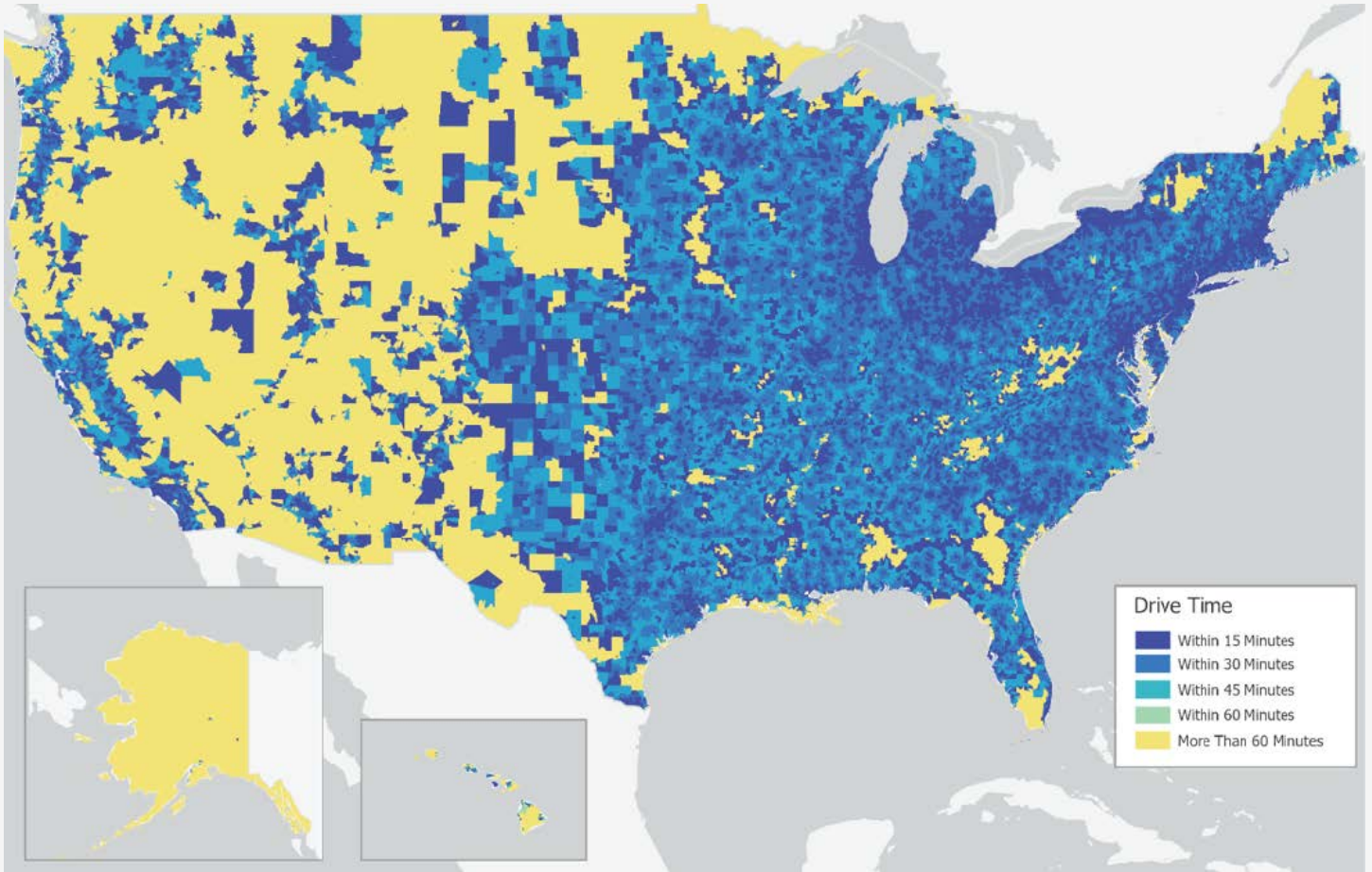
Approximately 93 percent of Americans live within a 15-minute drive of a post office, with coverage increasing to 99 percent at the 30-minute mark.



Source: USPS OIG

## Drive Times to Post Offices Offering Passport Services, FY 2025

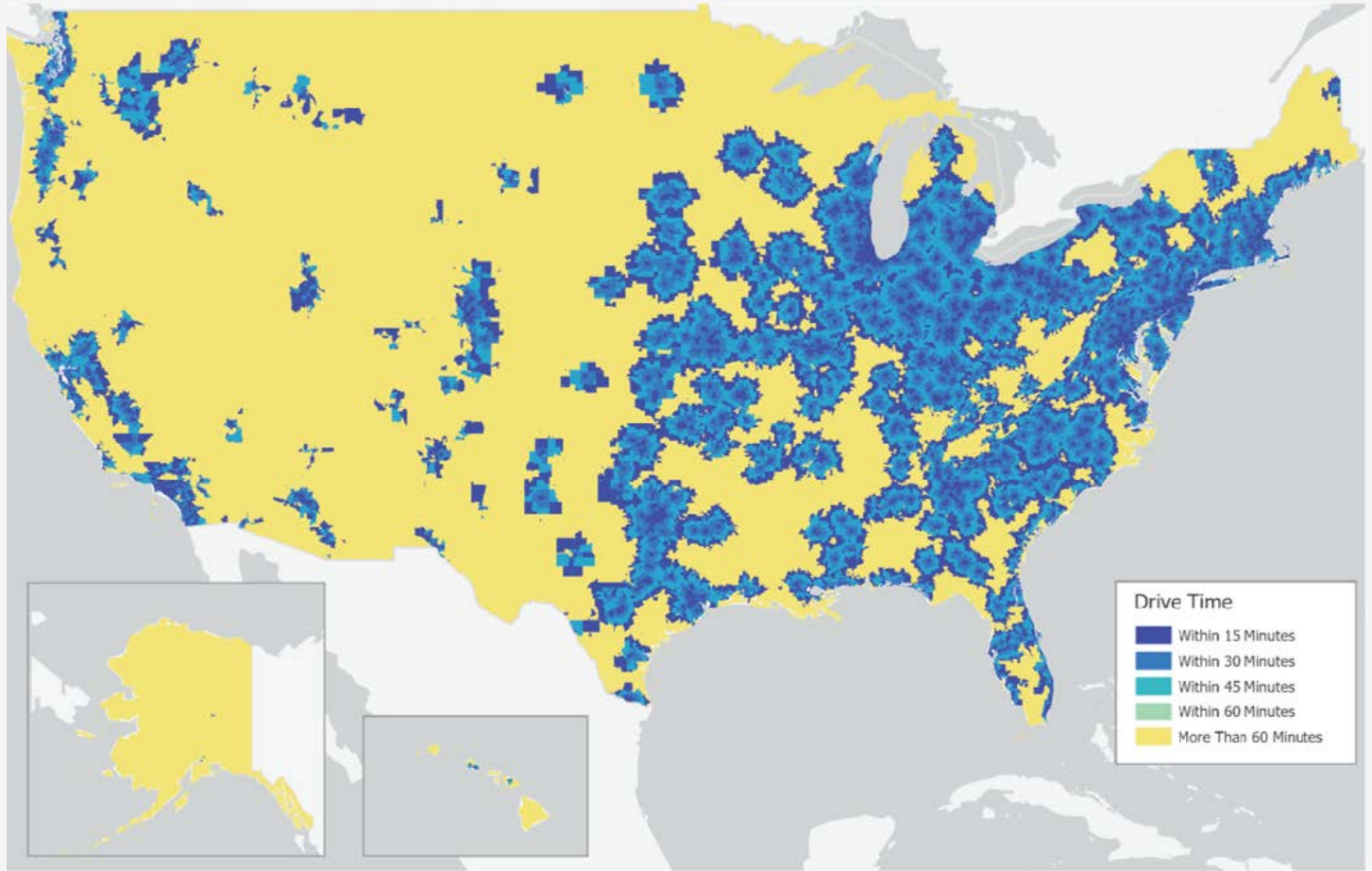
Available at select post offices, passport services are within a 15-minute drive for 71 percent of Americans. Coverage expands significantly to 98 percent of the population within a 30-minute drive.



Source: USPS OIG

## Drive Times to Post Offices Offering Fingerprinting Services, FY 2025

As a more specialized offering at select post offices, fingerprinting is accessible to 47 percent of Americans within a 15-minute drive. This reaches 76 percent of the population at the 30-minute threshold.



Source: USPS OIG

# Appendix D: Emergency Support Functions Designated to the Postal Service

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The Postal Service is designated as a support agency for eight Emergency Support Functions (ESFs) within the National Response Framework (NRF). These ESFs, which generally align with USPS's core function of delivering mail and physical goods, are:

1. **Transportation (ESF #1):** managing transportation systems and infrastructure during emergencies.
2. **Information and Planning (ESF #5):** developing coordinated interagency plans and information sharing.
3. **Mass Care, Emergency Assistance, Temporary Housing, and Human Services (ESF #6):** providing protective shelters, temporary lodging, and feeding.
4. **Logistics (ESF #7):** providing logistical and resource management assistance.
5. **Public Health and Medical Services (ESF #8):** involves supplemental assistance to states, tribal governments, and jurisdictions in identifying and meeting the public health and medical needs of victims of major disasters or public health and medical emergencies.
6. **Agriculture and Natural Resources (ESF #11):** involves the coordination of services to animals and the agricultural community and protecting natural resources.
7. **Public Safety and Security (ESF #13):** involves providing public safety and security assistance to local, state, tribal, territorial, and federal organizations during emergencies.
8. **External Affairs (ESF #15):** This involves providing accurate, coordinated, timely, and accessible information to affected audiences, including governments, media, the private sector, and the public.

Source: Department of Homeland Security, National Response Framework, October 28, 2019. Model for Potential State Broadband Partnership  
This five-step model proposed by the Colorado Broadband Office (CBO) leverages post office locations as physical hubs, moving from site selection and feasibility assessments to a competitive bidding process and final infrastructure deployment.

# Appendix E: Management's Comments



May 11, 2026

PAOLA PISCIONERI  
RESEARCH DIRECTOR  
RESEARCH AND INSIGHTS SOLUTION CENTER

SUBJECT: Management Response - Expanding Access to Government Services  
Through the Postal Network (Project Number 2025RISC007)

Thank you for the opportunity to review and comment on Recommendation 1 of the draft white paper, *Expanding Access to Government Services Through the Postal Network*.

**Recommendation 1:** We recommend the Chief Customer and Marketing Officer and Executive Vice President in consultation with the Chief Technology Officer and Executive Vice President develop a government services strategic roadmap that outlines the steps to identify and evaluate opportunities to expand services across the different levels of government.

**Management Response/Action Plan:**

The Postal Service agrees with the OIG's recommendation to develop a government services strategic roadmap to better identify and evaluate opportunities to expand services across federal, state, local and tribal levels.

The Postal Service has previously conducted structured evaluations of government services partnerships, including market scans and prioritization of potential opportunities based on agency need, addressable market, and operational feasibility.

Building on this foundation, USPS will formalize and refine these efforts into a roadmap that outlines a disciplined, phased approach to assessing and advancing partnership opportunities.

Consistent with statutory requirements and current operating priorities, this roadmap will focus on:

- Identifying opportunities that are externally funded or ensure full cost recovery
- Prioritizing scalable services that leverage existing infrastructure and capabilities
- Establishing clear evaluation criteria, pilot frameworks, and go/no-go decision points
- Coordinating cross-functional roles across Customer and Marketing, Technology, and Operations

The Postal Service will continue to take a targeted, opportunity-driven approach to government services, ensuring that any expansion aligns with operational capacity, does not detract from core postal services, and maintains financial discipline.

**Target Implementation Date:** May 31, 2027

**Responsible Official:** Chief Customer and Marketing Officer

E-SIGNED by Steven.W Monteith  
on 2026-05-11 14:59:29 EDT

Steven W. Monteith  
Chief Customer & Marketing Officer  
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E-SIGNED by Gary.C Reblin  
on 2026-05-11 14:34:37 EDT

Gary C. Reblin  
Chief Technology Officer  
and Executive Vice President

cc: Corporate Audit & Response Management

# OFFICE OF INSPECTOR GENERAL

UNITED STATES



Aaron Anfinson, David Neu, David Garcia, Mia Barratt, and Jean-Philippe Ducasse contributed to this report.

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