



Federal Financial Analytics, Inc.

Karen Petrou on Upsie Mae: Is it our Newest GSE?

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Earlier today, FedFin sent clients an analysis of Senate legislation that would give the USPS the legal authority its inspector-general already thinks it has to offer an array of new financial services. No wonder the door of my local post office now startlingly says, “We appreciate your business.” But, the USPS initiative raises a more fundamental question than whether any charm offensive can work fast enough to get the USPS into basic banking. As I look at what USPS contemplates and how the Senate bill would govern it, I wonder if we aren’t turning the Postal Service into a new-born GSE, only this time without even the patina of prudential regulation that allowed Fannie and Freddie to pretend they were solvent until they way weren’t.

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