

106TH CONGRESS
2D SESSION

S. 2686

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 10, 2000

Referred to the Committee on Government Reform

AN ACT

To amend chapter 36 of title 39, United States Code, to modify rates relating to reduced rate mail matter, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SPECIAL RATEMAKING PROVISIONS.**

2 (a) ESTABLISHMENT OF REGULAR RATES FOR MAIL
3 CLASSES WITH CERTAIN PREFERRED SUBCLASSES.—

4 Section 3622 of title 39, United States Code, is
5 amended—

6 (1) by redesignating subsection (c) as sub-
7 section (d); and

8 (2) by inserting after subsection (b) the fol-
9 lowing:

10 “(c) Regular rates for each class or subclass of mail
11 that includes 1 or more special rate categories for mail
12 under former section 4358 (d) or (e), 4452 (b) or (c), or
13 4554 (b) or (c) of this title shall be established by applying
14 the policies of this title, including the factors of section
15 3622(b) of this title, to the costs attributable to the reg-
16 ular rate mail in each class or subclass combined with the
17 mail in the corresponding special rate categories author-
18 ized by former section 4358 (d) or (e), 4452 (b) or (c),
19 or 4554 (b) or (c) of this title.”.

20 (b) RESIDUAL RULE FOR PREFERRED PERIODICAL
21 MAIL.—Section 3626(a)(3)(A) of title 39, United States
22 Code, is amended to read as follows:

23 “(3)(A) Except as provided in paragraph (4) or
24 (5), rates of postage for a class of mail or kind of
25 mailer under former section 4358 of this title shall
26 be established in a manner such that the estimated

1 revenues to be received by the Postal Service from
 2 such class of mail or kind of mailer shall be equal
 3 to the sum of—

4 “(i) the estimated costs attributable to
 5 such class of mail or kind of mailer; and

6 “(ii) the product derived by multiplying the
 7 estimated costs referred to in clause (i) by the
 8 applicable percentage under subparagraph
 9 (B).”.

10 (c) SPECIAL RULE FOR NONPROFIT AND CLASSROOM
 11 PERIODICALS.—Section 3626(a)(4) of title 39, United
 12 States Code, is amended to read as follows:

13 “(4)(A) Except as specified in subparagraph
 14 (B), rates of postage for a class of mail or kind of
 15 mailer under former section 4358 (d) or (e) of this
 16 title shall be established so that postage on each
 17 mailing of such mail shall be as nearly as practicable
 18 5 percent lower than the postage for a corresponding
 19 regular-rate category mailing.

20 “(B) With respect to the postage for the adver-
 21 tising pound portion of any mail matter under
 22 former section 4358 (d) or (e) of this title, the 5-
 23 percent discount specified in subparagraph (A) shall
 24 not apply if the advertising portion exceeds 10 per-
 25 cent of the publication involved.”.

1 (d) SPECIAL RULE FOR NONPROFIT STANDARD (A)
2 MAIL.—Section 3626(a) of title 39, United States Code,
3 is amended by adding at the end the following:

4 “(6) The rates for mail matter under former
5 sections 4452 (b) and (c) of this title shall be estab-
6 lished as follows:

7 “(A) The estimated average revenue per
8 piece to be received by the Postal Service from
9 each subclass of mail under former sections
10 4452 (b) and (c) of this title shall be equal, as
11 nearly as practicable, to 60 percent of the esti-
12 mated average revenue per piece to be received
13 from the most closely corresponding regular-
14 rate subclass of mail.

15 “(B) For purposes of subparagraph (A),
16 the estimated average revenue per piece of each
17 regular-rate subclass shall be calculated on the
18 basis of expected volumes and mix of mail for
19 such subclass at current rates in the test year
20 of the proceeding.

21 “(C) Rate differentials within each sub-
22 class of mail matter under former sections 4452
23 (b) and (c) shall reflect the policies of this title,
24 including the factors set forth in section
25 3622(b) of this title.”.

1 (e) SPECIAL RULE FOR LIBRARY AND EDUCATIONAL
 2 MATTER.—Section 3626(a) of title 39, United States
 3 Code, as amended by subsection (d) of this section, is
 4 amended by adding at the end the following:

5 “(7) The rates for mail matter under former
 6 sections 4554 (b) and (c) of this title shall be estab-
 7 lished so that postage on each mailing of such mail
 8 shall be as nearly as practicable 5 percent lower
 9 than the postage for a corresponding regular-rate
 10 mailing.”.

11 **SEC. 2. TRANSITIONAL AND TECHNICAL PROVISIONS.**

12 (a) TRANSITIONAL PROVISION FOR NONPROFIT
 13 STANDARD (A) MAIL.—In any proceeding in which rates
 14 are to be established under chapter 36 of title 39, United
 15 States Code, for mail matter under former sections 4452
 16 (b) and (c) of that title, pending as of the date of enact-
 17 ment of section 1 of this Act, the estimated reduction in
 18 postal revenue from such mail matter caused by the enact-
 19 ment of section 3626(a)(6)(A) of that title, if any, shall
 20 be treated as a reasonably assignable cost of the Postal
 21 Service under section 3622(b)(3) of that title.

22 (b) TECHNICAL AMENDMENT.—Section 3626(a)(1)
 23 of title 39, United States Code, is amended by striking

1 “4454(b), or 4454(c)” and inserting “4554(b), or
2 4554(c)”.

Passed the Senate October 6 (legislative day, September 22), 2000.

Attest:

GARY SISCO,
Secretary.