

112TH CONGRESS  
1ST SESSION

# H. R. 2309

To restore the financial solvency of the United States Postal Service and to ensure the efficient and affordable nationwide delivery of mail.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 23, 2011

Mr. ISSA (for himself and Mr. ROSS of Florida) introduced the following bill; which was referred to the Committee on Oversight and Government Reform, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To restore the financial solvency of the United States Postal Service and to ensure the efficient and affordable nationwide delivery of mail.

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

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS; REF-**  
4 **ERENCES.**

5 (a) **SHORT TITLE.**—This Act may be cited as the  
6 “Postal Reform Act of 2011”.

7 (b) **TABLE OF CONTENTS.**—The table of contents of  
8 this Act is as follows:

Sec. 1. Short title; table of contents; references.

TITLE I—POSTAL SERVICE MODERNIZATION

Subtitle A—Commission on Postal Reorganization

- Sec. 101. Short title.
- Sec. 102. Definitions.
- Sec. 103. Commission on Postal Reorganization.
- Sec. 104. Recommendations for closures and consolidations.
- Sec. 105. Implementation of closures and consolidations.
- Sec. 106. Congressional consideration of final CPR reports.
- Sec. 107. Nonappealability of decisions.
- Sec. 108. Rules of construction.

Subtitle B—Other Provisions

- Sec. 111. Frequency of mail delivery.
- Sec. 112. Efficient and flexible universal postal service.
- Sec. 113. More cost-efficient Postal Service contracting.
- Sec. 114. Enhanced reporting on Postal Service efficiency.

TITLE II—POSTAL SERVICE FINANCIAL RESPONSIBILITY AND  
MANAGEMENT ASSISTANCE AUTHORITY

Subtitle A—Establishment and Organization

- Sec. 201. Purposes.
- Sec. 202. Establishment of the Authority.
- Sec. 203. Membership and qualification requirements.
- Sec. 204. Organization.
- Sec. 205. Executive Director and staff.
- Sec. 206. Funding.

Subtitle B—Powers of the Authority

- Sec. 211. Powers.
- Sec. 212. Exemption from liability for claims.
- Sec. 213. Treatment of actions arising under this title.

Subtitle C—Establishment and Enforcement of Financial Plan and Budget  
for the Postal Service

- Sec. 221. Development of financial plan and budget for the Postal Service.
- Sec. 222. Supplementary borrowing authority during a control period.
- Sec. 223. Process for submission and approval of financial plan and budget.
- Sec. 224. Responsibilities of the Authority.
- Sec. 225. Effect of finding noncompliance with financial plan and budget.
- Sec. 226. Recommendations regarding financial stability, etc.
- Sec. 227. Special rules for fiscal year in which control period commences.
- Sec. 228. Assistance in achieving financial stability, etc.
- Sec. 229. Obtaining reports.
- Sec. 230. Reports and comments.

Subtitle D—Termination of a Control Period

- Sec. 231. Termination of control period, etc.
- Sec. 232. Congressional consideration of recommendation.

## TITLE III—POSTAL SERVICE WORKFORCE

## Subtitle A—General Provisions

- Sec. 301. Modifications relating to determination of pay comparability.  
 Sec. 302. Limitation on postal contributions under FEGLI and FEHBP.  
 Sec. 303. Repeal of provision relating to overall value of fringe benefits.  
 Sec. 304. Modifications relating to collective bargaining.

## Subtitle B—Postal Service Workers’ Compensation Reform

- Sec. 311. Sense of Congress.

## TITLE IV—POSTAL SERVICE REVENUE

- Sec. 401. Adequacy, efficiency, and fairness of postal rates.  
 Sec. 402. Repeal of rate preferences for qualified political committees.  
 Sec. 403. Rate preferences for nonprofit advertising.  
 Sec. 404. Streamlined review of qualifying service agreements for competitive products.  
 Sec. 405. Submission of service agreements for streamlined review.  
 Sec. 406. Transparency and accountability for service agreements.  
 Sec. 407. Nonpostal services.

## TITLE V—POSTAL CONTRACTING REFORM

- Sec. 501. Contracting provisions.  
 Sec. 502. Technical amendment to definition.

1       (c) REFERENCES.—Except as otherwise expressly  
 2 provided, whenever in this Act an amendment or repeal  
 3 is expressed in terms of an amendment to, or repeal of,  
 4 a section or other provision, the reference shall be consid-  
 5 ered to be made to a section or other provision of title  
 6 39, United States Code.

7           **TITLE I—POSTAL SERVICE**  
 8                   **MODERNIZATION**

9           **Subtitle A—Commission on Postal**  
 10                   **Reorganization**

11 **SEC. 101. SHORT TITLE.**

12       This subtitle may be cited as the “Commission on  
 13 Postal Reorganization Act” or the “CPR Act”.

1 **SEC. 102. DEFINITIONS.**

2 For purposes of this title—

3 (1) the term “Postal Service” means the United  
4 States Postal Service;

5 (2) the term “postal retail facility” means a  
6 post office, post office branch, post office classified  
7 station, or other facility which is operated by the  
8 Postal Service, and the primary function of which is  
9 to provide retail postal services;

10 (3) the term “mail processing facility” means a  
11 processing and distribution center, processing and  
12 distribution facility, network distribution center, or  
13 other facility which is operated by the Postal Serv-  
14 ice, and the primary function of which is to sort and  
15 process mail;

16 (4) the term “district office” means the central  
17 office of an administrative field unit with responsi-  
18 bility for postal operations in a designated geo-  
19 graphic area (as defined under regulations, direc-  
20 tives, or other guidance of the Postal Service, as in  
21 effect on June 23, 2011);

22 (5) the term “area office” means the central of-  
23 fice of an administrative field unit with responsibility  
24 for postal operations in a designated geographic area  
25 which is comprised of designated geographic areas  
26 as referred to in paragraph (4);

1           (6) the term “baseline year” means the fiscal  
2 year last ending before the date of the enactment of  
3 this Act; and

4           (7) the term “Member of Congress” has the  
5 meaning given such term by section 2106 of title 5,  
6 United States Code.

7 **SEC. 103. COMMISSION ON POSTAL REORGANIZATION.**

8           (a) **ESTABLISHMENT.**—There shall be established,  
9 not later than 90 days after the date of the enactment  
10 of this Act, an independent commission to be known as  
11 the “Commission on Postal Reorganization” (hereinafter  
12 in this section referred to as the “Commission”).

13           (b) **DUTIES.**—The Commission shall carry out the  
14 duties specified for it in this subtitle.

15           (c) **MEMBERS.**—

16           (1) **IN GENERAL.**—The Commission shall be  
17 composed of 5 members who shall be appointed by  
18 the President, and of whom—

19                   (A) 1 shall be appointed from among indi-  
20 viduals recommended by the Speaker of the  
21 House of Representatives;

22                   (B) 1 shall be appointed from among indi-  
23 viduals recommended by the majority leader of  
24 the Senate;

1           (C) 1 shall be appointed from among indi-  
2           viduals recommended by the minority leader of  
3           the House of Representatives;

4           (D) 1 shall be appointed from among indi-  
5           viduals recommended by the minority leader of  
6           the Senate; and

7           (E) 1 shall be appointed from among indi-  
8           viduals recommended by the Comptroller Gen-  
9           eral.

10          (2) QUALIFICATIONS.—

11           (A) IN GENERAL.—Members of the Com-  
12           mission shall be chosen to represent the public  
13           interest generally, and shall not be representa-  
14           tives of specific interests using the Postal Serv-  
15           ice.

16           (B) INELIGIBILITY.—An individual may  
17           not be appointed to serve as a member of the  
18           Commission if such individual served as an em-  
19           ployee of the Postal Service or the Postal Regu-  
20           latory Commission, or of a labor organization  
21           representing employees of the Postal Service or  
22           the Postal Regulatory Commission, during the  
23           3-year period ending on the date of such ap-  
24           pointment.

1           (3) POLITICAL AFFILIATION.—Not more than 3  
2           members of the Commission may be of the same po-  
3           litical party.

4           (d) TERMS.—Each member of the Commission shall  
5           be appointed for the life of the Commission and may be  
6           removed only for cause.

7           (e) VACANCIES.—A vacancy in the Commission shall  
8           be filled in the same manner as the original appointment.

9           (f) CHAIRMAN.—The President shall, at the time of  
10          making appointments under subsection (c), designate one  
11          of the members to serve as chairman of the Commission.

12          (g) COMPENSATION AND TRAVEL EXPENSES.—

13                (1) COMPENSATION.—

14                    (A) IN GENERAL.—Except as provided in  
15                    subparagraph (B), each member of the Com-  
16                    mission shall be paid at a rate equal to the  
17                    daily equivalent of \$40,000 per year for each  
18                    day (including travel time) during which the  
19                    member is engaged in the actual performance of  
20                    duties vested in the Commission.

21                    (B) EXCEPTION.—Any member of the  
22                    Commission who is a full-time officer or em-  
23                    ployee of the United States or a Member of  
24                    Congress may not receive additional pay, allow-

1           ances, or benefits by reason of such member's  
2           service on the Commission.

3           (2) TRAVEL EXPENSES.—Each member shall  
4           receive travel expenses, including per diem in lieu of  
5           subsistence, in accordance with applicable provisions  
6           of subchapter I of chapter 57 of title 5, United  
7           States Code.

8           (h) DIRECTOR.—The Commission shall have a Direc-  
9           tor who shall be appointed by the Commission. The Direc-  
10          tor shall be paid at the rate of basic pay for level IV of  
11          the Executive Schedule under section 5315 of title 5,  
12          United States Code. An appointment under this sub-  
13          section shall be subject to the requirements of subsection  
14          (c)(2).

15          (i) ADDITIONAL PERSONNEL.—With the approval of  
16          the Commission, the Director may appoint and fix the pay  
17          of such additional personnel as the Director considers ap-  
18          propriate. Such additional personnel may be appointed  
19          without regard to the provisions of title 5, United States  
20          Code, governing appointments in the competitive service,  
21          and may be paid without regard to the provisions of chap-  
22          ter 51 and subchapter III of chapter 53 of such title relat-  
23          ing to classification and General Schedule pay rates, ex-  
24          cept that an individual so appointed may not receive pay  
25          at a rate of basic pay in excess of the rate of basic pay



1 payable to the Director. An individual appointed under  
2 this subsection shall serve at the pleasure of the Director.

3 (j) PROVISIONS RELATING TO DETAILS.—

4 (1) IN GENERAL.—Upon request of the Direc-  
5 tor, the head of any Federal department or agency  
6 may detail any of the personnel of such department  
7 or agency to the Commission to assist the Commis-  
8 sion in carrying out its duties under this subtitle.  
9 Notwithstanding any other provision of law, to pro-  
10 vide continuity in the work of the Commission, such  
11 details may be extended beyond 1 year at the re-  
12 quest of the Director.

13 (2) NUMERICAL LIMITATION.—Not more than  
14  $\frac{1}{3}$  of the personnel of the Commission may consist  
15 of individuals on detail from the Postal Service or  
16 the Postal Regulatory Commission.

17 (3) OTHER LIMITATIONS.—A person may not  
18 be detailed to the Commission from the Postal Serv-  
19 ice or the Postal Regulatory Commission if such per-  
20 son participated personally and substantially on any  
21 matter, within the Postal Service or the Postal Reg-  
22 ulatory Commission, concerning the preparation of  
23 recommendations for closures or consolidations of  
24 postal facilities under this subtitle. No employee of  
25 the Postal Service or the Postal Regulatory Commis-

1 sion (including a detailee to the Postal Service or  
2 the Postal Regulatory Commission) may—

3 (A) prepare any report concerning the ef-  
4 fectiveness, fitness, or efficiency of the perform-  
5 ance, on the staff of the Commission, of any  
6 person detailed from the Postal Service or the  
7 Postal Regulatory Commission to such staff;

8 (B) review the preparation of such a re-  
9 port; or

10 (C) approve or disapprove such a report.

11 (k) OTHER AUTHORITIES.—

12 (1) EXPERTS AND CONSULTANTS.—The Com-  
13 mission may procure by contract, to the extent funds  
14 are available, temporary or intermittent services  
15 under section 3109 of title 5, United States Code.

16 (2) LEASING, ETC.—The Commission may lease  
17 space and acquire personal property to the extent  
18 funds are available.

19 (l) AUTHORIZATION OF APPROPRIATIONS.—In order  
20 to carry out this section, there are authorized to be appro-  
21 priated out of the Postal Service Fund \$20,000,000,  
22 which funds shall remain available until expended.

23 (m) FINANCIAL REPORTING.—

24 (1) AUDIT AND EXPENDITURES.—The Commis-  
25 sion shall be responsible for issuing annual financial

1 statements and for establishing and maintaining  
2 adequate controls over its financial reporting.

3 (2) INTERNAL AUDITS.—The Commission shall  
4 maintain an adequate internal audit of its financial  
5 transactions.

6 (3) ANNUAL CERTIFICATION.—The Commission  
7 shall obtain an annual certification for each fiscal  
8 year from an independent, certified public account-  
9 ing firm of the accuracy of its financial statements.

10 (4) COMPTROLLER GENERAL.—The accounts  
11 and operations of the Commission shall be audited  
12 by the Comptroller General and reports thereon  
13 made to the Congress to the extent and at such  
14 times as the Comptroller General may determine.

15 (n) TERMINATION.—The Commission shall terminate  
16 60 days after submitting its final reports under section  
17 104(d)(3).

18 **SEC. 104. RECOMMENDATIONS FOR CLOSURES AND CON-**  
19 **SOLIDATIONS.**

20 (a) PLAN FOR THE CLOSURE OR CONSOLIDATION OF  
21 POSTAL RETAIL FACILITIES.—

22 (1) IN GENERAL.—Not later than 120 days  
23 after the date of the enactment of this Act, the Post-  
24 al Service, in consultation with the Postal Regu-  
25 latory Commission, shall develop and submit to the

1 Commission on Postal Reorganization a plan for the  
2 closure or consolidation of such postal retail facilities  
3 as the Postal Service considers necessary and appro-  
4 priate so that the total annual costs attributable to  
5 the operation of postal retail facilities will be, for  
6 each fiscal year beginning at least 2 years after the  
7 date on which the Commission transmits to Con-  
8 gress its final report under subsection (d)(3)(A) re-  
9 lating to this subsection, at least \$1,000,000,000  
10 less than the corresponding total annual costs for  
11 the baseline year.

12 (2) CONTENTS.—The plan shall include—

13 (A) a list of the postal retail facilities pro-  
14 posed for closure or consolidation under this  
15 subtitle;

16 (B) a proposed schedule under which—

17 (i) closures and consolidations of post-  
18 al retail facilities would be carried out  
19 under this subtitle; and

20 (ii) all closures and consolidations of  
21 postal retail facilities under this subtitle  
22 would be completed by not later than 2  
23 years after the date on which the Commis-  
24 sion transmits to Congress its final report

1 under subsection (d)(3)(A) relating to such  
2 plan;

3 (C) the estimated total annual cost savings  
4 attributable to the proposed closures and con-  
5 solidations described in the plan;

6 (D) the criteria and process used to de-  
7 velop the information described in subpara-  
8 graphs (A) and (B);

9 (E) the methodology and assumptions used  
10 to derive the estimates described in subpara-  
11 graph (C); and

12 (F) any changes to the processing, trans-  
13 portation, delivery, or other postal operations  
14 anticipated as a result of the proposed closures  
15 and consolidations described in the plan.

16 (3) CONSISTENCY.—The methodology and as-  
17 sumptions used to derive the cost estimates de-  
18 scribed in paragraph (2)(C) shall be consistent with  
19 the methodology and assumptions which would have  
20 been used by the Postal Service if those closures and  
21 consolidations had instead taken effect in the base-  
22 line year.

23 (b) PLAN FOR THE CLOSURE OR CONSOLIDATION OF  
24 MAIL PROCESSING FACILITIES.—

1           (1) IN GENERAL.—Not later than 300 days  
2 after the date of the enactment of this Act, the Post-  
3 al Service, in consultation with the Inspector Gen-  
4 eral of the United States Postal Service, shall de-  
5 velop and submit to the Commission on Postal Reor-  
6 ganization a plan for the closure or consolidation of  
7 such mail processing facilities as the Postal Service  
8 considers necessary and appropriate so that—

9           (A) the total annual costs attributable to  
10 the operation of mail processing facilities will  
11 be, for each fiscal year beginning at least 2  
12 years after the date on which the Commission  
13 transmits to Congress its final report under  
14 subsection (d)(3)(A) relating to this subsection,  
15 at least \$1,000,000,000 less than the cor-  
16 responding total annual costs for the baseline  
17 year; and

18           (B) the Postal Service has, for fiscal years  
19 beginning at least 2 years after the date on  
20 which the Commission transmits to Congress its  
21 final report under subsection (d)(3)(A) relating  
22 to this subsection, no more than 10 percent ex-  
23 cess mail processing capacity.

24           (2) CONTENTS.—The plan shall include—

1 (A) a list of the mail processing facilities  
2 proposed for closure or consolidation under this  
3 subtitle;

4 (B) a proposed schedule under which—

5 (i) closures and consolidations of mail  
6 processing facilities would be carried out  
7 under this subtitle; and

8 (ii) all closures and consolidations of  
9 mail processing facilities under this sub-  
10 title would be completed by not later than  
11 2 years after the date on which the Com-  
12 mission transmits to Congress its final re-  
13 port under subsection (d)(3)(A) relating to  
14 such plan;

15 (C) the estimated total annual cost savings  
16 attributable to the proposed closures and con-  
17 solidations described in the plan;

18 (D) the criteria and process used to de-  
19 velop the information described in subpara-  
20 graphs (A) and (B);

21 (E) the methodology and assumptions used  
22 to derive the estimates described in subpara-  
23 graph (C); and

24 (F) any changes to the processing, trans-  
25 portation, delivery, or other postal operations

1           anticipated as a result of the proposed closures  
2           and consolidations described in the plan.

3           (3) CONSISTENCY.—The methodology and as-  
4           sumptions used to derive the cost estimates de-  
5           scribed in paragraph (2)(C) shall be consistent with  
6           the methodology and assumptions which would have  
7           been used by the Postal Service if those closures and  
8           consolidations had instead taken effect in the base-  
9           line year.

10           (4) EXCESS MAIL PROCESSING CAPACITY.—The  
11           Commission shall cause to be published in the Fed-  
12           eral Register notice of a proposed definition of “ex-  
13           cess mail processing capacity” for purposes of this  
14           section within 120 days after the date of the enact-  
15           ment of this Act, and shall provide a period of 30  
16           days for public comment on the proposed definition.  
17           Not later than 180 days after the date of the enact-  
18           ment of this Act, the Commission shall issue and  
19           cause to be published in the Federal Register a final  
20           definition of “excess mail processing capacity” for  
21           purposes of this section. Such definition shall in-  
22           clude an estimate of the total amount of excess mail  
23           processing capacity in mail processing facilities as of  
24           the date of the enactment of this Act.



1           (c) PLAN FOR THE CLOSURE OR CONSOLIDATION OF  
2 AREA AND DISTRICT OFFICES.—

3           (1) IN GENERAL.—Not later than 300 days  
4 after the date of the enactment of this Act, the Post-  
5 al Service, in consultation with the Inspector Gen-  
6 eral of the United States Postal Service, shall de-  
7 velop and submit to the Commission on Postal Reor-  
8 ganization a plan for the closure or consolidation of  
9 such area and district offices as the Postal Service  
10 considers necessary and appropriate so that the com-  
11 bined total number of area and district offices will  
12 be, for each fiscal year beginning at least 2 years  
13 after the date on which the Commission transmits to  
14 Congress its final report under subsection (d)(3)(A)  
15 relating to this subsection, at least 30 percent less  
16 than the corresponding combined total for the base-  
17 line year.

18           (2) CONTENTS.—The plan shall include—

19           (A) a list of the area and district offices  
20 proposed for closure or consolidation under this  
21 subtitle;

22           (B) a proposed schedule under which—

23           (i) closures and consolidations of area  
24 and district offices would be carried out  
25 under this subtitle; and

1                   (ii) all closures and consolidations of  
2                   area and district offices under this subtitle  
3                   would be completed by not later than 2  
4                   years after the date on which the Commis-  
5                   sion transmits to Congress its final report  
6                   under subsection (d)(3)(A) relating to such  
7                   plan;

8                   (C) the estimated total annual cost savings  
9                   attributable to the proposed closures and con-  
10                  solidations described in the plan;

11                  (D) the criteria and process used to de-  
12                  velop the information described in subpara-  
13                  graphs (A) and (B);

14                  (E) the methodology and assumptions used  
15                  to derive the estimates described in subpara-  
16                  graph (C); and

17                  (F) any changes to the processing, trans-  
18                  portation, delivery, or other postal operations  
19                  anticipated as a result of the proposed closures  
20                  and consolidations described in the plan.

21                  (3) CONSISTENCY.—The methodology and as-  
22                  sumptions used to derive the cost estimates de-  
23                  scribed in paragraph (2)(C) shall be consistent with  
24                  the methodology and assumptions which would have  
25                  been used by the Postal Service if those closures and

1 consolidations had instead taken effect in the base-  
2 line year.

3 (d) REVIEW AND RECOMMENDATIONS OF THE COM-  
4 MISSION.—

5 (1) INITIAL REPORTS.—

6 (A) IN GENERAL.—After receiving the plan  
7 of the Postal Service under subsection (a), (b),  
8 or (c), the Commission on Postal Reorganiza-  
9 tion shall transmit to Congress and publish in  
10 the Federal Register a report under this para-  
11 graph, which shall contain the Commission's  
12 findings based on a review and analysis of such  
13 plan, together with the Commission's initial rec-  
14 ommendations for closures and consolidations  
15 of postal facilities, mail processing facilities, or  
16 area and district offices (as the case may be).

17 (B) EXPLANATION OF CHANGES.—The  
18 Commission shall explain and justify in its re-  
19 port any recommendations made by the Com-  
20 mission that are different from those contained  
21 in the Postal Service plan to which such report  
22 pertains.

23 (C) DEADLINES.—A report of the Commis-  
24 sion under this paragraph shall be transmitted

1 and published, in accordance with subparagraph  
2 (A), within—

3 (i) if the report pertains to the plan  
4 under subsection (a), 60 days after the  
5 date on which the Commission receives  
6 such plan; or

7 (ii) if the report pertains to the plan  
8 under subsection (b) or (c), 90 days after  
9 the date on which the Commission receives  
10 such plan.

11 (2) PUBLIC HEARINGS.—

12 (A) IN GENERAL.—After receiving the plan  
13 of the Postal Service under subsection (a), (b),  
14 or (c), the Commission on Postal Reorganiza-  
15 tion shall conduct at least 5 public hearings on  
16 such plan. The hearings shall be conducted in  
17 geographic areas chosen so as to reflect a  
18 broadly representative range of needs and inter-  
19 ests.

20 (B) TESTIMONY.—All testimony before the  
21 Commission at a public hearing conducted  
22 under this paragraph shall be given under oath.

23 (C) DEADLINES.—All hearings under this  
24 paragraph shall be completed within 60 days  
25 after the date as of which the Commission sat-

1 isfies the requirements of paragraph (1) with  
2 respect to such plan.

3 (3) FINAL REPORTS.—

4 (A) IN GENERAL.—After satisfying the re-  
5 quirements of paragraph (2) with respect to the  
6 plan of the Postal Service under subsection (a),  
7 (b), or (c) (as the case may be), the Commis-  
8 sion shall transmit to Congress and publish in  
9 the Federal Register a report under this para-  
10 graph containing a summary of the hearings  
11 conducted with respect to such plan, together  
12 with the Commission's final recommendations  
13 for closures and consolidations of postal facili-  
14 ties, mail processing facilities, or area and dis-  
15 trict offices (as the case may be).

16 (B) APPROVAL.—Recommendations under  
17 subparagraph (A) shall not be considered to be  
18 final recommendations unless they are made  
19 with—

20 (i) except as provided in clause (ii),  
21 the concurrence of at least 4 members of  
22 the Commission; or

23 (ii) to the extent that the require-  
24 ments of subsection (b)(1)(A) or (c)(1) are  
25 not met, with the concurrence of all sitting

1 members, but only if the shortfall (relative  
2 to the requirements of subsection (b)(1)(A)  
3 or (c)(1), as the case may be) does not ex-  
4 ceed 25 percent.

5 (C) CONTENTS.—A report under this para-  
6 graph shall include—

7 (i) the information required by para-  
8 graph (2) of subsection (a), (b), or (c) (as  
9 the case may be); and

10 (ii) a description of the operations  
11 that will be affected by the closure or con-  
12 solidation and the facilities or offices which  
13 will be performing or ceasing to perform  
14 such operations as a result of such closure  
15 or consolidation.

16 (D) DEADLINES.—A report of the Com-  
17 mission under this paragraph shall be trans-  
18 mitted and published, in accordance with sub-  
19 paragraph (A), within 60 days after the date as  
20 of which the Commission satisfies the require-  
21 ments of paragraph (2) with respect to the plan  
22 involved.

1 **SEC. 105. IMPLEMENTATION OF CLOSURES AND CONSOLI-**  
2 **DATIONS.**

3 (a) IN GENERAL.—Subject to subsection (b), the  
4 Postal Service shall—

5 (1) close or consolidate (as the case may be) the  
6 facilities and offices recommended by the Commis-  
7 sion in each of its final reports under section  
8 104(d)(3); and

9 (2) carry out those closures and consolidations  
10 in accordance with the timetable recommended by  
11 the Commission in such report, except that in no  
12 event shall any such closure or consolidation be com-  
13 pleted later than 2 years after the date on which  
14 such report is submitted to Congress.

15 (b) CONGRESSIONAL DISAPPROVAL.—

16 (1) IN GENERAL.—The Postal Service may not  
17 carry out any closure or consolidation recommended  
18 by the Commission in a final report if a joint resolu-  
19 tion disapproving the recommendations of the Com-  
20 mission is enacted, in accordance with section 106,  
21 before the earlier of—

22 (A) the end of the 30-day period beginning  
23 on the date on which the Commission transmits  
24 those recommendations to Congress under sec-  
25 tion 104(d)(3); or

1 (B) the adjournment of the Congress sine  
2 die for the session during which such report is  
3 transmitted.

4 (2) DAYS OF SESSION.—For purposes of para-  
5 graph (1) and subsections (a) and (c) of section 106,  
6 the days on which either House of Congress is not  
7 in session because of an adjournment of more than  
8 7 days to a day certain shall be excluded in the com-  
9 putation of a period.

10 **SEC. 106. CONGRESSIONAL CONSIDERATION OF FINAL CPR**  
11 **REPORTS.**

12 (a) TERMS OF THE RESOLUTION.—For purposes of  
13 this subtitle, the term “joint resolution”, as used with re-  
14 spect to a report under section 104(d)(3), means only a  
15 joint resolution—

16 (1) which is introduced within the 10-day pe-  
17 riod beginning on the date on which such report is  
18 received by Congress;

19 (2) the matter after the resolving clause of  
20 which is as follows: “That Congress disapproves the  
21 recommendations of the Commission on Postal Reor-  
22 ganization, submitted by such Commission on \_\_\_\_\_,  
23 and pertaining to the closure or consolidation of  
24 \_\_\_\_\_.”, the first blank space being filled in with the  
25 appropriate date and the second blank space being



1 filled in with “postal facilities”, “mail processing fa-  
2 cilities”, or “area and district offices” (as the case  
3 may be);

4 (3) the title of which is as follows: “Joint reso-  
5 lution disapproving the recommendations of the  
6 Commission on Postal Reorganization.”; and

7 (4) which does not have a preamble.

8 (b) REFERRAL.—A resolution described in subsection  
9 (a) that is introduced in the House of Representatives or  
10 the Senate shall be referred to the appropriate committees  
11 of the House of Representatives or the Senate, respec-  
12 tively.

13 (c) DISCHARGE.—If the committee to which a resolu-  
14 tion described in subsection (a) is referred has not re-  
15 ported such resolution (or an identical resolution) by the  
16 end of the 20-day period beginning on the date on which  
17 the Commission transmits the report (to which such reso-  
18 lution pertains) to Congress under section 104(d)(3), such  
19 committee shall, at the end of such period, be discharged  
20 from further consideration of such resolution, and such  
21 resolution shall be placed on the appropriate calendar of  
22 the House involved.

23 (d) CONSIDERATION.—

24 (1) IN GENERAL.—On or after the third day  
25 after the date on which the committee to which such

1 a resolution is referred has reported, or has been  
2 discharged (under subsection (c)) from further con-  
3 sideration of, such a resolution, it is in order (even  
4 though a previous motion to the same effect has  
5 been disagreed to) for any Member of the respective  
6 House to move to proceed to the consideration of the  
7 resolution. A Member may make the motion only on  
8 the day after the calendar day on which the Member  
9 announces to the House concerned the Member's in-  
10 tention to make the motion, except that, in the case  
11 of the House of Representatives, the motion may be  
12 made without such prior announcement if the mo-  
13 tion is made by direction of the committee to which  
14 the resolution was referred. All points of order  
15 against the resolution (and against consideration of  
16 the resolution) are waived. The motion is highly  
17 privileged in the House of Representatives and is  
18 privileged in the Senate and is not debatable. The  
19 motion is not subject to amendment, or to a motion  
20 to postpone, or to a motion to proceed to the consid-  
21 eration of other business. A motion to reconsider the  
22 vote by which the motion is agreed to or disagreed  
23 to shall not be in order. If a motion to proceed to  
24 the consideration of the resolution is agreed to, the  
25 respective House shall immediately proceed to con-

1       sideration of the joint resolution without intervening  
2       motion, order, or other business, and the resolution  
3       shall remain the unfinished business of the respec-  
4       tive House until disposed of.

5           (2) DEBATE.—Debate on the resolution, and on  
6       all debatable motions and appeals in connection  
7       therewith, shall be limited to not more than 2 hours,  
8       which shall be divided equally between those favoring  
9       and those opposing the resolution. An amendment to  
10      the resolution is not in order. A motion further to  
11      limit debate is in order and not debatable. A motion  
12      to postpone, or a motion to proceed to the consider-  
13      ation of other business, or a motion to recommit the  
14      resolution is not in order. A motion to reconsider the  
15      vote by which the resolution is agreed to or dis-  
16      agreed to is not in order.

17           (3) VOTE ON FINAL PASSAGE.—Immediately  
18      following the conclusion of the debate on a resolu-  
19      tion described in subsection (a) and a single quorum  
20      call at the conclusion of the debate if requested in  
21      accordance with the rules of the appropriate House,  
22      the vote on final passage of the resolution shall  
23      occur.

24           (4) APPEALS.—Appeals from the decisions of  
25      the Chair relating to the application of the rules of

1 the Senate or the House of Representatives, as the  
2 case may be, to the procedure relating to a resolu-  
3 tion described in subsection (a) shall be decided  
4 without debate.

5 (e) CONSIDERATION BY OTHER HOUSE.—

6 (1) IN GENERAL.—If, before the passage by one  
7 House of a resolution of that House described in  
8 subsection (a), that House receives from the other  
9 House a resolution (described in subsection (a)) re-  
10 lating to the same report, then the following proce-  
11 dures shall apply:

12 (A) The resolution of the other House shall  
13 not be referred to a committee and may not be  
14 considered in the House receiving it except in  
15 the case of final passage as provided in sub-  
16 paragraph (B)(ii).

17 (B) With respect to the resolution de-  
18 scribed in subsection (a) (relating to the report  
19 in question) of the House receiving the resolu-  
20 tion—

21 (i) the procedure in that House shall  
22 be the same as if no resolution (relating to  
23 the same report) had been received from  
24 the other House; but

1 (ii) the vote on final passage shall be  
2 on the resolution of the other House.

3 (2) DISPOSITION OF A RESOLUTION.—Upon  
4 disposition of the resolution received from the other  
5 House, it shall no longer be in order to consider the  
6 resolution that originated in the receiving House.

7 (f) RULES OF THE SENATE AND HOUSE.—This sec-  
8 tion is enacted by Congress—

9 (1) as an exercise of the rulemaking power of  
10 the Senate and House of Representatives, respec-  
11 tively, and as such it is deemed a part of the rules  
12 of each House, respectively, but applicable only with  
13 respect to the procedure to be followed in that  
14 House in the case of a resolution described in sub-  
15 section (a), and it supersedes other rules only to the  
16 extent that it is inconsistent with such rules; and

17 (2) with full recognition of the constitutional  
18 right of either House to change the rules (so far as  
19 relating to the procedure of that House) at any time,  
20 in the same manner, and to the same extent as in  
21 the case of any other rule of that House.

22 **SEC. 107. NONAPPEALABILITY OF DECISIONS.**

23 (a) TO PRC.—The closing or consolidation of any fa-  
24 cility or office under this subtitle may not be appealed to  
25 the Postal Regulatory Commission under section 404(d)

1 or any other provision of title 39, United States Code, or  
2 the subject of an advisory opinion issued by the Postal  
3 Regulatory Commission under section 3661 of such title.

4 (b) JUDICIAL REVIEW.—No process, report, rec-  
5 ommendation, or other action of the Commission on Postal  
6 Reorganization shall be subject to judicial review.

7 **SEC. 108. RULES OF CONSTRUCTION.**

8 (a) CONTINUED AVAILABILITY OF AUTHORITY TO  
9 CLOSE OR CONSOLIDATE POSTAL FACILITIES.—

10 (1) IN GENERAL.—Nothing in this subtitle shall  
11 be considered to prevent the Postal Service from  
12 closing or consolidating any postal facilities, in ac-  
13 cordance with otherwise applicable provisions of law,  
14 either before or after the implementation of any clo-  
15 sures or consolidations under this subtitle.

16 (2) COORDINATION RULE.—No appeal or deter-  
17 mination under section 404(d) of title 39, United  
18 States Code, or any other provision of law shall  
19 delay, prevent, or otherwise affect any closure or  
20 consolidation under this subtitle.

21 (b) INAPPLICABILITY OF CERTAIN PROVISIONS.—

22 (1) IN GENERAL.—The provisions of law identi-  
23 fied in paragraph (2)—

24 (A) shall not apply to any closure or con-  
25 solidation carried out under this subtitle; and

1 (B) shall not be taken into account for  
2 purposes of carrying out section 103 or 104.

3 (2) PROVISIONS IDENTIFIED.—The provisions  
4 of law under this paragraph are—

5 (A) section 101(b) of title 39, United  
6 States Code; and

7 (B) section 404(d) of title 39, United  
8 States Code.

## 9 **Subtitle B—Other Provisions**

### 10 **SEC. 111. FREQUENCY OF MAIL DELIVERY.**

11 Section 101 is amended by adding at the end the fol-  
12 lowing:

13 “(h) Nothing in this title or any other provision of  
14 law shall be considered to prevent the Postal Service from  
15 taking whatever actions may be necessary to provide for  
16 5-day delivery of mail and a commensurate adjustment in  
17 rural delivery of mail, subject to the requirements of sec-  
18 tion 3661.”.

### 19 **SEC. 112. EFFICIENT AND FLEXIBLE UNIVERSAL POSTAL** 20 **SERVICE.**

21 (a) POSTAL POLICY.—

22 (1) IN GENERAL.—Section 101(b) is amended  
23 to read as follows:

1 “(b) The Postal Service shall provide effective and  
2 regular postal services to rural areas, communities, and  
3 small towns where post offices are not self-sustaining.”.

4 (2) CONFORMING AMENDMENTS.—(A) Clause  
5 (iii) of section 404(d)(2)(A) is amended to read as  
6 follows:

7 “(iii) whether such closing or consolidation  
8 is consistent with the policy of the Government,  
9 as stated in section 101(b), that the Postal  
10 Service shall provide effective and regular post-  
11 al services to rural areas, communities, and  
12 small towns where post offices are not self-sus-  
13 taining;”.

14 (B) Section 2401(b)(1) is amended (in the mat-  
15 ter before subparagraph (A)), by striking “a max-  
16 imum degree of”.

17 (b) GENERAL DUTY.—Paragraph (3) of section  
18 403(b) is amended to read as follows:

19 “(3) to ensure that postal patrons throughout  
20 the Nation will, consistent with reasonable econo-  
21 mies of postal operations, have ready access to es-  
22 sential postal services.”.

23 (c) PRC REVIEW OF DETERMINATIONS TO CLOSE  
24 OR CONSOLIDATE A POST OFFICE.—



1           (1) DEADLINE FOR REVIEW.—Section  
2           404(d)(5) is amended by striking “120 days” and  
3           inserting “60 days”.

4           (2) EXCLUSION FROM REVIEW.—Section 404(d)  
5           is amended by adding at the end the following:

6           “(7)(A) The appeals process set forth in paragraph  
7           (5) shall not apply to a determination of the Postal Service  
8           to close a post office if there is located, within 2 miles  
9           of such post office, a qualified contract postal unit.

10          “(B) For purposes of this paragraph—

11                 “(i) the term ‘contract postal unit’ means a  
12                 store or other place of business which—

13                         “(I) is not owned or operated by the Postal  
14                         Service; and

15                         “(II) in addition to its usual operations,  
16                         provides postal services to the general public  
17                         under contract with the Postal Service; and

18                 “(ii) the term ‘qualified contract postal unit’, as  
19                 used in connection with a post office, means a con-  
20                 tract postal unit which—

21                         “(I) begins to provide postal services to the  
22                         general public during the period—

23                                 “(aa) beginning 1 year before the date  
24                                 on which the closure or consolidation of

1           such post office is scheduled to take effect;  
2           and

3           “(bb) ending on the 15th day after  
4           the date on which the closure or consolida-  
5           tion of such post office is scheduled to take  
6           effect; and

7           “(II) has not, pursuant to subparagraph  
8           (A), served as the basis for exempting any other  
9           post office from the appeals process set forth in  
10          paragraph (5).

11          “(C)(i) If the contract postal unit (which is providing  
12          postal services that had been previously provided by the  
13          post office that was closed) does not continue to provide  
14          postal services, as required by subparagraph (B)(i)(II), for  
15          at least the 2-year period beginning on the date on which  
16          such post office was closed, the contract postal unit shall  
17          be subject to a closure determination by the Postal Service  
18          to decide whether a post office must be reopened within  
19          the area (delimited by the 2-mile radius referred to in sub-  
20          paragraph (A)).

21          “(ii) A decision under clause (i) not to reopen a post  
22          office may be appealed to the Postal Regulatory Commis-  
23          sion under procedures which the Commission shall by reg-  
24          ulation prescribe. Such procedures shall be based on para-  
25          graph (5), except that, for purposes of this clause, para-

1 graph (5)(C) shall be applied by substituting ‘in violation  
2 of section 101(b), leaving postal patrons without effective  
3 and regular access to postal services’ for ‘unsupported by  
4 substantial evidence on the record’.”.

5 (3) APPLICABILITY.—The amendments made  
6 by this subsection shall not apply with respect to  
7 any appeal, notice of which is received by the Postal  
8 Regulatory Commission before the date of the enact-  
9 ment of this Act (determined applying the rules set  
10 forth in section 404(d)(6) of title 39, United States  
11 Code).

12 (d) EXPEDITED PROCEDURES.—

13 (1) IN GENERAL.—Section 3661 is amended by  
14 adding at the end the following:

15 “(d)(1) The Commission shall issue its opinion within  
16 90 days after the receipt of any proposal (as referred to  
17 in subsection (b)) concerning—

18 “(A) the closing or consolidation of post offices  
19 to a degree that will generally affect service on a na-  
20 tionwide or substantially nationwide basis; or

21 “(B) an identical or substantially identical pro-  
22 posal on which the Commission issued an opinion  
23 within the preceding 5 years.

24 “(2) If necessary in order to comply with the 90-day  
25 requirement under paragraph (1), the Commission may

1 apply expedited procedures which the Commission shall by  
2 regulation prescribe.”.

3           (2) REGULATIONS.—The Postal Regulatory  
4 Commission shall prescribe any regulations nec-  
5 essary to carry out the amendment made by para-  
6 graph (1) within 90 days after the date of the enact-  
7 ment of this Act.

8           (3) APPLICABILITY.—The amendment made by  
9 this subsection shall apply with respect to any pro-  
10 posal received by the Postal Regulatory Commission  
11 on or after the earlier of—

12                   (A) the 90th day after the date of the en-  
13 actment of this Act; or

14                   (B) the effective date of the regulations  
15 under paragraph (2).

16 **SEC. 113. MORE COST-EFFICIENT POSTAL SERVICE CON-**  
17 **TRACTING.**

18           (a) IN GENERAL.—Section 410 is amended—

19                   (1) in subsection (b), by striking paragraph (4)  
20 and inserting the following:

21                           “(4) sections 3114–3116, 3118, 3131, and  
22 3133;” and

23                   (2) by striking subsection (d).

24           (b) APPLICABILITY.—The amendments made by sub-  
25 section (a) shall be effective with respect to contracts and

1 agreements first entered into on or after the date of the  
2 enactment of this Act.

3 **SEC. 114. ENHANCED REPORTING ON POSTAL SERVICE EF-**  
4 **FICIENCY.**

5 Section 3652(a) is amended—

6 (1) in paragraph (1), by striking “and” after  
7 the semicolon;

8 (2) in paragraph (2), by striking the period at  
9 the end and inserting “; and”; and

10 (3) by adding after paragraph (2) the following:

11 “(3) which shall provide the overall change in  
12 Postal Service productivity and the resulting effect  
13 of such change on overall Postal Service costs during  
14 such year, using such methodologies as the Commis-  
15 sion shall by regulation prescribe.”.

16 **TITLE II—POSTAL SERVICE FI-**  
17 **NANCIAL RESPONSIBILITY**  
18 **AND MANAGEMENT ASSIST-**  
19 **ANCE AUTHORITY**  
20 **Subtitle A—Establishment and**  
21 **Organization**

22 **SEC. 201. PURPOSES.**

23 (a) PURPOSES.—The purposes of this title are as fol-  
24 lows:

1           (1) To eliminate budget deficits and cash short-  
2           ages of the Postal Service through visionary finan-  
3           cial planning, sound budgeting, accurate revenue  
4           forecasts, and careful spending.

5           (2) To ensure the universal service mandate de-  
6           tailed in section 101 of title 39, United States Code,  
7           is maintained during a period of fiscal emergency.

8           (3) To conduct necessary investigations and  
9           studies to determine the fiscal status and oper-  
10          ational efficiency of the Postal Service.

11          (4) To assist the Postal Service in—

12                (A) restructuring its organization and  
13                workforce to bring expenses in line with dimin-  
14                ishing revenue and generate sufficient profits  
15                for capital investment and repayment of debt;

16                (B) meeting all fiscal obligations to the  
17                Treasury of the United States; and

18                (C) ensuring the appropriate and efficient  
19                delivery of postal services.

20          (5) To provide the Postal Service with a tem-  
21          porary increase in its borrowing authority to enable  
22          the Postal Service to complete necessary restruc-  
23          turing.

1           (6) To ensure the long-term financial, fiscal,  
2           and economic vitality and operational efficiency of  
3           the Postal Service.

4           (b) RESERVATION OF POWERS.—Nothing in this title  
5           may be construed—

6           (1) to relieve any obligations existing as of the  
7           date of the enactment of this Act of the Postal Serv-  
8           ice to the Treasury of the United States; or

9           (2) to limit the authority of Congress to exer-  
10          cise ultimate legislative authority over the Postal  
11          Service.

12 **SEC. 202. ESTABLISHMENT OF THE AUTHORITY.**

13          (a) ESTABLISHMENT.—There shall be established,  
14          upon the commencement of any control period, an entity  
15          to be known as the “Postal Service Financial Responsi-  
16          bility and Management Assistance Authority” (hereinafter  
17          in this title referred to as the “Authority”).

18          (b) CONTROL PERIOD.—

19                 (1) COMMENCEMENT OF A CONTROL PERIOD.—

20          For purposes of this title, a control period com-  
21          mences whenever the Postal Service has been in de-  
22          fault to the Treasury of the United States, with re-  
23          spect to any loans, bonds, notes, or other form of  
24          borrowing, for a period of at least 30 days.

1           (2) TREATMENT OF AUTHORITIES AND RESPON-  
2           SIBILITIES OF THE BOARD OF GOVERNORS, ETC.  
3           DURING A CONTROL PERIOD.—During a control pe-  
4           riod—

5                   (A) all authorities and responsibilities of  
6           the Board of Governors, and the individual  
7           Governors, of the Postal Service under title 39,  
8           United States Code, and any other provision of  
9           law shall be assumed by the Authority; and

10                   (B) the Board of Governors, and the indi-  
11           vidual Governors, may act in an advisory capac-  
12           ity only.

13           (3) TREATMENT OF CERTAIN POSTAL SERVICE  
14           EXECUTIVES DURING A CONTROL PERIOD.—

15                   (A) DEFINITION.—For the purposes of  
16           this section, the term “Level-Two Postal Serv-  
17           ice Executive” includes the Postmaster General,  
18           the Deputy Postmaster General, and all other  
19           officers or employees of the Postal Service in  
20           level two of the Postal Career Executive Service  
21           (or the equivalent).

22                   (B) TREATMENT.—Notwithstanding any  
23           other provision of law or employment contract,  
24           during a control period—



1 (i) all Level-Two Postal Service Ex-  
2 ecutives shall serve at the pleasure of the  
3 Authority;

4 (ii) the duties and responsibilities of  
5 all Level-Two Postal Service Executives, as  
6 well as the terms and conditions of their  
7 employment (including their compensa-  
8 tion), shall be subject to determination or  
9 redetermination by the Authority;

10 (iii) total compensation of a Level-  
11 Two Postal Service Executive may not, for  
12 any year in such control period, exceed the  
13 annual rate of basic pay payable for level  
14 I of the Executive Schedule under section  
15 5312 of title 5, United States Code, for  
16 such year; for purposes of this clause, the  
17 term “total compensation” means basic  
18 pay, bonuses, awards, and all other mone-  
19 tary compensation;

20 (iv) the percentage by which the rate  
21 of basic pay of a Level-Two Postal Service  
22 Executive is increased during any year in  
23 such control period may not exceed the  
24 percentage change in the Consumer Price  
25 Index for All Urban Consumers, unadjust-

1 ed for seasonal variation, for the most re-  
2 cent 12-month period available, except  
3 that, in the case of a Level-Two Postal  
4 Service Executive who has had a signifi-  
5 cant change in job responsibilities, a great-  
6 er change shall be allowable if approved by  
7 the Authority;

8 (v) apart from basic pay, a Level-Two  
9 Postal Service Executive may not be af-  
10 forded any bonus, award, or other mone-  
11 tary compensation for any fiscal year in  
12 the control period if expenditures of the  
13 Postal Service for such fiscal year exceeded  
14 revenues of the Postal Service for such fis-  
15 cal year (determined in accordance with  
16 generally accepted accounting principles);  
17 and

18 (vi) no deferred compensation may be  
19 paid, accumulated, or recognized in the  
20 case of any Level-Two Postal Service Exec-  
21 utive, with respect to any year in a control  
22 period, which is not generally paid, accu-  
23 mulated, or recognized in the case of em-  
24 ployees of the United States (outside of the  
25 Postal Service) in level I of the Executive

1           Schedule under section 5312 of title 5,  
2           United States Code, with respect to such  
3           year.

4           (C) BONUS AUTHORITY.—Section 3686 of  
5           title 39, United States Code, shall, during the  
6           period beginning on the commencement date of  
7           the control period and ending on the termi-  
8           nation date of the control period—

9                   (i) be suspended with respect to all  
10                   Level-Two Postal Service Executives; but

11                   (ii) remain in effect for all other offi-  
12                   cers and employees of the Postal Service  
13                   otherwise covered by this section.

14           (4) TERMINATION OF A CONTROL PERIOD.—  
15           Subject to subtitle D, a control period terminates  
16           upon certification by the Authority, with the concur-  
17           rence of the Secretary of the Treasury and the Di-  
18           rector of the Office of Personnel Management,  
19           that—

20                   (A) for 2 consecutive fiscal years (occur-  
21                   ring after the date of the enactment of this  
22                   Act), expenditures of the Postal Service did not  
23                   exceed revenues of the Postal Service (as deter-  
24                   mined in accordance with generally accepted ac-  
25                   counting principles);

1 (B) the Authority has approved a Postal  
2 Service financial plan and budget that shows  
3 expenditures of the Postal Service not exceeding  
4 revenues of the Postal Service (as so deter-  
5 mined) for the fiscal year to which such budget  
6 pertains and each of the next 3 fiscal years;  
7 and

8 (C) the Postal Service financial plan and  
9 budget (as referred to in subparagraph (B)) in-  
10 cludes plans—

11 (i) for the repayment of any supple-  
12 mentary debt under section 222, in equal  
13 annual installments over a period of not  
14 more than 10 years; and

15 (ii) to properly fund Postal Service  
16 pensions and retiree health benefits in ac-  
17 cordance with law.

18 **SEC. 203. MEMBERSHIP AND QUALIFICATION REQUIRE-**  
19 **MENTS.**

20 (a) MEMBERSHIP.—

21 (1) IN GENERAL.—The Authority shall consist  
22 of 5 members appointed by the President who meet  
23 the qualifications described in subsection (b), except  
24 that the Authority may take any action under this

1 title at any time after the President has appointed  
2 4 of its members.

3 (2) RECOMMENDATIONS.—Of the 5 members so  
4 appointed—

5 (A) 1 shall be appointed from among indi-  
6 viduals recommended by the Speaker of the  
7 House of Representatives;

8 (B) 1 shall be appointed from among indi-  
9 viduals recommended by the majority leader of  
10 the Senate;

11 (C) 1 shall be appointed from among indi-  
12 viduals recommended by the minority leader of  
13 the House of Representatives;

14 (D) 1 shall be appointed from among indi-  
15 viduals recommended by the minority leader of  
16 the Senate; and

17 (E) 1 shall be appointed from among indi-  
18 viduals recommended by the Comptroller Gen-  
19 eral.

20 (3) POLITICAL AFFILIATION.—No more than 3  
21 members of the Authority may be of the same polit-  
22 ical party.

23 (4) CHAIR.—The President shall designate 1 of  
24 the members of the Authority as the Chair of the  
25 Authority.

1           (5) SENSE OF CONGRESS REGARDING DEAD-  
2           LINE FOR APPOINTMENT.—It is the sense of Con-  
3           gress that the President should appoint the members  
4           of the Authority as soon as practicable after the  
5           date on which a control period commences, but no  
6           later than 30 days after such date.

7           (6) TERM OF SERVICE.—

8                   (A) IN GENERAL.—Except as provided in  
9                   subparagraph (B), each member of the Author-  
10                  ity shall be appointed for a term of 3 years.

11                   (B) APPOINTMENT FOR TERM FOLLOWING  
12                  INITIAL TERM.—As designated by the President  
13                  at the time of appointment for the term imme-  
14                  diately following the initial term, of the mem-  
15                  bers appointed for the term immediately fol-  
16                  lowing the initial term—

17                           (i) 1 member shall be appointed for a  
18                           term of 1 year;

19                           (ii) 2 members shall be appointed for  
20                           a term of 2 years; and

21                           (iii) 2 members shall be appointed for  
22                           a term of 3 years.

23                   (C) REMOVAL.—The President may re-  
24                  move any member of the Authority only for  
25                  cause.

1 (D) NO COMPENSATION FOR SERVICE.—  
2 Members of the Authority shall serve without  
3 pay, but may receive reimbursement for any  
4 reasonable and necessary expenses incurred by  
5 reason of service on the Authority.

6 (b) QUALIFICATION REQUIREMENTS.—

7 (1) IN GENERAL.—An individual meets the  
8 qualifications for membership on the Authority if the  
9 individual—

10 (A) has significant knowledge and exper-  
11 tise in finance, management, and the organiza-  
12 tion or operation of businesses having more  
13 than 500 employees; and

14 (B) represents the public interest gen-  
15 erally, is not a representative of specific inter-  
16 ests using or belonging to the Postal Service,  
17 and does not have any business or financial in-  
18 terest in any enterprise in the private sector of  
19 the economy engaged in the delivery of mail  
20 matter.

21 (2) SPECIFIC CONDITIONS.—An individual shall  
22 not be considered to satisfy paragraph (1)(B) if, at  
23 any time during the 5-year period ending on the  
24 date of appointment, such individual—

1 (A) has been an officer, employee, or pri-  
2 vate contractor with the Postal Service or the  
3 Postal Regulatory Commission; or

4 (B) has served as an employee or con-  
5 tractor of a labor organization representing em-  
6 ployees of the Postal Service or the Postal Reg-  
7 ulatory Commission.

8 **SEC. 204. ORGANIZATION.**

9 (a) **ADOPTION OF BY-LAWS FOR CONDUCTING BUSI-**  
10 **NESS.**—As soon as practicable after the appointment of  
11 its members, the Authority shall adopt by-laws, rules, and  
12 procedures governing its activities under this title, includ-  
13 ing procedures for hiring experts and consultants. Upon  
14 adoption, such by-laws, rules, and procedures shall be sub-  
15 mitted by the Authority to the Postmaster General, the  
16 President, and Congress.

17 (b) **CERTAIN ACTIVITIES REQUIRING APPROVAL OF**  
18 **MAJORITY OF MEMBERS.**—Under its by-laws, the Author-  
19 ity may conduct its operations under such procedures as  
20 it considers appropriate, except that an affirmative vote  
21 of a majority of the members of the Authority shall be  
22 required in order for the Authority to—

23 (1) approve or disapprove a financial plan and  
24 budget as described by subtitle C;



1           (2) implement recommendations on financial  
2 stability and management responsibility under sec-  
3 tion 226;

4           (3) take any action under authority of section  
5 202(b)(3)(B)(i);

6           (4) require the immediate renegotiation of an  
7 existing collective bargaining agreement in accord-  
8 ance with section 211(g)(1); or

9           (5) reject, modify, or terminate 1 or more terms  
10 of an existing collective bargaining agreement in ac-  
11 cordance with section 211(g)(2).

12 **SEC. 205. EXECUTIVE DIRECTOR AND STAFF.**

13       (a) EXECUTIVE DIRECTOR.—The Authority shall  
14 have an Executive Director who shall be appointed by the  
15 Chair with the consent of the Authority. The Executive  
16 Director shall be paid at a rate determined by the Author-  
17 ity, except that such rate may not exceed the rate of basic  
18 pay payable for level IV of the Executive Schedule under  
19 section 5315 of title 5, United States Code.

20       (b) STAFF.—With the approval of the Authority, the  
21 Executive Director may appoint and fix the pay of such  
22 additional personnel as the Executive Director considers  
23 appropriate, except that no individual appointed by the  
24 Executive Director may be paid at a rate greater than the  
25 rate of pay for the Executive Director. Personnel ap-

1 pointed under this subsection shall serve at the pleasure  
2 of the Executive Director.

3 (c) INAPPLICABILITY OF CERTAIN CIVIL SERVICE  
4 LAWS.—The Executive Director and staff of the Authority  
5 may be appointed without regard to the provisions of title  
6 5, United States Code, governing appointments in the  
7 competitive service, and paid without regard to the provi-  
8 sions of chapter 51 and subchapter III of chapter 53 of  
9 such title relating to classification and General Schedule  
10 pay rates.

11 (d) STAFF OF FEDERAL AGENCIES.—Upon request  
12 of the Chair, the head of any Federal department or agen-  
13 cy may detail, on a reimbursable or nonreimbursable basis,  
14 any of the personnel of such department or agency to the  
15 Authority to assist it in carrying out its duties under this  
16 title.

17 **SEC. 206. FUNDING.**

18 (a) IN GENERAL.—There are authorized to be appro-  
19 priated, out of the Postal Service Fund, such sums as may  
20 be necessary for the Authority. In requesting an appro-  
21 priation under this section for a fiscal year, the Authority  
22 shall prepare and submit to the Congress under section  
23 2009 of title 39, United States Code, a budget of the  
24 Authority's expenses, including expenses for facilities, sup-  
25 plies, compensation, and employee benefits not to exceed

1 \$10,000,000. In years in which a control period com-  
2 mences, the Authority shall submit a budget within 30  
3 days of the appointment of the members of the Authority.

4 (b) AMENDMENT TO SECTION 2009.—Section 2009  
5 is amended in the next to last sentence—

6 (1) by striking “, and (3)” and inserting “,  
7 (3)”; and

8 (2) by striking the period and inserting “, and  
9 (4) the Postal Service Financial Responsibility and  
10 Management Assistance Authority requests to be ap-  
11 propriated, out of the Postal Service Fund, under  
12 section 206 of the Postal Reform Act of 2011.”.

## 13 **Subtitle B—Powers of the** 14 **Authority**

### 15 **SEC. 211. POWERS.**

16 (a) POWERS OF MEMBERS AND AGENTS.—Any mem-  
17 ber or agent of the Authority may, if authorized by the  
18 Authority, take any action which the Authority is author-  
19 ized by this section to take.

20 (b) OBTAINING OFFICIAL DATA FROM THE POSTAL  
21 SERVICE.—Notwithstanding any other provision of law,  
22 the Authority may secure copies of such records, docu-  
23 ments, information, or data from any entity of the Postal  
24 Service necessary to enable the Authority to carry out its  
25 responsibilities under this title. At the request of the Au-

1 thority, the Authority shall be granted direct access to  
2 such information systems, records, documents, informa-  
3 tion, or data as will enable the Authority to carry out its  
4 responsibilities under this title. The head of the relevant  
5 entity of the Postal Service shall provide the Authority  
6 with such information and assistance (including granting  
7 the Authority direct access to automated or other informa-  
8 tion systems) as the Authority requires under this sub-  
9 section.

10 (c) GIFTS, BEQUESTS, AND DEVISES.—The Author-  
11 ity may accept, use, and dispose of gifts, bequests, or de-  
12 vises of services or property, both real and personal, for  
13 the purpose of aiding or facilitating the work of the Au-  
14 thority. Gifts, bequests, or devises of money and proceeds  
15 from sales of other property received as gifts, bequests,  
16 or devises shall be deposited in such account as the Au-  
17 thority may establish and shall be available for disburse-  
18 ment upon order of the Chair.

19 (d) ADMINISTRATIVE SUPPORT SERVICES.—Upon  
20 the request of the Authority, the Administrator of General  
21 Services may provide to the Authority, on a reimbursable  
22 basis, the administrative support services necessary for the  
23 Authority to carry out its responsibilities under this title.

24 (e) AUTHORITY TO ENTER INTO CONTRACTS.—The  
25 Executive Director may enter into such contracts as the

1 Executive Director considers appropriate (subject to the  
2 approval of the Chair) to carry out the Authority's respon-  
3 sibilities under this title.

4 (f) CIVIL ACTIONS TO ENFORCE POWERS.—The Au-  
5 thority may seek judicial enforcement of its authority to  
6 carry out its responsibilities under this title.

7 (g) COLLECTIVE BARGAINING.—Notwithstanding  
8 any other provision of law—

9 (1) the Authority may require the renegotiation  
10 of an existing collective bargaining agreement to  
11 achieve specific economic savings and workforce  
12 flexibility goals; and

13 (2) after meeting and conferring with the ap-  
14 propriate bargaining representative, the Authority  
15 may reject, modify, or terminate 1 or more terms or  
16 conditions of an existing collective bargaining agree-  
17 ment if—

18 (A) a prompt and satisfactory agreement  
19 under paragraph (1) is unlikely; and

20 (B) in the judgment of the Authority, the  
21 rejection, modification, or termination—

22 (i) is reasonable and necessary for the  
23 Postal Service to be a financially viable  
24 provider of universal postal service to the  
25 Nation; and

1                   (ii) is designed to achieve the specific  
2                   economic savings or workforce flexibility  
3                   goals (as the case may be) referred to in  
4                   paragraph (1).

5           (h) PENALTIES.—

6                   (1) ADMINISTRATIVE DISCIPLINE.—Any officer  
7                   or employee of the Postal Service who takes or fails  
8                   to take any action which is noncompliant with any  
9                   directive or other order of the Authority under sec-  
10                  tion 226(c) shall be subject to appropriate adminis-  
11                  trative discipline, including suspension from duty  
12                  without pay or removal from office, by order of ei-  
13                  ther the Postmaster General or the Authority.

14                  (2) REPORTING REQUIREMENT.—Whenever an  
15                  officer or employee of the Postal Service takes or  
16                  fails to take any action which is noncompliant with  
17                  any directive or other order of the Authority under  
18                  section 226(c), the Postmaster General shall imme-  
19                  diately report to the Authority all pertinent facts, to-  
20                  gether with a statement of any actions taken by the  
21                  Postmaster General or proposed by the Postmaster  
22                  General to be taken under paragraph (1).

1 **SEC. 212. EXEMPTION FROM LIABILITY FOR CLAIMS.**

2       The Authority and its members may not be liable for  
3 any obligation of or claim against the Postal Service re-  
4 sulting from actions taken to carry out this title.

5 **SEC. 213. TREATMENT OF ACTIONS ARISING UNDER THIS**  
6 **TITLE.**

7       (a) **JURISDICTION ESTABLISHED IN UNITED STATES**  
8 **COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA.—**  
9 A person (including the Postal Service) adversely affected  
10 or aggrieved by an order or decision of the Authority may,  
11 within 30 days after such order or decision becomes final,  
12 institute proceedings for review thereof by filing a petition  
13 in the United States Court of Appeals for the District of  
14 Columbia. The court shall review the order or decision in  
15 accordance with section 706 of title 5, United States Code,  
16 and chapter 158 and section 2112 of title 28, United  
17 States Code, on the basis of the record before the Author-  
18 ity.

19       (b) **PROMPT APPEAL TO THE SUPREME COURT.—**  
20 Notwithstanding any other provision of law, review by the  
21 Supreme Court of the United States of a decision of the  
22 Court of Appeals which is issued pursuant to subsection  
23 (a) may be had only if the petition for such review is filed  
24 within 10 days after the entry of such decision.

25       (c) **TIMING OF RELIEF.—**No order of any court  
26 granting declaratory or injunctive relief against the Au-

1 thority, including relief permitting or requiring the obliga-  
2 tion, borrowing, or expenditure of funds, shall take effect  
3 during the pendency of the action before such court, dur-  
4 ing the time appeal may be taken, or (if appeal is taken)  
5 during the period before the court has entered its final  
6 order disposing of such action.

7 (d) EXPEDITED CONSIDERATION.—It shall be the  
8 duty of the United States Court of Appeals for the District  
9 of Columbia and the Supreme Court of the United States  
10 to advance on the docket and to expedite to the greatest  
11 possible extent the disposition of any matter brought  
12 under subsection (a).

13 **Subtitle C—Establishment and En-**  
14 **forcement of Financial Plan and**  
15 **Budget for the Postal Service**

16 **SEC. 221. DEVELOPMENT OF FINANCIAL PLAN AND BUDG-**  
17 **ET FOR THE POSTAL SERVICE.**

18 (a) DEVELOPMENT OF FINANCIAL PLAN AND BUDG-  
19 ET.—For each fiscal year for which the Postal Service is  
20 in a control period, the Postmaster General shall develop  
21 and submit to the Authority a financial plan and budget  
22 for the Postal Service in accordance with this section.

23 (b) CONTENTS OF FINANCIAL PLAN AND BUDGET.—  
24 A financial plan and budget for the Postal Service for a  
25 fiscal year shall specify the budget for the Postal Service



1 as required by section 2009 of title 39, United States  
2 Code, for the applicable fiscal year and the next 3 fiscal  
3 years, in accordance with the following requirements:

4 (1) The financial plan and budget shall meet  
5 the standards described in subsection (c) to promote  
6 the financial stability of the Postal Service.

7 (2) The financial plan and budget shall—

8 (A) include the Postal Service’s annual  
9 budget program (under section 2009 of title 39,  
10 United States Code) and the Postal Service’s  
11 plan commonly referred to as its “Integrated  
12 Financial Plan”;

13 (B) describe lump-sum expenditures by all  
14 categories traditionally used by the Postal Serv-  
15 ice;

16 (C) describe capital expenditures (together  
17 with a schedule of projected capital commit-  
18 ments and cash outlays of the Postal Service  
19 and proposed sources of funding);

20 (D) contain estimates of overall debt (both  
21 outstanding and anticipated to be issued); and

22 (E) contain cash flow and liquidity fore-  
23 casts for the Postal Service at such intervals as  
24 the Authority may require.

1           (3) The financial plan and budget shall include  
2 a statement describing methods of estimations and  
3 significant assumptions.

4           (4) The financial plan and budget shall include  
5 any other provisions and shall meet such other cri-  
6 teria as the Authority considers appropriate to meet  
7 the purposes of this title, including provisions for—

8                   (A) changes in personnel policies and levels  
9                   for each component of the Postal Service; and

10                   (B) management initiatives to promote  
11                   productivity, improvement in the delivery of  
12                   services, or cost savings.

13           (c) STANDARDS TO PROMOTE FINANCIAL STA-  
14 BILITY.—

15           (1) IN GENERAL.—The standards to promote  
16 the financial stability of the Postal Service applica-  
17 ble to the financial plan and budget for a fiscal year  
18 are as follows:

19                   (A) In each fiscal year (following the first  
20 full fiscal year) in a control period, budgeted  
21 expenditures of the Postal Service for the fiscal  
22 year involved may not exceed budgeted revenues  
23 of the Postal Service for the fiscal year in-  
24 volved.

1           (B) In each fiscal year in a control period,  
2           the Postal Service shall make continuous, sub-  
3           stantial progress towards long-term fiscal sol-  
4           vency and shall have either a lower deficit or  
5           greater surplus than in the previous fiscal year.

6           (C) The Postal Service shall provide for  
7           the orderly liquidation of any supplementary  
8           debt under section 222.

9           (D) The financial plan and budget shall  
10          assure the continuing long-term financial sta-  
11          bility of the Postal Service, as indicated by fac-  
12          tors such as the efficient management of the  
13          Postal Service's workforce and the effective pro-  
14          vision of services by the Postal Service.

15          (2) APPLICATION OF SOUND BUDGETARY PRAC-  
16          TICES.—In meeting the standard described in para-  
17          graph (1) with respect to a financial plan and budg-  
18          et for a fiscal year, the Postal Service shall apply  
19          sound budgetary practices, including reducing costs  
20          and other expenditures, improving productivity, in-  
21          creasing revenues, or a combination of such prac-  
22          tices.

23          (3) ASSUMPTIONS BASED ON CURRENT LAW.—  
24          In meeting the standards described in paragraph (1)  
25          with respect to a financial plan and budget for a fis-

1 cal year, the Postal Service shall base estimates of  
2 revenues and expenditures on Federal law as in ef-  
3 fect at the time of the preparation of such financial  
4 plan and budget.

5 **SEC. 222. SUPPLEMENTARY BORROWING AUTHORITY DUR-**  
6 **ING A CONTROL PERIOD.**

7 (a) IN GENERAL.—Upon the commencement of a  
8 control period, subject to the approval of the Authority,  
9 the Postal Service is authorized to borrow money and issue  
10 and sell such obligations as may be necessary to carry out  
11 the purposes of this title, to the same extent, in the same  
12 manner, and subject to the same terms and conditions as  
13 if the maximum amount allowable under the provisions of  
14 section 2005(a)(2) of title 39, United States Code, for the  
15 fiscal year involved were equal to the maximum amount  
16 which (but for this section) would otherwise be allowable  
17 under such provisions, increased by \$10,000,000,000.

18 (b) EXCLUSION.—The last sentence of section  
19 2005(a)(1) of title 39, United States Code, shall not apply  
20 with respect to any amounts borrowed or obligations  
21 issued or sold under authority of this section (which, but  
22 for subsection (a), would not otherwise have been allow-  
23 able).

24 (c) DEPOSIT.—Any amounts received under this sec-  
25 tion shall be deposited in the Postal Service Fund.

1 (d) COLLATERAL.—For the purposes of funds ac-  
2 quired under subsection (a), the Postal Service shall pro-  
3 vide an appropriate level of collateral in the form of  
4 pledged Postal Service property assets.

5 **SEC. 223. PROCESS FOR SUBMISSION AND APPROVAL OF FI-**  
6 **NANCIAL PLAN AND BUDGET.**

7 (a) IN GENERAL.—For each fiscal year for which the  
8 Postal Service is in a control period, the Postmaster Gen-  
9 eral shall submit to the Authority—

10 (1) by February 1 before the start of such fiscal  
11 year, a preliminary financial plan and budget under  
12 section 221 for such fiscal year; and

13 (2) by August 31 before the start of such fiscal  
14 year, a final financial plan and budget under section  
15 221 for such fiscal year.

16 (b) REVIEW BY AUTHORITY.—Upon receipt of a fi-  
17 nancial plan and budget under subsection (a) (whether  
18 preliminary or final), the Authority shall promptly review  
19 such financial plan and budget. In conducting the review,  
20 the Authority may request any additional information it  
21 considers necessary and appropriate to carry out its duties  
22 under this subtitle.

23 (c) APPROVAL OF POSTMASTER GENERAL'S FINAN-  
24 CIAL PLAN AND BUDGET.—

1           (1) CERTIFICATION TO POSTMASTER GEN-  
2           ERAL.—

3           (A) IN GENERAL.—If the Authority deter-  
4           mines that the final financial plan and budget  
5           for the fiscal year submitted by the Postmaster  
6           General under subsection (a) meets the require-  
7           ments of section 221—

8                   (i) the Authority shall approve the fi-  
9                   nancial plan and budget and shall provide  
10                  the Postmaster General, the President, and  
11                  Congress with a notice certifying its ap-  
12                  proval; and

13                  (ii) the Postmaster General shall  
14                  promptly submit the annual budget pro-  
15                  gram to the Office of Management and  
16                  Budget pursuant to section 2009 of title  
17                  39, United States Code.

18           (B) DEEMED APPROVAL AFTER 30 DAYS.—

19                  (i) IN GENERAL.—If the Authority  
20                  has not provided the Postmaster General,  
21                  the President, and Congress with a notice  
22                  certifying approval under subparagraph  
23                  (A)(i) or a statement of disapproval under  
24                  subsection (d) before the expiration of the  
25                  30-day period which begins on the date the

1 Authority receives the financial plan and  
2 budget from the Postmaster General under  
3 subsection (a), the Authority shall be  
4 deemed to have approved the financial plan  
5 and budget and to have provided the Post-  
6 master General, the President, and Con-  
7 gress with the notice certifying approval  
8 under subparagraph (A)(i).

9 (ii) EXPLANATION OF FAILURE TO  
10 RESPOND.—If clause (i) applies with re-  
11 spect to a financial plan and budget, the  
12 Authority shall provide the Postmaster  
13 General, the President and Congress with  
14 an explanation for its failure to provide the  
15 notice certifying approval or the statement  
16 of disapproval during the 30-day period de-  
17 scribed in such clause.

18 (d) DISAPPROVAL OF POSTMASTER GENERAL'S  
19 BUDGET.—If the Authority determines that the final fi-  
20 nancial plan and budget for the fiscal year submitted by  
21 the Postmaster General under subsection (a) does not  
22 meet the requirements applicable under section 221, the  
23 Authority shall disapprove the financial plan and budget,  
24 and shall provide the Postmaster General, the President,  
25 and Congress with a statement containing—

1 (1) the reasons for such disapproval;

2 (2) the amount of any shortfall in the budget  
3 or financial plan; and

4 (3) any recommendations for revisions to the  
5 budget the Authority considers appropriate to ensure  
6 that the budget is consistent with the financial plan  
7 and budget.

8 (e) AUTHORITY REVIEW OF POSTMASTER GEN-  
9 ERAL'S REVISED FINAL FINANCIAL PLAN AND BUDG-  
10 ET.—

11 (1) SUBMISSION OF POSTMASTER GENERAL'S  
12 REVISED FINAL FINANCIAL PLAN AND BUDGET.—

13 Not later than 15 days after receiving the statement  
14 from the Authority under subsection (d), the Post-  
15 master General shall promptly adopt a revised final  
16 financial plan and budget for the fiscal year which  
17 addresses the reasons for the Authority's disapproval  
18 cited in the statement, and shall submit such finan-  
19 cial plan and budget to the Authority.

20 (2) APPROVAL OF POSTMASTER GENERAL'S RE-  
21 VISED FINAL FINANCIAL PLAN AND BUDGET.—If,

22 after reviewing the revised final financial plan and  
23 budget for a fiscal year submitted by the Postmaster  
24 General under paragraph (1) in accordance with the  
25 procedures described in this section, the Authority



1 determines that the revised final financial plan and  
2 budget meets the requirements applicable under sec-  
3 tion 221—

4 (A) the Authority shall approve the finan-  
5 cial plan and budget and shall provide the Post-  
6 master General, the President, and Congress  
7 with a notice certifying its approval; and

8 (B) the Postmaster General shall promptly  
9 submit the annual budget program to the Office  
10 of Management and Budget pursuant to section  
11 2009 of title 39, United States Code.

12 (3) DISAPPROVAL OF POSTMASTER GENERAL'S  
13 REVISED FINAL FINANCIAL PLAN AND BUDGET.—

14 (A) IN GENERAL.—If, after reviewing the  
15 revised final financial plan and budget for a fis-  
16 cal year submitted by the Postmaster General  
17 under paragraph (1) in accordance with the  
18 procedures described in this subsection, the Au-  
19 thority determines that the revised final finan-  
20 cial plan and budget does not meet the applica-  
21 ble requirements under section 221, the Author-  
22 ity shall—

23 (i) disapprove the financial plan and  
24 budget;

1           (ii) provide the Postmaster General,  
2           the President, and Congress with a state-  
3           ment containing the reasons for such dis-  
4           approval and describing the amount of any  
5           shortfall in the financial plan and budget;  
6           and

7           (iii) approve and recommend a finan-  
8           cial plan and budget for the Postal Service  
9           which meets the applicable requirements  
10          under section 221, and submit such finan-  
11          cial plan and budget to the Postmaster  
12          General, the President, and Congress.

13          (B) SUBMISSION TO OMB.—Upon receipt  
14          of the recommended financial plan and budget  
15          subparagraph (A)(iii), the Postmaster General  
16          shall promptly submit the recommended annual  
17          budget program to the Office of Management  
18          and Budget pursuant to section 2009 of title  
19          39, United States Code.

20          (4) DEEMED APPROVAL AFTER 15 DAYS.—

21           (A) IN GENERAL.—If the Authority has  
22           not provided the Postmaster General, the Presi-  
23           dent, and Congress with a notice certifying ap-  
24           proval under paragraph (2)(A) or a statement  
25           of disapproval under paragraph (3) before the

1 expiration of the 15-day period which begins on  
2 the date the Authority receives the revised final  
3 financial plan and budget submitted by the  
4 Postmaster General under paragraph (1), the  
5 Authority shall be deemed to have approved the  
6 revised final financial plan and budget and to  
7 have provided the Postmaster General, the  
8 President, and Congress with the notice certi-  
9 fying approval described in paragraph (2)(A).

10 (B) EXPLANATION OF FAILURE TO RE-  
11 SPOND.—If subparagraph (A) applies with re-  
12 spect to a financial plan and budget, the Au-  
13 thority shall provide the Postmaster General,  
14 the President and Congress with an explanation  
15 for its failure to provide the notice certifying  
16 approval or the statement of disapproval during  
17 the 15-day period described in such subpara-  
18 graph.

19 (f) DEADLINE FOR TRANSMISSION OF FINANCIAL  
20 PLAN AND BUDGET BY AUTHORITY.—Notwithstanding  
21 any other provision of this section, not later than June  
22 15 before each fiscal year which is a control period, the  
23 Authority shall—

24 (1) provide Congress with a notice certifying its  
25 approval of the Postmaster General’s initial financial

1 plan and budget for the fiscal year under subsection  
2 (e)(1);

3 (2) provide Congress with a notice certifying its  
4 approval of the Postmaster General's revised final fi-  
5 nancial plan and budget for the fiscal year under  
6 subsection (e)(2); or

7 (3) submit to Congress an approved and rec-  
8 ommended financial plan and budget of the Author-  
9 ity for the Postal Service for the fiscal year under  
10 subsection (e)(3)(A)(iii).

11 (g) REVISIONS TO FINANCIAL PLAN AND BUDGET.—

12 (1) PERMITTING POSTMASTER GENERAL TO  
13 SUBMIT REVISIONS.—The Postmaster General may  
14 submit proposed revisions to the financial plan and  
15 budget for a control period to the Authority at any  
16 time during the year.

17 (2) PROCESS FOR REVIEW, APPROVAL, DIS-  
18 APPROVAL, AND POSTMASTER GENERAL ACTION.—  
19 Except as provided in paragraph (3), the procedures  
20 described in subsections (b), (c), (d), and (e) shall  
21 apply with respect to a proposed revision to a finan-  
22 cial plan and budget in the same manner as such  
23 procedures apply with respect to the original finan-  
24 cial plan and budget.

1           (3) EXCEPTION FOR REVISIONS NOT AFFECT-  
2           ING SPENDING.—To the extent that a proposed revi-  
3           sion to a financial plan and budget adopted by the  
4           Postmaster General pursuant to this subsection does  
5           not increase the amount of spending with respect to  
6           any account of the Postal Service, the revision shall  
7           become effective upon the Authority’s approval of  
8           such revision.

9   **SEC. 224. RESPONSIBILITIES OF THE AUTHORITY.**

10          (a) IN GENERAL.—The Authority shall direct the ex-  
11          ercise of the powers of the Postal Service, including—

12                 (1) determining its vision and overall strategies;

13                 (2) determining its organizational structure,  
14                 particularly for senior management at the level of  
15                 vice president and higher;

16                 (3) hiring, monitoring, compensating, and,  
17                 when necessary, replacing senior management at the  
18                 level of vice president and higher, as well as ensur-  
19                 ing adequate succession planning for these positions;

20                 (4) approving major policies, particularly those  
21                 that have an important effect on the Postal Service’s  
22                 financial position and the provision of universal  
23                 postal service;

24                 (5) approving corporate budgets, financial and  
25                 capital plans, operational and service performance

1 standards and targets, human resources strategies,  
2 collective bargaining strategies, negotiation param-  
3 eters, and collective bargaining agreements, and the  
4 compensation structure for nonbargaining employ-  
5 ees;

6 (6) approving substantial capital projects and  
7 any substantial disposition of capital assets, such as  
8 surplus property;

9 (7) approving changes in rates and classifica-  
10 tions, new products and services, policy regarding  
11 other substantial matters before the Postal Regu-  
12 latory Commission, and any appeals of its decisions  
13 or orders to the Federal courts;

14 (8) approving the Postal Service Annual Re-  
15 port, Annual Comprehensive Statement, and stra-  
16 tegic plans, performance plans, and performance  
17 program reports under chapter 28 of title 39,  
18 United States Code;

19 (9) formulating and communicating organiza-  
20 tional policy and positions on legislative and other  
21 public policy matters to Congress and the public;

22 (10) ensuring organizational responsiveness to  
23 oversight by Congress, the Postal Regulatory Com-  
24 mission, the Treasury of the United States, and  
25 other audit entities;

1           (11) ensuring adequate internal controls and  
2           selecting, monitoring, and compensating an inde-  
3           pendent public accounting firm to conduct an annual  
4           audit of the Postal Service; and

5           (12) carrying out any responsibility, not other-  
6           wise listed in this subsection, that was the responsi-  
7           bility of the Board of Governors at any time during  
8           the 5-year period ending on the date of the enact-  
9           ment of this Act.

10       (b) REVIEW OF POSTAL SERVICE PROPOSALS.—

11           (1) SUBMISSION OF POSTAL SERVICE PRO-  
12           POSALS TO THE AUTHORITY.—During a control pe-  
13           riod, the Postmaster General shall submit to the Au-  
14           thority any proposal that has a substantial effect on  
15           any item listed in subsection (a).

16           (2) PROMPT REVIEW BY AUTHORITY.—Upon re-  
17           ceipt of a proposal from the Postmaster General  
18           under paragraph (1), the Authority shall promptly  
19           review the proposal to determine whether it is con-  
20           sistent with the applicable financial plan and budget  
21           approved under this title.

22           (3) ACTIONS BY AUTHORITY.—

23           (A) APPROVAL.—If the Authority deter-  
24           mines that a proposal is consistent with the ap-  
25           plicable financial plan and budget, the Author-

1           ity shall notify the Postmaster General that it  
2           approves the proposal.

3           (B) FINDING OF INCONSISTENCY.—If the  
4           Authority determines that a proposal is signifi-  
5           cantly inconsistent with the applicable financial  
6           plan and budget, the Authority shall—

7                   (i) notify the Postmaster General of  
8                   its finding;

9                   (ii) provide the Postmaster General  
10                  with an explanation of the reasons for its  
11                  finding; and

12                  (iii) to the extent the Authority con-  
13                  siders appropriate, provide the Postmaster  
14                  General with recommendations for modi-  
15                  fications to the proposal.

16           (4) DEEMED APPROVAL.—If the Authority does  
17           not notify the Postmaster General that it approves  
18           or disapproves a proposal submitted under this sub-  
19           section during the 7-day period which begins on the  
20           date the Postmaster General submits the proposal to  
21           the Authority, the Authority shall be deemed to have  
22           approved the proposal in accordance with paragraph  
23           (3)(A). At the option of the Authority, the previous  
24           sentence shall be applied as if the reference in such  
25           sentence to “7-day period” were a reference to “14-



1 day period” if, during the 7-day period referred to  
2 in the preceding sentence, the Authority so notifies  
3 the Postmaster General.

4 (c) EFFECT OF APPROVED FINANCIAL PLAN AND  
5 BUDGET ON CONTRACTS AND LEASES.—

6 (1) MANDATORY PRIOR APPROVAL FOR CER-  
7 TAIN CONTRACTS AND LEASES.—

8 (A) IN GENERAL.—In the case of a con-  
9 tract or lease described in subparagraph (B)  
10 which is proposed to be entered into, renewed,  
11 modified, or extended by the Postal Service dur-  
12 ing a control period, the Postmaster General  
13 (or the appropriate officer or agent of the Post-  
14 al Service) shall submit the proposed contract  
15 or lease to the Authority. The Authority shall  
16 review each contract or lease submitted under  
17 this subparagraph, and the Postmaster General  
18 (or the appropriate officer or agent of the Post-  
19 al Service) may not enter into the contract or  
20 lease unless the Authority determines that the  
21 proposed contract or lease is consistent with the  
22 financial plan and budget for the fiscal year.

23 (B) CONTRACTS AND LEASES DE-  
24 SCRIBED.—A contract or lease described in this  
25 subparagraph is—

1 (i) a labor contract entered into  
2 through collective bargaining; or

3 (ii) such other type of contract or  
4 lease as the Authority may specify for pur-  
5 poses of this subparagraph.

6 (2) AUTHORITY TO REVIEW OTHER CONTRACTS  
7 AFTER EXECUTION.—

8 (A) IN GENERAL.—In addition to the prior  
9 approval of certain contracts and leases, the  
10 Postal Service shall submit to the Authority—

11 (i) any Level-Two Post Career Execu-  
12 tive Service employee contract that is in ef-  
13 fect during a control period; and

14 (ii) any collective bargaining agree-  
15 ment entered into by the Postal Service  
16 that is in effect during a control period.

17 Any such contract or agreement shall be sub-  
18 mitted to the Authority upon the commence-  
19 ment of a control period and at such other  
20 times as the Authority may require.

21 (B) REVIEW BY AUTHORITY.—The Author-  
22 ity shall review each contract submitted under  
23 subparagraph (A) to determine if the contract  
24 is consistent with the financial plan and budget  
25 for the fiscal year. If the Authority determines

1           that the contract is not consistent with the fi-  
2           nancial plan and budget, the Authority shall  
3           take such actions as are within the Authority's  
4           powers to revise the contract.

5 **SEC. 225. EFFECT OF FINDING NONCOMPLIANCE WITH FI-**  
6                                   **NANCIAL PLAN AND BUDGET.**

7           (a) SUBMISSION OF REPORTS.—Not later than 30  
8           days after the expiration of each quarter of each fiscal  
9           year beginning in a control period, the Postmaster General  
10          shall submit reports to the Authority describing the actual  
11          revenues obtained and expenditures made by the Postal  
12          Service during the quarter with its cash flows during the  
13          quarter, and comparing such actual revenues, expendi-  
14          tures, and cash flows with the most recent projections for  
15          these items.

16          (b) ADDITIONAL INFORMATION.—If the Authority  
17          determines, based on reports submitted by the Postmaster  
18          General under subsection (a), independent audits, or such  
19          other information as the Authority may obtain, that the  
20          revenues or expenditures of the Postal Service during a  
21          control period are not consistent with the financial plan  
22          and budget for the year, the Authority shall require the  
23          Postmaster General to provide such additional information  
24          as the Authority determines to be necessary to explain the  
25          inconsistency.

1 (c) CERTIFICATION OF VARIANCE.—

2 (1) IN GENERAL.—After requiring the Post-  
3 master General to provide additional information  
4 under subsection (b), the Authority shall certify to  
5 the Postmaster General, the President, the Secretary  
6 of the Treasury, and Congress that the Postal Serv-  
7 ice is at variance with the financial plan and budget  
8 unless—

9 (A) the additional information provides an  
10 explanation for the inconsistency which the Au-  
11 thority finds reasonable and appropriate; or

12 (B)(i) the Postal Service adopts or imple-  
13 ments remedial action (including revising the fi-  
14 nancial plan and budget pursuant to section  
15 223(g)) to correct the inconsistency which the  
16 Authority finds reasonable and appropriate,  
17 taking into account the terms of the financial  
18 plan and budget; and

19 (ii) the Postmaster General agrees to sub-  
20 mit the reports described in subsection (a) on  
21 a monthly basis for such period as the Author-  
22 ity may require.

23 (2) SPECIAL RULE FOR INCONSISTENCIES AT-  
24 TRIBUTABLE TO ACTS OF CONGRESS.—

1           (A) DETERMINATION BY AUTHORITY.—If  
2 the Authority determines that the revenues or  
3 expenditures of the Postal Service during a con-  
4 trol period are not consistent with the financial  
5 plan and budget for the year as approved by  
6 the Authority under section 223 as a result of  
7 the terms and conditions of any law enacted by  
8 Congress which affects the Postal Service, the  
9 Authority shall so notify the Postmaster Gen-  
10 eral.

11           (B) CERTIFICATION.—In the case of an in-  
12 consistency described in subparagraph (A), the  
13 Authority shall certify to the Postmaster Gen-  
14 eral, the President, the Secretary of the Treas-  
15 ury, and Congress that the Postal Service is at  
16 variance with the financial plan and budget un-  
17 less the Postal Service adopts or implements re-  
18 medial action (including revising the financial  
19 plan and budget pursuant to section 202(e)) to  
20 correct the inconsistency which the Authority  
21 finds reasonable and appropriate, taking into  
22 account the terms of the financial plan and  
23 budget.

24           (d) EFFECT OF CERTIFICATION.—If the Authority  
25 certifies to the Secretary of the Treasury that a variance

1 exists the Authority or the Secretary may withhold access  
2 by the Postal Service to additional supplementary debt au-  
3 thorized by this title.

4 **SEC. 226. RECOMMENDATIONS REGARDING FINANCIAL**  
5 **STABILITY, ETC.**

6 (a) IN GENERAL.—The Authority may at any time  
7 submit recommendations to the Postmaster General, the  
8 President, and Congress on actions the Postal Service or  
9 any other entity of the Federal Government should take  
10 to ensure compliance by the Postal Service with a financial  
11 plan and budget or to otherwise promote the financial sta-  
12 bility, management responsibility, and service delivery effi-  
13 ciency of the Postal Service, including recommendations  
14 relating to—

15 (1) the management of the Postal Service’s fi-  
16 nancial affairs, including cash forecasting, informa-  
17 tion technology, placing controls on expenditures for  
18 personnel, reducing benefit costs, reforming procure-  
19 ment practices, and placing other controls on ex-  
20 penditures;

21 (2) the relationship between the Postal Service  
22 and other entities of the Federal Government;

23 (3) the structural relationship of subdivisions  
24 within the Postal Service;

1           (4) the modification of existing revenue struc-  
2           tures, or the establishment of additional revenue  
3           structures;

4           (5) the establishment of alternatives for meet-  
5           ing obligations to pay for the pensions and retire-  
6           ment benefits of current and future Postal Service  
7           retirees;

8           (6) modifications of services which are the re-  
9           sponsibility of and are delivered by the Postal Serv-  
10          ice;

11          (7) modifications of the types of services which  
12          are delivered by entities other than the Postal Serv-  
13          ice under alternative service delivery mechanisms;

14          (8) the effects of Federal Government laws and  
15          court orders on the operations of the Postal Service;

16          (9) the increased use of a personnel system for  
17          employees of the Postal Service which is based upon  
18          employee performance standards; and

19          (10) the improvement of personnel training and  
20          proficiency, the adjustment of staffing levels, and  
21          the improvement of training and performance of  
22          management and supervisory personnel.

23          (b) RESPONSE TO RECOMMENDATIONS FOR ACTIONS  
24          WITHIN AUTHORITY OF POSTAL SERVICE.—

1           (1) IN GENERAL.—In the case of any rec-  
2           ommendations submitted under subsection (a) dur-  
3           ing a control year which are within the authority of  
4           the Postal Service to adopt, not later than 90 days  
5           after receiving the recommendations, the Postmaster  
6           General shall submit a statement to the Authority,  
7           the President, and Congress which provides notice as  
8           to whether the Postal Service will adopt the rec-  
9           ommendations.

10           (2) IMPLEMENTATION PLAN REQUIRED FOR  
11           ADOPTED RECOMMENDATIONS.—If the Postmaster  
12           General notifies the Authority and Congress under  
13           paragraph (1) that the Postal Service will adopt any  
14           of the recommendations submitted under subsection  
15           (a), the Postmaster General shall include in the  
16           statement a written plan to implement the rec-  
17           ommendation which includes—

18                   (A) specific performance measures to de-  
19                   termine the extent to which the Postal Service  
20                   has adopted the recommendation; and

21                   (B) a schedule for auditing the Postal  
22                   Service’s compliance with the plan.

23           (3) EXPLANATIONS REQUIRED FOR REC-  
24           COMMENDATIONS NOT ADOPTED.—If the Postmaster  
25           General notifies the Authority, the President, and



1 Congress under paragraph (1) that the Postal Serv-  
2 ice will not adopt any recommendation submitted  
3 under subsection (a) which the Postal Service has  
4 authority to adopt, the Postmaster General shall in-  
5 clude in the statement explanations for the rejection  
6 of the recommendations.

7 (c) IMPLEMENTATION OF REJECTED RECOMMENDA-  
8 TIONS BY AUTHORITY.—

9 (1) IN GENERAL.—If the Postmaster General  
10 notifies the Authority, the President, and Congress  
11 under subsection (b)(1) that the Postal Service will  
12 not adopt any recommendation submitted under sub-  
13 section (a) which the Postal Service has authority to  
14 adopt, the Authority may by a majority vote of its  
15 members take such action concerning the rec-  
16 ommendation as it deems appropriate, after con-  
17 sulting with the Committee on Oversight and Gov-  
18 ernment Reform of the House of Representatives  
19 and the Committee on Homeland Security and Gov-  
20 ernmental Affairs of the Senate.

21 (2) EFFECTIVE DATE.—This subsection shall  
22 apply with respect to recommendations of the Au-  
23 thority made after the expiration of the 6-month pe-  
24 riod which begins on the date of the commencement  
25 of a control period.

1 **SEC. 227. SPECIAL RULES FOR FISCAL YEAR IN WHICH**  
2 **CONTROL PERIOD COMMENCES.**

3 (a) **ADOPTION OF TRANSITION BUDGET.**—Notwith-  
4 standing any provision of section 223 to the contrary, in  
5 the case of a fiscal year in which a control period com-  
6 mences, the following rules shall apply:

7 (1) Not later than 45 days after the appoint-  
8 ment of its members, the Authority shall review the  
9 proposed Integrated Financial Plan for the Postal  
10 Service for such fiscal year and shall submit any rec-  
11 ommendations for modifications to such plan to pro-  
12 mote the financial stability of the Postal Service to  
13 the Postmaster General, the President, and Con-  
14 gress.

15 (2) Not later than 15 days after receiving the  
16 recommendations of the Authority submitted under  
17 paragraph (1), the Postmaster General shall  
18 promptly adopt a revised budget for the fiscal year  
19 (in this section referred to as the “transition budg-  
20 et”), and shall submit the transition budget to the  
21 Authority, the President, and Congress.

22 (3) Not later than 15 days after receiving the  
23 transition budget from the Postmaster General  
24 under paragraph (2), the Authority shall submit a  
25 report to the Postmaster General, the President, and  
26 Congress analyzing the budget (taking into account

1 any items or provisions disapproved by the Post-  
2 master General) and shall include in the report such  
3 recommendations for revisions to the transition  
4 budget as the Authority considers appropriate to  
5 promote the financial stability of the Postal Service  
6 during the fiscal year.

7 (b) FINANCIAL PLAN AND BUDGET.—

8 (1) DEADLINE FOR SUBMISSION.—For purposes  
9 of section 223, the Postmaster General shall submit  
10 the financial plan and budget for the applicable fis-  
11 cal year as soon as practicable after the initiation of  
12 a control period (in accordance with guidelines es-  
13 tablished by the Authority).

14 (2) ADOPTION BY POSTMASTER GENERAL.—In  
15 accordance with the procedures applicable under sec-  
16 tion 223 (including procedures providing for review  
17 by the Authority) the Postmaster General shall  
18 adopt the financial plan and budget for the applica-  
19 ble fiscal year (including the transition budget incor-  
20 porated in the financial plan and budget) prior to  
21 the submission by the Postmaster General.

22 (3) TRANSITION BUDGET AS TEMPORARY FI-  
23 NANCIAL PLAN AND BUDGET.—Until the approval of  
24 the financial plan and budget for the applicable fis-  
25 cal year by the Authority under this subsection, the

1 transition budget established under subsection (a)  
2 shall serve as the financial plan and budget adopted  
3 under this subtitle for purposes of this Act (and any  
4 provision of law amended by this Act) for the appli-  
5 cable fiscal year.

6 **SEC. 228. ASSISTANCE IN ACHIEVING FINANCIAL STA-**  
7 **BILITY, ETC.**

8 In addition to any other actions described in this title,  
9 the Authority may undertake cooperative efforts to assist  
10 the Postal Service in achieving financial stability and man-  
11 agement efficiency, including—

12 (1) assisting the Postal Service in avoiding de-  
13 faults, eliminating and liquidating deficits, maintain-  
14 ing sound budgetary practices, and avoiding inter-  
15 ruptions in the delivery of services;

16 (2) assisting the Postal Service in improving  
17 the delivery of services, the training and effective-  
18 ness of personnel of the Postal Service, and the effi-  
19 ciency of management and supervision; and

20 (3) making recommendations to the President  
21 for transmission to Congress on changes to this Act  
22 or other Federal laws, or other actions of the Fed-  
23 eral Government, which would assist the Postal  
24 Service in complying with an approved financial plan  
25 and budget under subtitle B.

1 **SEC. 229. OBTAINING REPORTS.**

2 The Authority may require the Postmaster General,  
3 the Chief Financial Officer of the Postal Service, and the  
4 Inspector General of the Postal Service, to prepare and  
5 submit such reports as the Authority considers appro-  
6 priate to assist it in carrying out its responsibilities under  
7 this title, including submitting copies of any reports re-  
8 garding revenues, expenditures, budgets, costs, plans, op-  
9 erations, estimates, and other financial or budgetary mat-  
10 ters of the Postal Service.

11 **SEC. 230. REPORTS AND COMMENTS.**

12 (a) ANNUAL REPORTS TO CONGRESS.—Not later  
13 than 30 days after the last day of each fiscal year which  
14 is a control year, the Authority shall submit a report to  
15 Congress describing—

16 (1) the progress made by the Postal Service in  
17 meeting the objectives of this title during the fiscal  
18 year;

19 (2) the assistance provided by the Authority to  
20 the Postal Service in meeting the purposes of this  
21 title for the fiscal year; and

22 (3) any other activities of the Authority during  
23 the fiscal year.

24 (b) REVIEW AND ANALYSIS OF PERFORMANCE AND  
25 FINANCIAL ACCOUNTABILITY REPORTS.—The Authority  
26 shall review each yearly report prepared and submitted by

1 the Postmaster General to the Postal Regulatory Commis-  
2 sion and Congress and shall submit a report to Congress  
3 analyzing the completeness and accuracy of such reports.

4 (c) COMMENTS REGARDING ACTIVITIES OF POSTAL  
5 SERVICE.—At any time during a control period, the Au-  
6 thority may submit a report to Congress describing any  
7 action taken by the Postal Service (or any failure to act  
8 by the Postal Service) which the Authority determines will  
9 adversely affect the Postal Service’s ability to comply with  
10 an approved financial plan and budget under subtitle B  
11 or will otherwise have a significant adverse impact on the  
12 best interests of the Postal Service.

13 (d) REPORTS ON EFFECT OF FEDERAL LAWS ON  
14 THE POSTAL SERVICE.—At any time during any year, the  
15 Authority may submit a report to the Postmaster General,  
16 the President, and Congress on the effect of laws enacted  
17 by Congress on the financial plan and budget for the year  
18 and on the financial stability and management efficiency  
19 of the Postal Service in general.

20 (e) MAKING REPORTS PUBLICLY AVAILABLE.—The  
21 Authority shall make any report submitted under this sec-  
22 tion available to the public, except to the extent that the  
23 Authority determines that the report contains confidential  
24 material.

## 1           **Subtitle D—Termination of a** 2                                   **Control Period**

### 3   **SEC. 231. TERMINATION OF CONTROL PERIOD, ETC.**

4           (a) IN GENERAL.—After the completion of the re-  
5   quirements for the termination of a control period de-  
6   scribed in section 202(b)(4), the Authority shall submit  
7   a recommendation to Congress requesting the termination  
8   of such control period, the dissolution of the Authority,  
9   and the reinstatement to the Board of Governors (and the  
10  individual Governors) of the Postal Service of the authori-  
11  ties and responsibilities referred to in section  
12  202(b)(2)(A).

#### 13           (b) CONGRESSIONAL APPROVAL.—

14           (1) IN GENERAL.—A control period shall not be  
15   terminated unless a joint resolution approving of the  
16   recommendation in subsection (a) is enacted, in ac-  
17   cordance with section 232, before the earlier of—

18                   (A) the end of the 30-day period beginning  
19                   on the date on which the Authority transmits  
20                   the recommendation to Congress under sub-  
21                   section (a); or

22                   (B) the adjournment of the Congress sine  
23                   die for the session during which such rec-  
24                   ommendation is transmitted.

1           (2) DAYS OF SESSION.—For purposes of para-  
2       graph (1) and subsections (a) and (c) of section 232,  
3       the days on which either House of Congress is not  
4       in session because of an adjournment of more than  
5       3 days to a day certain shall be excluded in the com-  
6       putation of a period.

7   **SEC. 232. CONGRESSIONAL CONSIDERATION OF REC-**  
8                           **COMMENDATION.**

9       (a) TERMS OF THE RESOLUTION.—For purposes of  
10     this subtitle, the term “joint resolution” means only a  
11     joint resolution which is introduced within the 10-day pe-  
12     riod beginning on the date on which the recommendation  
13     referred to in section 231(a) is received by Congress—

14           (1) the matter after the resolving clause of  
15     which is as follows: “That Congress approves the  
16     recommendation of the Postal Service Financial Re-  
17     sponsibility and Management Assistance Authority,  
18     submitted by such Authority on \_\_\_\_.”, the blank  
19     space being filled in with the appropriate date;

20           (2) the title of which is as follows: “Joint reso-  
21     lution approving the recommendation of Postal Serv-  
22     ice Financial Responsibility and Management Assist-  
23     ance Authority.”; and

24           (3) which does not have a preamble.



1 (b) REFERRAL.—A resolution described in subsection  
2 (a) that is introduced in the House of Representatives or  
3 the Senate shall be referred to the appropriate committees  
4 of the House of Representatives or the Senate, respec-  
5 tively.

6 (c) DISCHARGE.—If the committee to which a resolu-  
7 tion described in subsection (a) is referred has not re-  
8 ported such resolution (or an identical resolution) by the  
9 end of the 20-day period beginning on the date on which  
10 the Authority transmits its recommendation to Congress  
11 under section 231(a) such committee shall, at the end of  
12 such period, be discharged from further consideration of  
13 such resolution, and such resolution shall be placed on the  
14 appropriate calendar of the House involved.

15 (d) CONSIDERATION.—

16 (1) IN GENERAL.—On or after the third day  
17 after the date on which the committee to which such  
18 a resolution is referred has reported, or has been  
19 discharged (under subsection (c)) from further con-  
20 sideration of, such a resolution, it is in order (even  
21 though a previous motion to the same effect has  
22 been disagreed to) for any Member of the respective  
23 House to move to proceed to the consideration of the  
24 resolution. A Member may make the motion only on  
25 the day after the calendar day on which the Member

1 announces to the House concerned the Member's in-  
2 tention to make the motion, except that, in the case  
3 of the House of Representatives, the motion may be  
4 made without such prior announcement if the mo-  
5 tion is made by direction of the committee to which  
6 the resolution was referred. All points of order  
7 against the resolution (and against consideration of  
8 the resolution) are waived. The motion is highly  
9 privileged in the House of Representatives and is  
10 privileged in the Senate and is not debatable. The  
11 motion is not subject to amendment, or to a motion  
12 to postpone, or to a motion to proceed to the consid-  
13 eration of other business. A motion to reconsider the  
14 vote by which the motion is agreed to or disagreed  
15 to shall not be in order. If a motion to proceed to  
16 the consideration of the resolution is agreed to, the  
17 respective House shall immediately proceed to con-  
18 sideration of the joint resolution without intervening  
19 motion, order, or other business, and the resolution  
20 shall remain the unfinished business of the respec-  
21 tive House until disposed of.

22 (2) DEBATE.—Debate on the resolution, and on  
23 all debatable motions and appeals in connection  
24 therewith, shall be limited to not more than 2 hours,  
25 which shall be divided equally between those favoring

1 and those opposing the resolution. An amendment to  
2 the resolution is not in order. A motion further to  
3 limit debate is in order and not debatable. A motion  
4 to postpone, or a motion to proceed to the consider-  
5 ation of other business, or a motion to recommit the  
6 resolution is not in order. A motion to reconsider the  
7 vote by which the resolution is agreed to or dis-  
8 agreed to is not in order.

9 (3) VOTE ON FINAL PASSAGE.—Immediately  
10 following the conclusion of the debate on a resolu-  
11 tion described in subsection (a) and a single quorum  
12 call at the conclusion of the debate if requested in  
13 accordance with the rules of the appropriate House,  
14 the vote on final passage of the resolution shall  
15 occur.

16 (4) APPEALS.—Appeals from the decisions of  
17 the Chair relating to the application of the rules of  
18 the Senate or the House of Representatives, as the  
19 case may be, to the procedure relating to a resolu-  
20 tion described in subsection (a) shall be decided  
21 without debate.

22 (e) CONSIDERATION BY OTHER HOUSE.—

23 (1) IN GENERAL.—If, before the passage by one  
24 House of a resolution of that House described in  
25 subsection (a), that House receives from the other

1 House a resolution described in subsection (a), then  
2 the following procedures shall apply:

3 (A) The resolution of the other House shall  
4 not be referred to a committee and may not be  
5 considered in the House receiving it except in  
6 the case of final passage as provided in sub-  
7 paragraph (B)(ii).

8 (B) With respect to a resolution described  
9 in subsection (a) of the House receiving the res-  
10 olution—

11 (i) the procedure in that House shall  
12 be the same as if no resolution had been  
13 received from the other House; but

14 (ii) the vote on final passage shall be  
15 on the resolution of the other House.

16 (2) DISPOSITION OF A RESOLUTION.—Upon  
17 disposition of the resolution received from the other  
18 House, it shall no longer be in order to consider the  
19 resolution that originated in the receiving House.

20 (f) RULES OF THE SENATE AND HOUSE.—This sec-  
21 tion is enacted by Congress—

22 (1) as an exercise of the rulemaking power of  
23 the Senate and House of Representatives, respec-  
24 tively, and as such it is deemed a part of the rules  
25 of each House, respectively, but applicable only with

1 respect to the procedure to be followed in that  
 2 House in the case of a resolution described in sub-  
 3 section (a), and it supersedes other rules only to the  
 4 extent that it is inconsistent with such rules; and

5 (2) with full recognition of the constitutional  
 6 right of either House to change the rules (so far as  
 7 relating to the procedure of that House) at any time,  
 8 in the same manner, and to the same extent as in  
 9 the case of any other rule of that House.

## 10 **TITLE III—POSTAL SERVICE** 11 **WORKFORCE**

### 12 **Subtitle A—General Provisions**

#### 13 **SEC. 301. MODIFICATIONS RELATING TO DETERMINATION** 14 **OF PAY COMPARABILITY.**

15 (a) **POSTAL POLICY.**—Section 101(c) is amended—

16 (1) in the first sentence, by inserting “total”  
 17 before “rates and types of compensation”; and

18 (2) in the second sentence, by inserting “en-  
 19 tire” before “private sector”.

20 (b) **EMPLOYMENT POLICY.**—The second sentence of  
 21 section 1003(a) is amended—

22 (1) by inserting “total” before “compensation  
 23 and benefits”; and

24 (2) by inserting “entire” before “private sec-  
 25 tor”.

1           (c) CONSIDERATIONS.—For purposes of the amend-  
2 ments made by this section, any determination of “total  
3 rates and types of compensation” or “total compensation  
4 and benefits” shall, at a minimum, take into account pay,  
5 health benefits, retirement benefits, life insurance benefits,  
6 leave, holidays, and continuity and stability of employ-  
7 ment.

8 **SEC. 302. LIMITATION ON POSTAL CONTRIBUTIONS UNDER**  
9 **FEGLI AND FEHBP.**

10           Section 1003 is amended by adding at the end the  
11 following:

12           “(e)(1) At least 1 month before the start of each fis-  
13 cal year as described in paragraph (2), the Postmaster  
14 General shall transmit to the Postal Regulatory Commis-  
15 sion certification (together with such supporting docu-  
16 mentation as the Postal Regulatory Commission may re-  
17 quire) that contributions of the Postal Service for such  
18 fiscal year will not exceed—

19                   “(A) in the case of life insurance under chapter  
20 87 of title 5, the Government contributions deter-  
21 mined under section 8708 of such title; and

22                   “(B) in the case of health insurance under  
23 chapter 89 of title 5, the Government contributions  
24 determined under 8906 of such title.

25           “(2) This subsection applies with respect to—

1           “(A) except as provided in subparagraph (B),  
2           each fiscal year beginning after September 30, 2013;  
3           and

4           “(B) in the case of officers and employees of  
5           the Postal Service covered by a collective bargaining  
6           agreement which is in effect on the date of the en-  
7           actment of this subsection—

8                   “(i) each fiscal year beginning after the ex-  
9                   piration date of such agreement, including

10                   “(ii) for the fiscal year in which such expi-  
11                   ration date occurs, any portion of such fiscal  
12                   year remaining after such expiration date.

13           “(3)(A) If, after reasonable notice and opportunity  
14           for hearing is afforded to the Postal Service, the Postal  
15           Regulatory Commission finds that the contributions of the  
16           Postal Service for a fiscal year will exceed or are exceeding  
17           the limitation specified in subparagraph (A) or (B) of  
18           paragraph (1), the Commission shall order that the Postal  
19           Service take such action as the Commission considers nec-  
20           essary to achieve full and immediate compliance with the  
21           applicable limitation or limitations.

22           “(B) Sections 3663 and 3664 shall apply with respect  
23           to any order issued by the Postal Regulatory Commission  
24           under subparagraph (A).

1 “(C) Nothing in this paragraph shall be considered  
2 to permit the issuance of an order requiring reduction of  
3 contributions below the level specified by the provision of  
4 law cited in subparagraph (A) or (B) of paragraph (1),  
5 as applicable.”.

6 **SEC. 303. REPEAL OF PROVISION RELATING TO OVERALL**  
7 **VALUE OF FRINGE BENEFITS.**

8 The last sentence of section 1005(f) is repealed.

9 **SEC. 304. MODIFICATIONS RELATING TO COLLECTIVE BAR-**  
10 **GAINING.**

11 Section 1207 is amended by striking subsections (c)  
12 and (d) and inserting the following:

13 “(c)(1) If no agreement is reached within 30 days  
14 after the appointment of a mediator under subsection (b),  
15 or if the parties decide upon arbitration before the expira-  
16 tion of the 30-day period, an arbitration board shall be  
17 established consisting of 1 member selected by the Postal  
18 Service (from the list under paragraph (2)), 1 member se-  
19 lected by the bargaining representative of the employees  
20 (from the list under paragraph (2)), and the mediator ap-  
21 pointed under subsection (b).

22 “(2) Upon receiving a request from either of the par-  
23 ties referred to in paragraph (1), the Director of the Fed-  
24 eral Mediation and Conciliation Service shall provide a list  
25 of not less than 9 individuals who are well qualified to



1 serve as neutral arbitrators. Each person listed shall be  
2 an arbitrator of nationwide reputation and professional  
3 nature, a member of the National Academy of Arbitrators,  
4 and an individual whom the Director has determined to  
5 be willing and available to serve. If, within 7 days after  
6 the list is provided, either of the parties has not selected  
7 an individual from the list, the Director shall make the  
8 selection within 3 days.

9       “(3) The arbitration board shall give the parties a  
10 full and fair hearing, including an opportunity to present  
11 evidence in support of their claims, and an opportunity  
12 to present their case in person, by counsel, or by other  
13 representative as they may elect. The hearing shall be con-  
14 cluded no more than 40 days after the arbitration board  
15 is established.

16       “(4) No more than 7 days after the hearing is con-  
17 cluded, each party shall submit to the arbitration board  
18 2 offer packages, each of which packages shall specify the  
19 terms of a proposed final agreement.

20       “(5) If no agreement is reached within 7 days after  
21 the last day date for the submission of an offer package  
22 under paragraph (4), each party shall submit to the arbi-  
23 tration board a single final offer package specifying the  
24 terms of a proposed final agreement.

1 “(6) No later than 3 days after the submission of  
2 the final offer packages under paragraph (5), the arbitra-  
3 tion board shall select 1 of those packages as its tentative  
4 award, subject to paragraph (7).

5 “(7)(A) The arbitration board may not select a final  
6 offer package under paragraph (6) unless it satisfies each  
7 of the following:

8 “(i) The offer complies with the requirements of  
9 sections 101(c) and 1003(a).

10 “(ii) The offer takes into account the current fi-  
11 nancial condition of the Postal Service.

12 “(iii) The offer takes into account the long-term  
13 financial condition of the Postal Service.

14 “(B)(i) If the board unanimously determines, based  
15 on clear and convincing evidence presented during the  
16 hearing under paragraph (3), that neither final offer pack-  
17 age satisfies the conditions set forth in subparagraph (A),  
18 the board shall by majority vote—

19 “(I) select the package that best meets such  
20 conditions; and

21 “(II) modify the package so selected to the min-  
22 imum extent necessary to satisfy such conditions.

23 “(ii) If modification (as described in subparagraph  
24 (B)(i)(II)) is necessary, the board shall have an additional

1 7 days to render its tentative award under this subpara-  
2 graph.

3 “(8) The parties may negotiate a substitute award  
4 to replace the tentative award selected under paragraph  
5 (6) or rendered under paragraph (7) (as the case may be).  
6 If no agreement on a substitute award is reached within  
7 10 days after the date on which the tentative award is  
8 so selected or rendered, the tentative award shall become  
9 final.

10 “(9) The arbitration board shall review any substitute  
11 award negotiated under paragraph (8) to determine if it  
12 satisfies the conditions set forth in paragraph (7)(A). If  
13 the arbitration board, by a unanimous vote taken within  
14 3 days after the date on which the agreement on the sub-  
15 stitute award is reached under paragraph (8), determines  
16 that the substitute award does not satisfy such conditions,  
17 the tentative award shall become final. In the absence of  
18 a vote, as described in the preceding sentence, the sub-  
19 stitute agreement shall become final.

20 “(10) If, under paragraph (5), neither party submits  
21 a final offer package by the last day allowable under such  
22 paragraph, the arbitration board shall develop and issue  
23 a final award no later than 20 days after such last day.

24 “(11) A final award or agreement under this sub-  
25 section shall be conclusive and binding upon the parties.

1       “(12) Costs of the arbitration board and mediation  
2 shall be shared equally by the Postal Service and the bar-  
3 gaining representative.

4       “(d) In the case of a bargaining unit whose recog-  
5 nized collective-bargaining representative does not have an  
6 agreement with the Postal Service, if the parties fail to  
7 reach agreement within 90 days after the commencement  
8 of collective bargaining, a mediator shall be appointed in  
9 accordance with the provisions of subsection (b), unless  
10 the parties have previously agreed to another procedure  
11 for a binding resolution of their differences. If the parties  
12 fail to reach agreement within 180 days after the com-  
13 mencement of collective bargaining, an arbitration board  
14 shall be established to provide conclusive and binding arbi-  
15 tration in accordance with the provisions of subsection  
16 (c).”.

17 **Subtitle B—Postal Service Workers’**  
18 **Compensation Reform**

19 **SEC. 311. SENSE OF CONGRESS.**

20       It is the sense of Congress that—

21               (1) the Postal Service should develop and man-  
22       age a program to pay compensation for the disability  
23       or death of an officer or employee of the Postal  
24       Service which results from an injury sustained while  
25       in the performance of duty;

1           (2) such program should include an automatic  
2 transition to retirement and provide a retirement  
3 pension based on the average salary of the officer or  
4 employee, determined as if such officer or employee  
5 had continued to receive basic pay from the date of  
6 injury to the date of retirement; and

7           (3) officers or employees of the Postal Service  
8 receiving compensation for a disability from an in-  
9 jury sustained while in the performance of duty  
10 should be transitioned to the program described in  
11 paragraph (1).

## 12           **TITLE IV—POSTAL SERVICE** 13   **REVENUE**

### 14           **SEC. 401. ADEQUACY, EFFICIENCY, AND FAIRNESS OF POST-** 15   **AL RATES.**

16           (a) IN GENERAL.—Paragraph (1) of section 3622(d)  
17 is amended—

18           (1) by redesignating subparagraphs (B)  
19 through (E) as subparagraph (D) through (G), re-  
20 spectively; and

21           (2) by inserting after subparagraph (A) the fol-  
22 lowing:

23                                   “(B) subject to the limitation under para-  
24 graph (A), establish postal rates to fulfill the  
25 requirement that each market-dominant class,

1 product, and type of mail service (except for an  
2 experimental product or service) bear the direct  
3 and indirect postal costs attributable to such  
4 class, product, or type through reliably identi-  
5 fied causal relationships plus that portion of all  
6 other costs of the Postal Service reasonably as-  
7 signable to such class, product, or type;

8 “(C) establish postal rates for each loss-  
9 making class of mail to eliminate such losses by  
10 exhausting all unused rate authority as well as  
11 maximizing incentives to reduce costs and in-  
12 crease efficiency; with—

13 “(i) the term ‘loss-making’, as used  
14 with respect to a class of mail, meaning a  
15 class of mail that bears less than 100 per-  
16 cent of its costs attributable (as described  
17 in subparagraph (B)), according to the  
18 most recent annual determination of the  
19 Postal Regulatory Commission under sec-  
20 tion 3653; and

21 “(ii) unused rate authority annually  
22 increased by 5 percent for each class of  
23 mail that bore less than 90 percent of its  
24 costs attributable, according to the most  
25 annual determination by the Postal Regu-

1 latory Commission under section 3653,  
2 with such increase in unused rate authority  
3 to take effect 30 days after issuance of  
4 such Commission determination;”.

5 (b) EXCEPTION.—Section 3622(d) is amended by  
6 adding at the end the following:

7 “(4) EXCEPTION.—The requirements of para-  
8 graph (1)(B) shall not apply to a market-dominant  
9 product for which a substantial portion of the prod-  
10 uct’s mail volume consists of inbound international  
11 mail with terminal dues rates determined by the  
12 Universal Postal Union (and not by bilateral agree-  
13 ments or other arrangements).”.

14 **SEC. 402. REPEAL OF RATE PREFERENCES FOR QUALIFIED**  
15 **POLITICAL COMMITTEES.**

16 Subsection (e) of section 3626 is repealed.

17 **SEC. 403. RATE PREFERENCES FOR NONPROFIT ADVER-**  
18 **TISING.**

19 (a) PROVISIONS RELATING TO FORMER SECTION  
20 4358(f).—Section 3626(a)(5) is amended by adding at the  
21 end the following: “Notwithstanding any other provision  
22 of this paragraph, the percentage specified in the pre-  
23 ceding sentence shall be increased by an additional 5 per-  
24 centage points as of the first day of each calendar year  
25 beginning after the date of the enactment of the Postal

1 Reform Act of 2011, until such percentage reaches 90 per-  
2 cent.”.

3 (b) PROVISIONS RELATING TO FORMER SECTION  
4 4452 (b) AND (c).—Section 3626(a)(6) is amended by in-  
5 serting after subparagraph (C) the following (as a flush  
6 left sentence):

7 “Notwithstanding any other provision of this paragraph,  
8 the percentage specified in subparagraph (A) shall be in-  
9 creased by an additional 5 percentage points as of the first  
10 day of each calendar year beginning after the date of the  
11 enactment of the Postal Reform Act of 2011, until such  
12 percentage reaches 90 percent.”.

13 **SEC. 404. STREAMLINED REVIEW OF QUALIFYING SERVICE**  
14 **AGREEMENTS FOR COMPETITIVE PRODUCTS.**

15 Section 3633 is amended by adding at the end the  
16 following:

17 “(c) STREAMLINED REVIEW.—Within 90 days after  
18 the date of the enactment of this subsection, after notice  
19 and opportunity for public comment, the Postal Regu-  
20 latory Commission shall promulgate (and may from time  
21 to time thereafter revise) regulations for streamlined  
22 after-the-fact review of new agreements between the Post-  
23 al Service and users of the mail that provide rates not  
24 of general applicability for competitive products, and are  
25 functionally equivalent to existing agreements that have



1 collectively covered attributable costs and collectively im-  
2 proved the net financial position of the Postal Service.  
3 Streamlined review will be concluded within 5 working  
4 days after the agreement is filed with the Commission and  
5 shall be limited to approval or disapproval of the agree-  
6 ment as a whole based on the Commission's determination  
7 of its functional equivalence. Agreements not approved  
8 may be resubmitted without prejudice under section  
9 3632(b)(3).”.

10 **SEC. 405. SUBMISSION OF SERVICE AGREEMENTS FOR**  
11 **STREAMLINED REVIEW.**

12 Section 3632(b) is amended—

13 (1) by redesignating paragraph (4) as para-  
14 graph (5); and

15 (2) by inserting paragraph (3) the following:

16 “(4) RATES FOR STREAMLINED REVIEW.—In  
17 the case of rates not of general applicability for com-  
18 petitive products that the Postmaster General con-  
19 siders eligible for streamlined review under section  
20 3633(e), the Postmaster General shall cause each  
21 agreement to be filed with the Postal Regulatory  
22 Commission by such date, on or before the effective  
23 date of any new rate, as the Postmaster General  
24 considered appropriate.”.

1 **SEC. 406. TRANSPARENCY AND ACCOUNTABILITY FOR**  
2 **SERVICE AGREEMENTS.**

3 Section 3632(b), as amended by section 405, is  
4 amended by adding at the end the following:

5 “(6)(A) Each annual written determination of  
6 the Commission under section 3653 shall include  
7 written determinations, for each group of function-  
8 ally equivalent agreements between the Postal Serv-  
9 ice and users of the mail, whether it—

10 “(i) covered attributable costs; and

11 “(ii) improved the net financial position of  
12 the Postal Service.

13 “(B) Any group of functionally equivalent  
14 agreements (as referred to in subparagraph (A)) not  
15 meeting clauses (i) and (ii) of subparagraph (A)  
16 shall be determined to be in noncompliance under  
17 section 3653(c).

18 “(C) For purposes of this paragraph, a group  
19 of functionally equivalent agreements (as referred to  
20 in subparagraph (A)) shall consist of all service  
21 agreements that are functionally equivalent to each  
22 other within the same market-dominant or competi-  
23 tive product, but shall not include agreements within  
24 an experimental product.”.

25 **SEC. 407. NONPOSTAL SERVICES.**

26 (a) NONPOSTAL SERVICES.—

1           (1) IN GENERAL.—Part IV is amended by add-  
2           ing after chapter 36 the following:

3           **“CHAPTER 37—NONPOSTAL SERVICES**

“Sec.

“3701. Purpose.

“3702. Definitions.

“3703. Postal Service advertising program.

“3704. Postal Service program for State governments.

“3705. Postal Service program for other government agencies.

“3706. Transparency and accountability for nonpostal services.

4           **“§ 3701. Purpose**

5           “This chapter is intended to enable the Postal Service  
6 to increase its net revenues through specific nonpostal  
7 products and services that are expressly authorized by this  
8 chapter. Postal Service revenues and expenses under this  
9 chapter shall be funded through the Postal Service Fund.

10          **“§ 3702. Definitions**

11          “As used in this chapter—

12                 “(1) the term ‘nonpostal services’ is limited to  
13 services offered by the Postal Service that are ex-  
14 pressly authorized by this chapter and are not postal  
15 products or services;

16                 “(2) the term ‘Postal Service advertising pro-  
17 gram’ means a program, managed by the Postal  
18 Service, by which the Postal Service receives reve-  
19 nues from entities which advertise at Postal Service  
20 facilities and on Postal Service vehicles;

21                 “(3) the term ‘Postal Service program for State  
22 government services’ means a program, managed by

1 the Postal Service, by which the Postal Service re-  
2 ceives revenue from State governments (including  
3 their agencies) which provide services at Postal Serv-  
4 ice facilities;

5 “(4) the term ‘attributable costs’ has the same  
6 meaning as is given such term in section 3631; and

7 “(5) the term ‘year’ means a fiscal year.

8 **“§ 3703. Postal Service advertising program**

9 “Notwithstanding any other provision of this title,  
10 the Postal Service may establish and manage a program  
11 that allows entities to advertise at Postal Service facilities  
12 and on Postal Service vehicles. Such a program shall be  
13 subject to the following requirements:

14 “(1) The Postal Service shall at all times en-  
15 sure advertising it permits is consistent with the in-  
16 tegrity of the Postal Service.

17 “(2) Any advertising program is required to  
18 cover a minimum of 200 percent of its attributable  
19 costs in each year.

20 “(3) All advertising expenditures and revenues  
21 are subject to annual compliance determination (in-  
22 cluding remedies for noncompliance) applicable to  
23 nonpostal products.

1           “(4) Total advertising expenditures and reve-  
2           nues must be disclosed in Postal Service Annual Re-  
3           ports.

4   **“§ 3704. Postal Service program for State govern-**  
5                           **ments**

6           “(a) IN GENERAL.—Notwithstanding any other pro-  
7           vision of this title, the Postal Service may establish a pro-  
8           gram to provide services for agencies of State governments  
9           within the United States, but only if such services—

10           “(1) shall provide enhanced value to the public,  
11           such as by lowering the cost or raising the quality  
12           of such services or by making such services more ac-  
13           cessible;

14           “(2) do not interfere with or detract from the  
15           value of postal services, including—

16           “(A) the cost and efficiency of postal serv-  
17           ices; and

18           “(B) access to postal retail service, such as  
19           customer waiting time and access to parking;  
20           and

21           “(3) provide a reasonable contribution to the in-  
22           stitutional costs of the Postal Service, defined as re-  
23           imbursement for each service and to each agency  
24           covering at least 150 percent of the attributable  
25           costs of such service in each year.

1       “(b) PUBLIC NOTICE.—At least 90 days before offer-  
2 ing any services under this section, the Postal Service shall  
3 make each agreement with State agencies readily available  
4 to the public on its Web site, including a business plan  
5 that describes the specific services to be provided, the en-  
6 hanced value to the public, terms of reimbursement, the  
7 estimated annual reimbursement to the Postal Service,  
8 and the estimated percentage of attributable Postal Serv-  
9 ices that will be covered by reimbursement (with docu-  
10 mentation to support these estimates). The Postal Service  
11 shall solicit public comment for at least 30 days, with com-  
12 ments posted on its Web site, followed by its written re-  
13 sponse posted on its Web site at least 30 days before offer-  
14 ing such services.

15       “(c) APPROVAL REQUIRED.—The Governors of the  
16 Postal Service shall approve the provision of services  
17 under this section by a recorded vote, with at least 6 mem-  
18 bers voting for approval, with the vote publicly disclosed  
19 on the Postal Service Web site.

20       “(d) CLASSIFICATION OF SERVICES.—All services for  
21 a given agency provided under this section shall be classi-  
22 fied as a separate activity subject to the requirements of  
23 annual reporting under section 3706. Such reporting shall  
24 also include information on the quality of service and re-  
25 lated information to demonstrate that it satisfied the re-

1 requirements of subsection (a). Information provided under  
2 this section shall be according to requirements that the  
3 Postal Regulatory Commission shall by regulation pre-  
4 scribe.

5 “(e) DEFINITIONS.—For the purpose of this sec-  
6 tion—

7 “(1) the term ‘State’ includes the District of  
8 Columbia, the Commonwealth of Puerto Rico, the  
9 United States Virgin Islands, Guam, American  
10 Samoa, the Commonwealth of the Northern Mariana  
11 Islands, and any other territory or possession of the  
12 United States; and

13 “(2) the term ‘United States’, when used in a  
14 geographical sense, means the States.

15 **“§ 3705. Postal Service program for other government**  
16 **agencies**

17 “(a) IN GENERAL.—The Postal Service may establish  
18 a program to provide property and services for other gov-  
19 ernment agencies within the meaning of section 411, but  
20 only if such program provides a reasonable contribution  
21 to the institutional costs of the Postal Service, defined as  
22 reimbursement by each agency that covers at least 100  
23 percent of the attributable costs of all property and service  
24 provided by the Postal Service in a each year to such agen-  
25 cy.

1       “(b) CLASSIFICATION OF SERVICES.—For each agen-  
2 cy, all property and services provided by the Postal Service  
3 under this section shall be classified as a separate activity  
4 subject to the requirements of annual reporting under sec-  
5 tion 3706. Information provided under this section shall  
6 be according to requirements that the Postal Regulatory  
7 Commission shall by regulation prescribe.

8       **“§ 3706. Transparency and accountability for non-**  
9                                   **postal services**

10       “(a) ANNUAL REPORTS TO THE COMMISSION.—

11               “(1) IN GENERAL.—The Postal Service shall,  
12 no later than 90 days after the end of each year,  
13 prepare and submit to the Postal Regulatory Com-  
14 mission a report (together with such nonpublic  
15 annex to the report as the Commission may require  
16 under subsection (b)) which shall analyze costs, reve-  
17 nues, rates, and quality of service for section 3704,  
18 using such methodologies as the Commission shall  
19 by regulation prescribe, and in sufficient detail to  
20 demonstrate compliance with all applicable require-  
21 ments of this chapter.

22               “(2) AUDITS.—The Inspector General shall reg-  
23 ularly audit the data collection systems and proce-  
24 dures utilized in collecting information and pre-  
25 paring such report. The results of any such audit



1 shall be submitted to the Postal Service and the  
2 Postal Regulatory Commission.

3 “(b) SUPPORTING MATTER.—The Postal Regulatory  
4 Commission shall have access, in accordance with such  
5 regulations as the Commission shall prescribe, to the  
6 working papers and any other supporting matter of the  
7 Postal Service and the Inspector General in connection  
8 with any information submitted under this section.

9 “(c) CONTENT AND FORM OF REPORTS.—

10 “(1) IN GENERAL.—The Postal Regulatory  
11 Commission shall, by regulation, prescribe the con-  
12 tent and form of the public reports (and any non-  
13 public annex and supporting matter relating to the  
14 report) to be provided by the Postal Service under  
15 this section. Such reports shall be included with the  
16 annual compliance determination reported under sec-  
17 tion 3653. In carrying out this subsection, the Com-  
18 mission shall give due consideration to—

19 “(A) providing the public with timely, ade-  
20 quate information to assess compliance;

21 “(B) avoiding unnecessary or unwarranted  
22 administrative effort and expense on the part of  
23 the Postal Service; and

24 “(C) protecting the confidentiality of infor-  
25 mation that is commercially sensitive or is ex-

1           empt from public disclosure under section  
2           552(b) of title 5.

3           “(2) REVISED REQUIREMENTS.—The Commis-  
4           sion may, on its own motion or on request of an in-  
5           terested party, initiate proceedings (to be conducted  
6           in accordance with regulations that the Commission  
7           shall prescribe) to improve the quality, accuracy, or  
8           completeness of Postal Service data required by the  
9           Commission under this subsection whenever it shall  
10          appear that—

11                   “(A) the attribution of costs or revenues to  
12                   property or services under this chapter has be-  
13                   come significantly inaccurate or can be signifi-  
14                   cantly improved;

15                   “(B) the quality of service data provided to  
16                   the Commission for annual reports under this  
17                   chapter has become significantly inaccurate or  
18                   can be significantly improved; or

19                   “(C) such revisions are, in the judgment of  
20                   the Commission, otherwise necessitated by the  
21                   public interest.

22          “(d) CONFIDENTIAL INFORMATION.—

23                   “(1) IN GENERAL.—If the Postal Service deter-  
24                   mines that any document or portion of a document,  
25                   or other matter, which it provides to the Postal Reg-

1       ulatory Commission in a nonpublic annex under this  
2       section contains information which is described in  
3       section 410(c) of this title, or exempt from public  
4       disclosure under section 552(b) of title 5, the Postal  
5       Service shall, at the time of providing such matter  
6       to the Commission, notify the Commission of its de-  
7       termination, in writing, and describe with particu-  
8       larity the documents (or portions of documents) or  
9       other matter for which confidentiality is sought and  
10      the reasons therefor.

11           “(2) TREATMENT.—Any information or other  
12      matter described in paragraph (1) to which the  
13      Commission gains access under this section shall be  
14      subject to paragraphs (2) and (3) of section 504(g)  
15      in the same way as if the Commission had received  
16      notification with respect to such matter under sec-  
17      tion 504(g)(1).

18           “(e) ANNUAL COMPLIANCE DETERMINATION.—

19           “(1) OPPORTUNITY FOR PUBLIC COMMENT.—  
20      After receiving the reports required under subsection  
21      (a) for any year, the Postal Regulatory Commission  
22      shall promptly provide an opportunity for comment  
23      on such reports by any interested party, and an offi-  
24      cer of the Commission who shall be required to rep-  
25      resent the interests of the general public.

1           “(2) DETERMINATION OF COMPLIANCE OR NON-  
2 COMPLIANCE.—Not later than 90 days after receiv-  
3 ing the submissions required under subsection (a)  
4 with respect to a year, the Postal Regulatory Com-  
5 mission shall make a written determination as to  
6 whether any nonpostal activities during such year  
7 were or were not in compliance with applicable pro-  
8 visions of this chapter (or regulations promulgated  
9 under this chapter). The Postal Regulatory Commis-  
10 sion shall issue a determination of noncompliance if  
11 the requirements for coverage of attributable costs  
12 are not met. If, with respect to a year, no instance  
13 of noncompliance is found to have occurred in such  
14 year, the written determination shall be to that ef-  
15 fect.

16           “(3) NONCOMPLIANCE.—If, for a year, a timely  
17 written determination of noncompliance is made  
18 under this chapter, the Postal Regulatory Commis-  
19 sion shall take appropriate action. If the require-  
20 ments for coverage of attributable costs specified by  
21 this chapter are not met, the Commission shall,  
22 within 60 days after the determination, prescribe re-  
23 medial action to restore compliance as soon as prac-  
24 ticable, which shall also include the full restoration  
25 of revenue shortfalls during the following fiscal year.

1 The Commission may order the Postal Service to  
 2 discontinue a nonpostal service under section 3703  
 3 or 3704 that persistently fails to meet cost coverage  
 4 requirements.

5 “(4) ANY DELIBERATE NONCOMPLIANCE.—In  
 6 addition, in cases of deliberate noncompliance by the  
 7 Postal Service with the requirements of this chapter,  
 8 the Postal Regulatory Commission may order, based  
 9 on the nature, circumstances, extent, and serious-  
 10 ness of the noncompliance, a fine (in the amount  
 11 specified by the Commission in its order) for each  
 12 incidence of noncompliance. All receipts from fines  
 13 imposed under this subsection shall be deposited in  
 14 the general fund of the Treasury of the United  
 15 States.”.

16 (2) CLERICAL AMENDMENT.—The analysis for  
 17 part IV is amended by adding after the item relating  
 18 to chapter 36 the following:

**“37. Nonpostal services ..... 3701”.**

19 (b) CONFORMING AMENDMENTS.—

20 (1) SECTION 404(e).—Section 404(e) is amend-  
 21 ed by adding at the end the following:

22 “(6) Nothing in this section shall be considered to  
 23 prevent the Postal Service from establishing nonpostal  
 24 products and services that are expressly authorized by  
 25 chapter 37.”.

1           (2) SECTION 411.—The last sentence of section  
 2           411 is amended by striking “including  
 3           reimbursability” and inserting “including  
 4           reimbursability within the limitations of chapter  
 5           37”.

## 6   **TITLE V—POSTAL CONTRACTING** 7                                   **REFORM**

### 8   **SEC. 501. CONTRACTING PROVISIONS.**

9           (a) IN GENERAL.—Part I of title 39, United States  
 10          Code, is amended by adding at the end the following:

### 11   **“CHAPTER 7—CONTRACTING PROVISIONS**

“Sec.

“701. Definitions.

“702. Advocate for competition.

“703. Delegation of contracting authority.

“704. Posting of noncompetitive purchase requests for noncompetitive contracts.

“705. Review of ethical issues.

“706. Ethical restrictions on participation in certain contracting activity.

### 12   **“§ 701. Definitions**

13           “In this chapter—

14                   “(1) the term ‘contracting officer’ means an  
 15           employee of a covered postal entity who has author-  
 16           ity to enter into a postal contract;

17                   “(2) the term ‘covered postal entity’ means—

18                                   “(A) the United States Postal Service; or

19                                   “(B) the Postal Regulatory Commission;

20                   “(3) the term ‘head of a covered postal entity’

21           means—

1           “(A) in the case of the United States Post-  
2           al Service, the Postmaster General; or

3           “(B) in the case of the Postal Regulatory  
4           Commission, the Chairman of the Postal Regu-  
5           latory Commission;

6           “(4) the term ‘postal contract’ means any con-  
7           tract (including any agreement or memorandum of  
8           understanding) entered into by a covered postal enti-  
9           ty for the procurement of goods or services; and

10          “(5) the term ‘senior procurement executive’  
11          means the senior procurement executive of a covered  
12          postal entity.

13       **“§ 702. Advocate for competition**

14          “(a) ESTABLISHMENT AND DESIGNATION.—

15               “(1) There is established in each covered postal  
16               entity an advocate for competition.

17               “(2) The head of each covered postal entity  
18               shall designate for the covered postal entity 1 or  
19               more officers or employees (other than the senior  
20               procurement executive) to serve as the advocate for  
21               competition.

22          “(b) RESPONSIBILITIES.—The advocate for competi-  
23          tion of each covered postal entity shall—

24               “(1) be responsible for promoting—

1           “(A) the contracting out of Postal Service  
2 functions that the private sector can perform  
3 equally well or better, and at lower cost; and

4           “(B) competition to the maximum extent  
5 practicable consistent with obtaining best value  
6 by promoting the acquisition of commercial  
7 items and challenging barriers to competition;

8           “(2) review the procurement activities of the  
9 covered postal entity; and

10           “(3) prepare and transmit to the head of each  
11 covered postal entity, the senior procurement execu-  
12 tive of each covered postal entity, the Board of Gov-  
13 ernors of the United States Postal Service, and Con-  
14 gress, an annual report describing—

15           “(A) the activities of the advocate under  
16 this section;

17           “(B) initiatives required to promote con-  
18 tracting out and competition;

19           “(C) barriers to contracting out and com-  
20 petition; and

21           “(D) the number of waivers made by each  
22 covered postal entity under section 704(c).

23 **“§ 703. Delegation of contracting authority**

24           “(a) IN GENERAL.—



1           “(1) POLICY.—Not later than 60 days after the  
2           date of enactment of this chapter, the head of each  
3           covered postal entity shall issue a policy on con-  
4           tracting officer delegations of authority for the cov-  
5           ered postal entity.

6           “(2) CONTENTS.—The policy issued under  
7           paragraph (1) shall require that—

8                   “(A) notwithstanding any delegation of au-  
9                   thority with respect to postal contracts, the ulti-  
10                   mate responsibility and accountability for the  
11                   award and administration of postal contracts  
12                   resides with the senior procurement executive;  
13                   and

14                   “(B) a contracting officer shall maintain  
15                   an awareness of and engagement in the activi-  
16                   ties being performed on postal contracts of  
17                   which that officer has cognizance, notwith-  
18                   standing any delegation of authority that may  
19                   have been executed.

20           “(b) POSTING OF DELEGATIONS.—

21                   “(1) IN GENERAL.—The head of each covered  
22                   postal entity shall make any delegation of authority  
23                   for postal contracts outside the functional con-  
24                   tracting unit readily available and accessible on the  
25                   Web site of the covered postal entity.

1           “(2) EFFECTIVE DATE.—This paragraph shall  
2           apply to any delegation of authority made on or  
3           after 30 days after the date of enactment of this  
4           chapter.

5   **“§ 704. Posting of noncompetitive purchase requests**  
6                           **for noncompetitive contracts**

7           “(a) POSTING REQUIRED.—

8                       “(1) POSTAL REGULATORY COMMISSION.—The  
9           Postal Regulatory Commission shall make the non-  
10          competitive purchase request for any noncompetitive  
11          award, including the rationale supporting the non-  
12          competitive award, publicly available on the Web site  
13          of the Postal Regulatory Commission—

14                       “(A) not later than 14 days after the date  
15                       of the award of the noncompetitive contract; or

16                       “(B) not later than 30 days after the date  
17                       of the award of the noncompetitive contract, if  
18                       the basis for the award was a compelling busi-  
19                       ness interest.

20                       “(2) UNITED STATES POSTAL SERVICE.—The  
21          United States Postal Service shall make the non-  
22          competitive purchase request for any noncompetitive  
23          award of a postal contract valued at \$250,000 or  
24          more, including the rationale supporting the non-

1 competitive award, publicly available on the Web site  
2 of the United States Postal Service—

3 “(A) not later than 14 days after the date  
4 of the award; or

5 “(B) not later than 30 days after the date  
6 of the award, if the basis for the award was a  
7 compelling business interest.

8 “(3) ADJUSTMENTS TO THE POSTING THRESH-  
9 OLD FOR THE UNITED STATES POSTAL SERVICE.—

10 “(A) REVIEW AND DETERMINATION.—Not  
11 later than January 31 of each year, the United  
12 States Postal Service shall—

13 “(i) review the \$250,000 threshold es-  
14 tablished under paragraph (2); and

15 “(ii) based on any change in the Con-  
16 sumer Price Index for all-urban consumers  
17 of the Department of Labor, determine  
18 whether an adjustment to the threshold  
19 shall be made.

20 “(B) AMOUNT OF ADJUSTMENTS.—An ad-  
21 justment under subparagraph (A) shall be made  
22 in increments of \$5,000. If the United States  
23 Postal Service determines that a change in the  
24 Consumer Price Index for a year would require  
25 an adjustment in an amount that is less than

1           \$5,000, the United States Postal Service may  
2           not make an adjustment to the threshold for  
3           the year.

4           “(4) EFFECTIVE DATE.—This subsection shall  
5           apply to any noncompetitive contract awarded on or  
6           after the date that is 90 days after the date of en-  
7           actment of this chapter.

8           “(b) PUBLIC AVAILABILITY.—

9           “(1) IN GENERAL.—Subject to paragraph (2),  
10          the information required to be made publicly avail-  
11          able by a covered postal entity under subsection (a)  
12          shall be readily accessible on the Web site of the cov-  
13          ered postal entity.

14          “(2) PROTECTION OF PROPRIETARY INFORMA-  
15          TION.—A covered postal entity shall—

16                 “(A) carefully screen any description of the  
17                 rationale supporting a noncompetitive award re-  
18                 quired to be made publicly available under sub-  
19                 section (a) to determine whether the description  
20                 includes proprietary data (including any ref-  
21                 erence or citation to the proprietary data) or se-  
22                 curity-related information; and

23                 “(B) remove any proprietary data or secu-  
24                 rity-related information before making publicly

1 available a description of the rationale sup-  
2 porting a noncompetitive award.

3 “(c) WAIVERS.—

4 “(1) WAIVER PERMITTED.—If a covered postal  
5 entity determines that making a noncompetitive pur-  
6 chase request publicly available would risk placing  
7 the United States Postal Service at a competitive  
8 disadvantage relative to a private sector competitor,  
9 the senior procurement executive, in consultation  
10 with the advocate for competition of the covered  
11 postal entity, may waive the requirements under  
12 subsection (a).

13 “(2) FORM AND CONTENT OF WAIVER.—

14 “(A) FORM.—A waiver under paragraph  
15 (1) shall be in the form of a written determina-  
16 tion placed in the file of the contract to which  
17 the noncompetitive purchase agreement relates.

18 “(B) CONTENT.—A waiver under para-  
19 graph (1) shall include—

20 “(i) a description of the risk associ-  
21 ated with making the noncompetitive pur-  
22 chase request publicly available; and

23 “(ii) a statement that redaction of  
24 sensitive information in the noncompetitive  
25 purchase request would not be sufficient to

1 protect the United States Postal Service  
2 from being placed at a competitive dis-  
3 advantage relative to a private sector com-  
4 petitor.

5 “(3) DELEGATION OF WAIVER AUTHORITY.—A  
6 covered postal entity may not delegate the authority  
7 to approve a waiver under paragraph (1) to any em-  
8 ployee having less authority than the senior procure-  
9 ment executive.

10 **“§ 705. Review of ethical issues**

11 “If a contracting officer identifies any ethical issues  
12 relating to a proposed contract and submits those issues  
13 and that proposed contract to the designated ethics official  
14 for the covered postal entity before the awarding of that  
15 contract, that ethics official shall—

16 “(1) review the proposed contract; and

17 “(2) advise the contracting officer on the appro-  
18 priate resolution of ethical issues.

19 **“§ 706. Ethical restrictions on participation in certain**  
20 **contracting activity**

21 “(a) DEFINITIONS.—In this section—

22 “(1) the term ‘covered employee’ means—

23 “(A) a contracting officer; or

24 “(B) any employee of a covered postal en-  
25 tity whose decisionmaking affects a postal con-

1           tract as determined by regulations prescribed  
2           by the head of a covered postal entity;

3           “(2) the term ‘final conviction’ means a conviction,  
4           whether entered on a verdict or plea, including  
5           a plea of nolo contendere, for which a sentence has  
6           been imposed; and

7           “(3) the term ‘covered relationship’ means a  
8           covered relationship described in section  
9           2635.502(b)(1) of title 5, Code of Federal Regulations,  
10          or any successor thereto.

11          “(b) IN GENERAL.—

12           “(1) REGULATIONS.—The head of each covered  
13          postal entity shall prescribe regulations that—

14           “(A) require a covered employee to include  
15          in the file of any noncompetitive purchase request  
16          for a noncompetitive postal contract a  
17          written certification that—

18           “(i) discloses any covered relationship  
19          of the covered employee; and

20           “(ii) states that the covered employee  
21          will not take any action with respect to the  
22          noncompetitive purchase request that affects the financial  
23          interests of a friend, relative, or person with whom the covered  
24          employee is affiliated in a nongovernmental  
25

1 capacity, or otherwise gives rise to an ap-  
2 pearance of the use of public office for pri-  
3 vate gain, as described in section 2635.702  
4 of title 5, Code of Federal Regulations, or  
5 any successor thereto;

6 “(B) require a contracting officer to con-  
7 sult with the ethics counsel for the covered  
8 postal entity regarding any disclosure made by  
9 a covered employee under subparagraph (A)(i),  
10 to determine whether participation by the cov-  
11 ered employee in the noncompetitive purchase  
12 request would give rise to a violation of part  
13 2635 of title 5, Code of Federal Regulations  
14 (commonly referred to as the Standards of Eth-  
15 ical Conduct for Employees of the Executive  
16 Branch);

17 “(C) require the ethics counsel for a cov-  
18 ered postal entity to review any disclosure made  
19 by a contracting officer under subparagraph  
20 (A)(i) to determine whether participation by the  
21 contracting officer in the noncompetitive pur-  
22 chase request would give rise to a violation of  
23 part 2635 of title 5, Code of Federal Regula-  
24 tions (commonly referred to as the Standards of



1 Ethical Conduct for Employees of the Executive  
2 Branch), or any successor thereto;

3 “(D) under subsections (d) and (e) of sec-  
4 tion 2635.50 of title 5, Code of Federal Regula-  
5 tions, or any successor thereto, require the eth-  
6 ics counsel for a covered postal entity to—

7 “(i) authorize a covered employee that  
8 makes a disclosure under subparagraph  
9 (A)(i) to participate in the noncompetitive  
10 postal contract; or

11 “(ii) disqualify a covered employee  
12 that makes a disclosure under subpara-  
13 graph (A)(i) from participating in the non-  
14 competitive postal contract;

15 “(E) require a contractor to timely disclose  
16 to the contracting officer in a bid, solicitation,  
17 award, or performance of a postal contract any  
18 conflict of interest with a covered employee; and

19 “(F) include authority for the head of the  
20 covered postal entity to grant a waiver or other-  
21 wise mitigate any organizational or personal  
22 conflict of interest, if the head of the covered  
23 postal entity determines that the waiver or miti-  
24 gation is in the best interests of the Postal  
25 Service.

1           “(2) POSTING OF WAIVERS.—Not later than 30  
2 days after the head of a covered postal entity grants  
3 a waiver described in paragraph (1)(F), the head of  
4 the covered postal entity shall make the waiver pub-  
5 licly available on the Web site of the covered postal  
6 entity.

7           “(c) CONTRACT VOIDANCE AND RECOVERY.—

8           “(1) UNLAWFUL CONDUCT.—In any case in  
9 which there is a final conviction for a violation of  
10 any provision of chapter 11 of title 18 relating to a  
11 postal contract, the head of a covered postal entity  
12 may—

13                   “(A) void that contract; and

14                   “(B) recover the amounts expended and  
15 property transferred by the covered postal enti-  
16 ty under that contract.

17           “(2) OBTAINING OR DISCLOSING PROCUREMENT  
18 INFORMATION.—

19           “(A) IN GENERAL.—In any case in which  
20 a contractor under a postal contract fails to  
21 timely disclose a conflict of interest to the ap-  
22 propriate contracting officer as required under  
23 the regulations promulgated under subsection  
24 (b)(1)(E), the head of a covered postal entity  
25 may—

1 “(i) void that contract; and

2 “(ii) recover the amounts expended  
3 and property transferred by the covered  
4 postal entity under that contract.

5 “(B) CONVICTION OR ADMINISTRATIVE DE-  
6 TERMINATION.—A case described under sub-  
7 paragraph (A) is any case in which—

8 “(i) there is a final conviction for an  
9 offense punishable under section 2105 of  
10 title 41, United States Code; or

11 “(ii) the head of a covered postal enti-  
12 ty determines, based upon a preponderance  
13 of the evidence, that the contractor or  
14 someone acting for the contractor has en-  
15 gaged in conduct constituting an offense  
16 punishable under section 2105 of such  
17 title.”.

18 (b) CLERICAL AMENDMENT.—The table of chapters  
19 for part I of title 39, United States Code, is amended by  
20 adding at the end the following:

“7. Contracting Provisions ..... 701”.

21 **SEC. 502. TECHNICAL AMENDMENT TO DEFINITION.**

22 Section 7101(8) of title 41, United States Code, is  
23 amended—

24 (1) by striking “and” at the end of subpara-  
25 graph (C);

1           (2) by striking the period at the end of sub-  
2 paragraph (D) and inserting “; and”; and

3           (3) by adding at the end the following new sub-  
4 paragraph:

5                   “(E) the United States Postal Service and  
6                   the Postal Regulatory Commission.”.

○