

1.2 Delivery Address

The delivery address specifies the location to which the USPS is to deliver a mailpiece. Except for mail prepared with detached address labels under 602.4.0, the piece must have the address of the intended recipient, visible and legible, only on the side of the piece bearing postage (see 2.0). Use at least 8-point type (8-point type is approximately 1/10-inch high). An Arial font is preferred. These additional standards apply to automation rate letters:

a. The individual characters and the individual lines in the address cannot touch or overlap. A minimum 0.028-inch clear space between lines is preferred.

b. Each element on each line of the address may be separated by no more than three blank character spaces. For example, "ANYTOWN U.S. 12345," not "ANYTOWN U.S. 12345."

\* \* \* \* \*

230 First-Class Mail

233 Rates and Eligibility

\* \* \* \* \*

5.0 Additional Eligibility Standards for Automation Rate First-Class Mail Letters

\* \* \* \* \*

5.4.4 Address Elements

[Revise 5.4.4 to add a new last sentence as follows:]

\* \* \*Addresses must also meet the standards for address placement, line spacing, and type size in 202.1.2.

\* \* \* \* \*

240 Standard Mail

243 Rates and Eligibility

\* \* \* \* \*

7.0 Eligibility Standards for Automation Rate Standard Mail

7.1 Basic Eligibility Standards for Automation Rate Standard Mail

All pieces in a Regular Standard Mail or Nonprofit Standard Mail automation rate mailing must:

\* \* \* \* \*

[Revise item d to delete "or numeric equivalent to the delivery point barcode (DPBC)" as follows:]

d. Bear a delivery address that includes the correct ZIP Code or ZIP+4 code and that meets these address quality standards:

[Renumber items d1 and d2 as items d2 and d3. Insert new item d1 as follows:]

1. The address placement, line spacing, and type size standards in 202.1.2.

\* \* \* \* \*

700 Special Standards

\* \* \* \* \*

707 Periodicals

\* \* \* \* \*

3.0 Physical Characteristics and Content Eligibility

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3.2 Addressing

\* \* \* \* \*

3.2.3 Address Placement

[Revise 3.2.3 to reference the new address standards for letters as follows:]

The delivery address must be clearly visible on or through the outside of the mailpiece, whether placed on a label or directly on the host publication, a component, or the mailing wrapper. If placed on the mailing wrapper, the address must be on a flat side, not on a fold. If a polybag is used, the address must not appear on a component that rotates within the bag, and the address must remain visible throughout the addressed component's range of motion. For flat-size pieces, mailers must follow the additional address placement and formatting standards in 302.2.0 and 302.5.0. For letter-size pieces, mailers must follow the additional address placement and formatting standards in 202.1.0.

\* \* \* \* \*

13.0 Carrier Route Rate Eligibility

13.1 Basic Standards

\* \* \* \* \*

13.1.2 Address Quality

All pieces in a Periodicals carrier route rate mailing must bear a delivery address that includes the correct ZIP Code or ZIP+4 code and that meets these address quality standards:

\* \* \* \* \*

[Insert new item d as follows:]

d. For flat-size pieces, mailers must follow the additional address placement and formatting standards in 302.2.0 and 302.5.0. For letter-size pieces, mailers must follow the additional address placement and formatting standards in 202.1.0.

\* \* \* \* \*

We will publish an appropriate amendment to 39 CFR part 111 to reflect

these changes if our proposal is adopted.

Neva R. Watson,

Attorney, Legislative.

[FR Doc. E7-19931 Filed 10-9-07; 8:45 am]

BILLING CODE 7710-12-P

POSTAL SERVICE

39 CFR Part 111

Elimination of Cash and Check Deposits Into Local Trust Accounts for Express Mail Corporate Accounts

AGENCY: Postal Service™.

ACTION: Proposed rule.

SUMMARY: The Postal Service proposes to revise its Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM®) by providing Automated Clearing House (ACH) debit as a new method of payment for Express Mail Corporate Account (EMCA) customers. The ACH system is a secure, private network that connects banks to one another by way of the Federal Reserve Board. This network enables electronic payments, such as debit card purchases, to be handled and processed. This proposed rule would also eliminate cash and check deposits made into local trust accounts. EMCA customers would still have three options to fund their accounts: Participate in the Centralized Account Processing System (CAPS), use a personal or business credit or debit card, or authorize the USPS to originate an ACH debit from a specified bank account.

DATES: Submit comments on or before November 9, 2007.

ADDRESSES: Mail or deliver written comments to the Manager, Mailing Standards, U.S. Postal Service, 475 L'Enfant Plaza, SW., Room 3436, Washington, DC 20260-3436. Written comments may also be submitted via fax to 202-268-4955. Copies of all written comments will be available for inspection and photocopying between 9 a.m. and 4 p.m., Monday through Friday, at the Postal Service Headquarters Library, 475 L'Enfant Plaza, SW., 11th Floor North, Washington, DC 20260-0004.

FOR FURTHER INFORMATION CONTACT: Joe Owens, 202-268-7460, or Garry A. Rodriguez, 202-268-7281, United States Postal Service.

SUPPLEMENTARY INFORMATION: The Postal Service is proposing to eliminate cash and check deposits in local trust accounts and to provide Automated Clearing House (ACH) as a new method of payment for Express Mail Corporate

Account (EMCA) customers as part of the Postal Service's ongoing mission to help grow revenue in a competitive market by increasing efficiencies, enhancing financial controls, and reducing costs.

Currently EMCA customers may use one of the following payment methods to fund their accounts:

- a. Participate in the Centralized Account Processing System (CAPS).
- b. Use a personal or business credit card.
- c. Make an initial deposit with cash or by check of \$250, or the total postage and fees expected during the first 4 weeks of account usage, whichever is higher.

After the first 4 weeks, the minimum balance in the account must equal an average week's postage and fees, or \$100, whichever is higher.

Under this proposal, cash and check deposits would be eliminated and customers would be provided with an ACH payment method as a new option.

Effective December 1, 2007, new EMCA customers would be required to fund their accounts using one of the following payment methods:

- a. Use a personal or business credit or debit card.
- b. Authorize the USPS to originate an ACH debit from a specified bank account.
- c. Participate in the Centralized Account Processing System (CAPS) debit only if combined with other PostalOne® accounts such as permit imprint, Periodicals, business reply mail, and Address Element Correction.

By using an electronic payment option, customers will no longer have to go to a Post Office™ to make deposits into their EMCA trust accounts. This new payment option enhances financial control by reducing risk and eliminating the administrative costs of pursuing negative balance or delinquent EMCA accounts.

Existing EMCA customers who deposit cash and checks in local trust accounts will be transitioned to electronic payment methods during the next year. Details of this effort will be directly communicated to current EMCA customers.

Although exempt from the notice and comment requirements of the Administrative Procedure Act [5 U.S.C. of 553(b), (c)] regarding proposed rulemaking by 39 U.S.C. 410(a), the Postal Service invites public comment on the following proposed revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual, incorporated in the Code of Federal Regulations. See 39 CFR 111.1, 111.4.

## List of Subjects in 39 CFR Part 111

Postal Service.

### PART 111—[AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

**Authority:** 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001–3011, 3201–3219, 3403–3406, 3621, 3626, 5001.

2. Amend the following sections of *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) as set forth below:

\* \* \* \* \*

#### 100 Retail Mail

\* \* \* \* \*

#### 110 Express Mail

\* \* \* \* \*

#### 114 Postage Payment Methods

\* \* \* \* \*

#### 2.0 Corporate Accounts

\* \* \* \* \*

#### 2.4 Minimum Balance

For opening and maintaining an account, the mailer may do any of the following: [Revise the text in items a, b, and c as follows:]

a. Use a personal or business credit or debit card.

b. Authorize the USPS to originate an ACH debit from a specified bank account.

c. Participate in the Centralized Account Processing System (CAPS) debit only if combined with other PostalOne® accounts such as permit imprint, Periodicals, business reply mail, and Address Element Correction.

An appropriate amendment to 39 CFR part 111 to reflect these changes will be published if the proposal is adopted.

**Neva R. Watson,**

*Attorney, Legislative.*

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**BILLING CODE 7710–12–P**

## POSTAL SERVICE

### 39 CFR Part 111

#### New Address and Barcode Requirements for Automation, Presorted, and Carrier Route Flat-Size Mail

**AGENCY:** Postal Service.

**ACTION:** Proposed rule.

**SUMMARY:** The Postal Service proposes new address placement requirements for Periodicals, Standard Mail, Bound Printed Matter, Media Mail, and Library

Mail flat-size pieces sent at automation, presorted, or carrier route rates. We also propose to require an 11-digit POSTNET barcode or Intelligent Mail barcode on flat-size First-Class Mail, Periodicals, Standard Mail, and Bound Printed Matter sent at automation rates. In addition, we propose related revisions to the address requirements for automation and presorted First-Class Mail flats.

**DATES:** We must receive your comments on or before December 10, 2007.

**ADDRESSES:** Mail or deliver written comments to the Manager, Mailing Standards, U.S. Postal Service, 475 L'Enfant Plaza, SW., Room 3436, Washington, DC 20260–3436. You may inspect and photocopy all written comments at Postal Service Headquarters Library, 475 L'Enfant Plaza, SW., 11th Floor N, Washington, DC between 9 a.m. and 4 p.m., Monday through Friday.

**FOR FURTHER INFORMATION CONTACT:** Carrie Witt, 202–268–7279.

**SUPPLEMENTARY INFORMATION:** The Postal Service is implementing a new technology, the Flats Sequencing System (FSS), to automate delivery sequencing for flat-size mail. Currently, flat-size mail is sorted mechanically only to the 9-digit ZIP Code or carrier level, and then manually sorted into delivery order by carriers. FSS can sort flat-size mailpieces into delivery sequence, increasing efficiency by reducing carriers' time sorting mail, and allowing carriers to begin delivering mail earlier in the day.

Similar technology boosted postal efficiencies in processing and delivering letter mail in the 1990s. We can significantly increase efficiency and reduce delivery costs for flat-size mail with FSS technology. FSS can sequence flat mail at a rate of approximately 16,500 pieces per hour. Scheduled to operate 17 hours per day, each machine will be capable of sequencing 280,500 mailpieces daily to more than 125,000 delivery addresses.

As we move toward national deployment of FSS, we are working closely with the mailing industry to make the most of this investment and achieve the lowest combined costs for handling flat-size mail, including developing new standards for optimal addressing. Unlike letter mail, which is fairly uniform in size and address location, flat mail covers a broad range of sizes and has highly variable address placement. We need new mailing standards for this diverse mailstream to promote consistent addressing for all flat-size pieces and ensure efficiency in