

Proposed Rules

Federal Register

Vol. 79, No. 2

Friday, January 3, 2014

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

POSTAL SERVICE

39 CFR Part 111

Revised Postage and Fee Refund Criteria

AGENCY: Postal Service™.

ACTION: Proposed rule.

SUMMARY: The Postal Service™ proposes to revise *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) section 604.9 to update the hourly charges and related postage threshold used in assessing certain types of postage refunds and to provide the allowable time periods for requesting refunds for extra service fees.

DATES: Submit comments on or before February 3, 2014.

ADDRESSES: Mail or deliver written comments to the manager, Product Classification, U.S. Postal Service®, 475 L'Enfant Plaza SW., Room 4446, Washington, DC 20260–5015. You may inspect and photocopy all written comments at USPS® Headquarters Library, 475 L'Enfant Plaza SW., 11th Floor N, Washington, DC by appointment only between the hours of 9 a.m. and 4 p.m., Monday through Friday, by calling 202–268–2906 in advance. Email comments, containing the name and address of the commenter, may be sent to: *ProductClassification@usps.gov*, with a subject line of “*Revised Postage and Fee Refund Criteria*”. Faxed comments are not accepted.

FOR FURTHER INFORMATION CONTACT: Douglas Germer, Revenue/Field Accounting, *douglas.g.germer@usps.gov*, 202–268–8522; Karen Key, Manager Shipping Products, *karen.f.key@usps.gov*, 202–268–7492; or Suzanne Newman, Product Classification, *suzanne.j.newman@usps.gov*, 202–268–5581.

SUPPLEMENTARY INFORMATION: On March 14, 2013, the Postal Service published a notice of proposed rulemaking (78 FR 16213–16220) to eliminate hourly charges for processing refunds and

replace it with a charge of 10% of the face value of the postage refund amount being requested. This proposal affected postage refunds for dated or undated, unused postage meter indicia and for stamps affixed to Business Reply Mail® (BRM) pieces.

The proposed rule also included adding general language to the DMM on refund periods for extra service fees of not less than 10 days, or more than 18 months, for services not rendered. The proposed rule included a 30-day comment period. After review of the comments and further analysis, the Postal Service is publishing this revision of its proposed rule.

The Postal Service proposes to align the current assessments for processing postage refunds, in effect since 2003, with current costs. Therefore, if this revised rule is adopted, the Postal Service will update the hourly factor used in various refund assessments from \$35.00 an hour to \$50.00 an hour. Additionally, the threshold for assessing certain postage refunds at the hourly factor will be updated from postage amounts exceeding \$350.00 to postage amounts exceeding \$500.00. The refund assessment amounts in this proposed rule would not revise the current standards for providing service failure refunds or when USPS® is at fault.

The Postal Service also proposes to add language to the DMM to provide customers with information on refund time periods for extra service fees that align with the revised claims filing periods (being made effective January 26, 2014) to promote timely adjudication. Therefore, if this proposed rule is adopted, the Postal Service will include the following information in the DMM: Refund requests for Registered Mail™, Certified Mail®, Signature Confirmation™, USPS Tracking™, Adult Signature services, and insurance fees must be made by the mailer no sooner than 10 days, or more than 60 days, from the date the service was purchased.

Additionally, if these proposed changes are adopted, PS Form 3533, *Application for Refund of Fees, Products and Withdrawal of Customer Accounts*, will be revised to reflect the changes.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Although we are exempted from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b), (c)) regarding proposed rulemaking by 39 U.S.C. 410(a), we invite public comments on the following proposed revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the Code of Federal Regulations. See 39 CFR 111.1. Accordingly, 39 CFR part 111 is proposed to be amended as follows:

PART 111—[AMENDED]

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

Authority: 5 U.S.C. 552(a); 13 U.S.C. 301–307; 18 U.S.C. 1692–1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001–3011, 3201–3219, 3403–3406, 3621, 3622, 3626, 3632, 3633, and 5001.

■ 2. Revise the following sections of *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), as follows:

Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)

* * * * *

600 Basic Standards for All Mailing Services

* * * * *

604 Postage Payment Methods

* * * * *

9.0 Exchanges and Refunds

* * * * *

9.2 Postage and Fee Refunds

* * * * *

9.2.4 Postage Refunds Not Available

Refunds are not made for the following:

* * * * *

[Add new item 9.2.4h to read as follows:]

h. For extra service fees paid for Registered Mail, Certified Mail, Signature Confirmation, USPS Tracking, Adult Signature services and insurance when a refund request is made by the mailer less than 10 days, or more than 60 days, from the date the service was purchased.

* * * * *

9.2.6 Postage Affixed to Business Reply Mail

[Revise the seventh sentence of 9.2.6 to read as follows:]

* * * A charge of \$50.00 per hour, or fraction thereof, is assessed for the workhours used to process the credit or refund. * * *

* * * * *

9.3.2 General Standards for Metered Indicia Refunds

* * * For both types of unused metered indicia, submit refund requests as follows:

* * * * *

b. * * * Charges for processing a refund request for unused, dated meter indicia are as follows, depending on the total face value of the indicia:

[Revise 9.3.2b1 and 9.3.2b2 to read as follows:]

1. When the total face value of the indicia is \$500.00 or less, the amount refunded is 90% of the face value. USPS may process the refund payment via a no-fee postal money order; or

2. When the total face value of the indicia is more than \$500.00, the amount refunded is the total face value reduced by \$50.00 per hour for the USPS time to process the refund, with a minimum charge of \$50.00. The charge is \$50.00 for each hour spent, with the last fraction of an hour treated as a full hour. Payment processing for refunds of \$500.01 or more is through the Accounting Service Center.

* * * * *

We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes if our proposal is adopted.

* * * * *

Stanley F. Mires,

Attorney, Legal Policy & Legislative Advice.

[FR Doc. 2013-31443 Filed 1-2-14; 8:45 am]

BILLING CODE 7710-12-P

POSTAL SERVICE

39 CFR Part 121

Service Standards for Destination Sectional Center Facility Rate Standard Mail

AGENCY: Postal Service™.

ACTION: Proposed rule

SUMMARY: The Postal Service seeks public comment on proposed revisions to the service standards for Standard Mail that is eligible for Destination Sectional Center Facility (DSCF) rates. The revisions would change the service standard (a) from three days to four days

for Standard Mail pieces that are eligible for a DSCF rate and that are properly accepted before the day zero Critical Entry Time on a Friday or Saturday, and (b) from four days to five days for DSCF Standard Mail properly accepted at the SCF in San Juan, Puerto Rico and destined to the United States Virgin Islands, and properly accepted DSCF Standard Mail destined to American Samoa.

DATES: Comments must be received on or before February 3, 2014.

ADDRESSES: Written comments should be mailed to the Manager, Industry Engagement and Outreach, United States Postal Service, 475 L'Enfant Plaza SW., Room 4107, Washington, DC 20260-4107, or transmitted by email to industryfeedback@usps.com. Copies of all comments will be available for inspection and photocopying at the Postal Service Headquarters Library, 475 L'Enfant Plaza SW., 11th Floor North, Washington, DC 20260, between 9 a.m. and 4 p.m., Monday through Friday, by appointment (please call 202-268-5585 to schedule an appointment).

FOR FURTHER INFORMATION CONTACT: Anthony Frost, Industry Engagement and Outreach, at 202-268-8093; or Prathmesh Shah, Processing and Distribution Center Operations, at 404-792-3195.

SUPPLEMENTARY INFORMATION:

I. Introduction

Standard Mail may include any mailable matter weighing less than 16 ounces that is not otherwise required to be mailed as First-Class Mail or Periodicals mail. Of the Standard Mail products, High Density and Saturation Flats/Parcels, Carrier Route, Letters, Flats, and Parcels are eligible for the DSCF rate, provided that the mail meets the standards for such a rate.¹ Among other requirements, to qualify for a DSCF rate, a mailing must contain at least 200 addressed pieces or 50 pounds of addressed pieces;² mailers must make an appointment to deposit DSCF Standard Mail;³ and mail must be prepared and delivered in a specific manner.⁴ DSCF Standard Mail primarily consists of direct mail letters, catalogs, flyers, and other advertising mail.

Currently, DSCF Standard Mail has a 3-day service standard.⁵ Monday is the

expected delivery date for the DSCF Standard Mail entered on Thursday and Friday, which are two of the three heaviest days for acceptance of such mail. Moreover, in Fiscal Year 2013, DSCF Standard Mail comprised 62 percent of Standard Mail volume and 32 percent of overall mail volume. Accordingly, DSCF Standard Mail has a significant impact on processing and delivery operations through which it passes.

The Postal Service faces an uneven workload for postal delivery operations and extraordinary allocations of resources to meet Monday delivery expectations, based on current service standards. Specifically, the high volume of Standard Mail with a service standard that creates a Monday delivery expectation contributes to the significant challenge faced by the Postal Service in seeking to achieve efficient and timely completion of delivery operations on Monday, and to make dispatch of collection mail picked up by carriers to mail processing plants for timely cancellation. This general imbalance in the proportion of volume with a Monday delivery expectation contributes significantly to increased overtime workhours in delivery operations at a time when the Postal Service is faced with increased costs while revenues decline as a result of the overall reduction in mail volumes.

The Postal Service seeks to address these issues by proposing an adjustment to the service standard applicable to DSCF Standard Mail entered on designated days of the week. Realization of a more balanced distribution of DSCF Standard Mail across delivery days requires a modification to the current service standards for that mail. Accordingly, the Postal Service is exploring a proposal (the Proposal) to revise service standards applicable to DSCF Standard Mail that is entered on a Friday or Saturday. The Proposal would change the delivery day for DSCF Standard Mail accepted on Friday and Saturday. DSCF Standard Mail that is accepted before the Critical Entry Time (CET) on Friday will have a Tuesday delivery expectation, rather than Monday. DSCF Standard Mail that is accepted before the CET on Saturday will have a Wednesday delivery expectation, rather than Tuesday. The proposed changes will apply to DSCF Standard Mail that is dropped at the SCF in Puerto Rico and destined to the

¹ (Draft) Mail Classification Schedule secs. 1200.1(a) and 1200.2, revised December 5, 2013.

² Domestic Mail Manual (DMM) 246.2.2(a).

³ DMM 246.2.6.3.

⁴ DMM 246.4.0.

⁵ 39 CFR 121.3(b)(2). DSCF Standard Mail that is dropped at the SCF in Puerto Rico and destined to the U.S. Virgin Islands, or mail destined to

American Samoa has a 4-day service standard. 39 CFR 121.3(b)(3). The proposed changes will also apply to the service standard for mail that is dropped at the SCF in Puerto Rico and destined to the U.S. Virgin Islands, and mail that is destined to American Samoa.