

105TH CONGRESS  
1ST SESSION

# H. R. 1717

To provide for the privatization of the United States Postal Service.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 22, 1997

Mr. CRANE (for himself, Mr. ROHRBACHER, and Mr. PACKARD) introduced the following bill; which was referred to the Committee on Government Reform and Oversight

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## A BILL

To provide for the privatization of the United States Postal Service.

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. TRANSFER TO A PRIVATE CORPORATION.**

4       (a) IN GENERAL.—In accordance with the plan pre-  
5       scribed under section 3, all right, title, and interest of the  
6       United States in and to all property of the Postal Service  
7       shall be transferred to a corporation if, within 1 year after  
8       the date of the enactment of this Act, such corporation  
9       satisfies the requirements set forth in section 2.

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1 (b) SPECIFIC REQUIREMENT.—The plan prescribed  
2 under section 3 shall include such provisions as may be  
3 necessary to ensure that no payment shall be required in  
4 consideration for any rights or assets of the Postal Service  
5 which are transferred pursuant to this Act.

6 **SEC. 2. REQUIREMENTS FOR THE CORPORATION.**

7 (a) IN GENERAL.—A corporation shall be considered  
8 to satisfy the requirements of this section if such corpora-  
9 tion—

10 (1) is incorporated under the laws of a State;

11 (2) is not a department, agency, or establish-  
12 ment of the United States;

13 (3) is incorporated by not more than 9 individ-  
14 uals who are especially qualified to establish and op-  
15 erate an effective mail system by virtue of their edu-  
16 cation, training, or experience, and who are chosen  
17 by the employees of the Postal Service in an election  
18 which shall be held at such time and in such manner  
19 as the President shall by regulation prescribe;

20 (4) includes among its purposes the delivery of  
21 postal services in a manner consistent with section  
22 101(b) of title 39, United States Code, at rates es-  
23 tablished in a manner consistent with section 101(d)  
24 of such title;

1           (5) issues securities in a manner consistent  
2       with subsection (b); and

3           (6) satisfies such other requirements as the  
4       President may by regulation prescribe in order to  
5       carry out the purposes of this Act.

6       (b) SECURITIES.—Any securities issued by the corpo-  
7       ration—

8           (1) shall, during the 1-year period beginning on  
9       the date of the enactment of this Act, be issued—

10           (A) only to employees of the Postal Serv-  
11       ice; and

12           (B) in a manner to be determined by the  
13       Postal Privatization Commission.

14       (c) RETIREMENT BENEFITS.—Retirement benefits  
15       provided to individuals who become employees of the cor-  
16       poration by transfer from the Postal Service must be com-  
17       parable to those which would have been afforded to those  
18       individuals as employees of the Postal Service had this  
19       Act not been enacted.

20       **SEC. 3. TRANSFER PLAN; PRESIDENTIAL DETERMINATION;**  
21               **RATE-SETTING AUTHORITY.**

22       (a) TRANSFER PLAN.—Not later than the sixtieth  
23       day after the date on which a corporation first satisfies  
24       the requirements of section 2, as determined under sub-  
25       section (b), the President shall, in conformance with the

1 requirements of section 1, and after consultation with the  
2 Postal Privatization Commission, transmit to Congress—

3           (1) a comprehensive plan providing for the or-  
4 derly transfer of all property subject to this Act, in-  
5 cluding a timetable under which such transfer is  
6 completed not later than 180 days after the date on  
7 which such corporation first satisfies such require-  
8 ments; and

9           (2) such recommendations for legislation as the  
10 President considers necessary in order to carry out  
11 the plan described in paragraph (1), including  
12 recommendations—

13                   (A) for the abolishment of the Postal Serv-  
14 ice;

15                   (B) for the continuation of the private ex-  
16 press statutes with respect to the corporation  
17 during the first 5 years of its existence; and

18                   (C) for the repeal or modification of appro-  
19 priate Federal statutes.

20       (b) **PRESIDENTIAL DETERMINATION.**—The Presi-  
21 dent shall, for purposes of this section, determine the date  
22 on which a corporation first satisfies the requirements of  
23 section 2.

24       (c) **RATE-SETTING AUTHORITY.**—After consulting  
25 with the Postal Rate Commission, the President shall de-

1 velop and include as part of the recommendations submit-  
2 ted under subsection (a) proposals relating to the means  
3 by which rates of postage would be established during the  
4 5-year period referred to in subsection (a)(2)(B). Such  
5 recommendations may include continuing any operations  
6 of the Postal Rate Commission (whether on a modified  
7 basis or otherwise) which may be appropriate.

8 **SEC. 4. POSTAL PRIVATIZATION COMMISSION.**

9 (a) ESTABLISHMENT.—In order to carry out the  
10 functions set forth in sections 2(b)(1)(B) and 3(a), there  
11 is established a commission to be known as the “Postal  
12 Privatization Commission”.

13 (b) MEMBERSHIP.—The Commission shall consist of  
14 9 members, to be selected by the President. Of those mem-  
15 bers—

16 (1) 3 shall be selected from among individuals  
17 recommended jointly by the Speaker of the House of  
18 Representatives and the President pro tempore of  
19 the Senate;

20 (2) 2 shall be selected to represent the interests  
21 of employees of the Postal Service;

22 (3) 2 shall be selected to represent the interests  
23 of postal management; and

24 (4) 2 shall be selected from such other postal  
25 experts as the President considers appropriate.

1 (c) COMPENSATION.—

2 (1) IN GENERAL.—Except as provided in para-  
3 graph (2), members of the Commission shall be paid  
4 at the daily equivalent of a rate, not to exceed the  
5 rate of basic pay payable for level IV of the Execu-  
6 tive Schedule, for each day (including travel time)  
7 during which they are engaged in the performance  
8 of duties of the Commission.

9 (2) EXCEPTION.—Members of the Commission  
10 who are full-time officers or employees of the United  
11 States shall receive no additional pay by reason of  
12 their service on the Commission.

13 (d) TERMINATION.—The Commission shall cease to  
14 exist as of the date on which the work of the Commission  
15 has been completed.

16 **SEC. 5. DEFINITIONS.**

17 For purposes of this Act—

18 (1) the term “Postal Service” means the United  
19 States Postal Service and the Postal Rate Commis-  
20 sion;

21 (2) the term “property”, when used with re-  
22 spect to the Postal Service, means all assets and  
23 rights, and all liabilities and obligations, of the Post-  
24 al Service;

1           (3) the term “State” means each of the several  
2       States, the District of Columbia, and the Common-  
3       wealth of Puerto Rico; and

4           (4) the term “Postal Privatization Commission”  
5       refers to the commission established under section 4.

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