

111TH CONGRESS  
2D SESSION

# S. 4000

To provide for improvements to the United States Postal Service, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

DECEMBER 2, 2010

Ms. COLLINS introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

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## A BILL

To provide for improvements to the United States Postal Service, and for other purposes.

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

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “U.S. Postal Service  
5       Improvements Act of 2010”.

# **TITLE I—POSTAL SERVICE IMPROVEMENTS**

## **SEC. 101. TRANSFER OF AMOUNTS FROM THE CIVIL SERVICE RETIREMENT AND DISABILITY FUND.**

(a) OFFICE OF PERSONNEL MANAGEMENT DETERMINATION.—Not later than 30 days after the date of enactment of this Act and in accordance with section 802(c)(2) of the Postal Accountability and Enhancement Act (5 U.S.C. 8348 note; Public Law 109–435; 120 Stat. 3250), the Office of Personnel Management shall make a determination or redetermination under section 8348(h) of title 5, United States Code, consistent with the report submitted by the Postal Regulatory Commission to the Postal Service and Congress on June 29, 2010.

(b) AVAILABILITY FOR TRANSFERS.—Section 8348(h)(2) of title 5, United States Code, is amended by striking subparagraphs (B) and (C) and inserting the following:

“(B) The Office shall redetermine the Postal surplus or supplemental liability as of the close of the fiscal year ending September 30, 2010, and for each year thereafter, through the fiscal year ending September 30, 2043. If the result for a fiscal year is a surplus, that amount shall remain in the Fund until distribution is authorized under subparagraph (C). Beginning June 15, 2017, if the result

1 is a supplemental liability, the Office shall establish an  
 2 amortization schedule, including a series of annual install-  
 3 ments commencing on September 30 of the subsequent fis-  
 4 cal year, which provides for the liquidation of such liability  
 5 by September 30, 2043.

6 “(C)(i) As of the close of the fiscal years ending Sep-  
 7 tember 30, 2010, 2011, 2012, 2013, 2014, 2015, and  
 8 2016, if the result is a surplus, that amount, or any part  
 9 of that amount, may be transferred to the Postal Service  
 10 Retiree Health Benefits Fund.

11 “(ii) As of the close of the fiscal year ending Sep-  
 12 tember 30, 2017 and each year thereafter, if the result  
 13 is a surplus, that amount, or any part of that amount,  
 14 may be transferred to—

15 “(I) the Postal Service Retiree Health Benefits  
 16 Fund to pay any liability to the Postal Service Re-  
 17 tiree Health Benefits Fund; or

18 “(II) if all liability to the Postal Service Retiree  
 19 Health Benefits Fund is paid—

20 “(aa) the Employees’ Compensation Fund  
 21 established under section 8147; or

22 “(bb) the United States Postal Service for  
 23 the repayment of any obligation issued under  
 24 section 2005 of title 39.

25 “(iii) Any transfer under clause (i) shall be—

1           “(I) made at the discretion of the Board of  
2       Governors of the Postal Service in the amount deter-  
3       mined by the Board of Governors, except the  
4       amount may not exceed the amount under section  
5       8909a(d)(3)(A) remaining to be paid for the applica-  
6       ble fiscal year; and

7           “(II) credited to the Postal Service for payment  
8       of the amount required under section  
9       8909a(d)(3)(A) for the applicable fiscal year.

10       “(iv) Any transfer under clause (ii) shall be—

11           “(I) made at the discretion of the Board of  
12       Governors of the Postal Service in the amount deter-  
13       mined by the Board of Governors;

14           “(II) if transferred to the Postal Service Re-  
15       tiree Health Benefits Fund, credited to the Postal  
16       Service for payment of any liability of the Postal  
17       Service to the Postal Service Retiree Health Benefits  
18       Fund for the applicable fiscal year; and

19           “(III) if transferred to the Employees’ Com-  
20       pensation Fund established under section 8147,  
21       credited to the Postal Service for payment of any li-  
22       ability of the Postal Service under chapter 81 for the  
23       applicable fiscal year.

24       “(v) The Board of Governors shall—

1           “(I) provide written notice to the Office of any  
2           amount to be transferred under this clause; and

3           “(II) take all actions of the Board under this  
4           clause by a majority vote.

5           “(vi) The Office shall transfer any amount deter-  
6           mined by the Board of Governors to the credit of the Post-  
7           al Service in accordance with this clause.”.

8           (c) POSTAL SERVICE SURPLUS OR LIABILITY BASED  
9           ON FEDERAL EMPLOYEES RETIREMENT SYSTEM CON-  
10          TRIBUTIONS.—Section 8348 of title 5, United States  
11          Code, is amended by adding at the end the following:

12          “(m)(1) In this subsection, the term ‘Postal surplus  
13          or supplemental liability’ means the estimated difference,  
14          as determined by the Office, between—

15               “(A) the actuarial present value of all future  
16          benefits payable from the Fund under chapter 84 to  
17          current or former employees of the United States  
18          Postal Service and attributable to civilian employ-  
19          ment with the United States Postal Service; and

20               “(B) the sum of—

21                   “(i) the actuarial present value of deduc-  
22          tions to be withheld from the future basic pay  
23          of employees of the United States Postal Serv-  
24          ice currently subject to chapter 84 under sec-  
25          tion 8422;

1           “(ii) that portion of the Fund balance, as  
2           of the date the Postal surplus or supplemental  
3           liability is determined, attributable to payments  
4           to the Fund by the United States Postal Serv-  
5           ice and its employees, minus benefit payments  
6           attributable to civilian employment with the  
7           United States Postal Service, plus the earnings  
8           on such amounts while in the Fund; and

9           “(iii) any other appropriate amount, as de-  
10          termined by the Office in accordance with gen-  
11          erally accepted actuarial practices and prin-  
12          ciples.

13          “(2)(A) The Office shall determine the Postal surplus  
14          or supplemental liability as of the close of the fiscal year  
15          ending September 30, 2010, and for each year thereafter,  
16          through the fiscal year ending September 30, 2043. If the  
17          result for a fiscal year is a surplus, that amount shall re-  
18          main in the Fund until distribution is authorized under  
19          subparagraph (B). Beginning June 15, 2017, if the result  
20          is a supplemental liability, the Office shall establish an  
21          amortization schedule, including a series of annual install-  
22          ments commencing on September 30 of the subsequent fis-  
23          cal year, which provides for the liquidation of such liability  
24          by September 30, 2043.

1       “(B)(i) As of the close of the fiscal years ending Sep-  
 2   tember 30, 2010, 2011, 2012, 2013, 2014, 2015, and  
 3   2016, if the result is a surplus, that amount, or any part  
 4   of that amount, may be transferred to the Postal Service  
 5   Retiree Health Benefits Fund.

6       “(ii) As of the close of the fiscal year ending Sep-  
 7   tember 30, 2017 and each year thereafter, if the result  
 8   is a surplus, that amount, or any part of that amount,  
 9   may be transferred to—

10           “(I) the Postal Service Retiree Health Benefits  
 11   Fund to pay any liability to the Postal Service Re-  
 12   tiree Health Benefits Fund; or

13           “(II) if all liability to the Postal Service Retiree  
 14   Health Benefits Fund is paid—

15               “(aa) the Employees’ Compensation Fund  
 16   established under section 8147; or

17               “(bb) the United States Postal Service for  
 18   the repayment of any obligation issued under  
 19   section 2005 of title 39.

20       “(iii) Any transfer under clause (i) shall be—

21           “(I) made at the discretion of the Board of  
 22   Governors of the Postal Service in the amount deter-  
 23   mined by the Board of Governors, except the  
 24   amount may not exceed the amount under section

1       8909a(d)(3)(A) remaining to be paid for the applica-  
 2       ble fiscal year; and

3           “(II) credited to the Postal Service for payment  
 4       of the amount required under section  
 5       8909a(d)(3)(A) for the applicable fiscal year.

6       “(iv) Any transfer under clause (ii) shall be—

7           “(I) made at the discretion of the Board of  
 8       Governors of the Postal Service in the amount deter-  
 9       mined by the Board of Governors;

10          “(II) if transferred to the Postal Service Re-  
 11       tiree Health Benefits Fund, credited to the Postal  
 12       Service for payment of any liability of the Postal  
 13       Service to the Postal Service Retiree Health Benefits  
 14       Fund for the applicable fiscal year; and

15          “(III) if transferred to the Employees’ Com-  
 16       pensation Fund established under section 8147,  
 17       credited to the Postal Service for payment of any li-  
 18       ability of the Postal Service under chapter 81 for the  
 19       applicable fiscal year.

20       “(v) The Board of Governors shall—

21          “(I) provide written notice to the Office of any  
 22       amount to be transferred under this clause; and

23          “(II) take all actions of the Board under this  
 24       clause by a majority vote.



1       “(vi) The Office shall transfer any amount deter-  
2 mined by the Board of Governors to the credit of the Post-  
3 al Service in accordance with this clause.

4       “(C) Amortization schedules established under this  
5 paragraph shall be set in accordance with generally accept-  
6 ed actuarial practices and principles, with interest com-  
7 puted at the rate used in the most recent valuation of the  
8 Civil Service Retirement System.

9       “(D) The United States Postal Service shall pay the  
10 amounts so determined to the Office, with payments due  
11 not later than the date scheduled by the Office.

12       “(3) Notwithstanding any other provision of law, in  
13 computing the amount of any payment under any other  
14 subsection of this section that is based upon the amount  
15 of the unfunded liability, such payment shall be computed  
16 disregarding that portion of the unfunded liability that the  
17 Office determines will be liquidated by payments under  
18 this subsection.

19       “(4)(A) The United States Postal Service may—

20               “(i) request the Postal Regulatory Commission  
21 to procure the services of an actuary to review any  
22 determination by the Office under this subsection; or

23               “(ii) if the Postal Regulatory Commission does  
24 not object, procure the services of an actuary to re-

1 view any determination by the Office under this sub-  
2 section.

3 “(B) A review under subparagraph (A) shall be con-  
4 ducted—

5 “(i) by an actuary who holds membership in the  
6 American Academy of Actuaries and who is qualified  
7 in the evaluation of pension obligations; and

8 “(ii) in accordance with generally accepted ac-  
9 tuarial practices and principles.

10 “(C)(i) An actuary that conducts a review under sub-  
11 paragraph (A) shall submit a report on the review to the  
12 entity that procured the services of the actuary.

13 “(ii) Upon receipt of a report under clause (i), the  
14 Postal Regulatory Commission or the United States Post-  
15 al Service, as appropriate, shall—

16 “(I) determine whether to approve the report;  
17 and

18 “(II) if the report is approved, submit the re-  
19 port to the Office and to Congress, together with  
20 any comments of the Postal Regulatory Commission  
21 or United States Postal Service.

22 “(D) Notwithstanding any other provision of this  
23 subsection, upon submission of a report by the Postal Reg-  
24 ulatory Commission or United States Postal Service under  
25 subparagraph (C)(ii)(II), the Office shall reconsider its de-

1 termination or redetermination in light of such report, and  
 2 shall make any appropriate adjustments. The Office shall  
 3 submit a report containing the results of its reconsider-  
 4 ation to the Postal Regulatory Commission, the United  
 5 States Postal Service, and Congress.”.

6 **SEC. 102. CONSIDERATION OF POSTAL SERVICE FINANCIAL**  
 7 **CONDITION.**

8 Section 1207(c)(2) of title 39, United States Code,  
 9 is amended by inserting “The arbitration board shall con-  
 10 sider the financial condition of the Postal Service in ren-  
 11 dering its decision.” after the first sentence.

12 **SEC. 103. INCREASE IN THE USE OF NEGOTIATED SERVICE**  
 13 **AGREEMENTS.**

14 Section 3622 of title 39, United States Code, is  
 15 amended by adding at the end the following:

16 “(g) The Postal Service and the Postal Regulatory  
 17 Commission shall coordinate actions to identify ways to  
 18 increase the use of negotiated service agreements for mar-  
 19 ket dominant products by the Postal Service consistent  
 20 with subsection (c)(10).”.

21 **SEC. 104. AREA AND DISTRICT FIELD OFFICES.**

22 (a) IN GENERAL.—Not later than 90 days after the  
 23 date of enactment of this Act, the Postmaster General  
 24 shall submit a comprehensive strategic plan for guiding  
 25 area and district field office structure decisions to—

1 (1) the Committee on Homeland Security and  
2 Governmental Affairs of the Senate; and

3 (2) the Committee on Oversight and Govern-  
4 ment Reform of the House of Representatives.

5 (b) CONTENTS.—The plan under subsection (a)  
6 shall—

7 (1) be developed in consultation with the Postal  
8 Regulatory Commission; and

9 (2) include—

10 (A) an assessment of the effectiveness of  
11 the plan with respect to increasing efficiency,  
12 eliminating duplication, and reducing unneces-  
13 sary costs;

14 (B) a review of the field office structure of  
15 the United States Postal Service and describe  
16 the actions to be taken by the United States  
17 Postal Service to modify the structure based on  
18 the review; and

19 (C) an examination of environmental fac-  
20 tors, mail volumes, technological advancements,  
21 operational considerations, and other issues im-  
22 pacting the strategic goals of the United States  
23 Postal Service under the plan.

24 (c) REPORT ON PROGRESS.—Not later than January  
25 1, 2012, the Postmaster General shall submit a report on

1 the progress of implementing the comprehensive strategic  
2 plan under this section to—

3 (1) the Committee on Homeland Security and  
4 Governmental Affairs of the Senate; and

5 (2) the Committee on Oversight and Govern-  
6 ment Reform of the House of Representatives.

7 (d) UPDATED PLANS.—Not later than January 1,  
8 2015, and each 5 years thereafter, the United States Post-  
9 al Service, in consultation with the Postal Regulatory  
10 Commission, shall submit an updated comprehensive stra-  
11 tegic plan under this section to—

12 (1) the Committee on Homeland Security and  
13 Governmental Affairs of the Senate; and

14 (2) the Committee on Oversight and Govern-  
15 ment Reform of the House of Representatives.

16 **SEC. 105. CO-LOCATION OF POST OFFICES AT RETAIL FA-**  
17 **CILITIES.**

18 (a) IN GENERAL.—Not later than 90 days after the  
19 date of enactment of this Act, the Postmaster General  
20 shall submit a plan on the co-location of post offices at  
21 retail facilities to—

22 (1) the Committee on Homeland Security and  
23 Governmental Affairs of the Senate; and

24 (2) the Committee on Oversight and Govern-  
25 ment Reform of the House of Representatives.

1 (b) CONTENTS.—The plan under subsection (a)  
2 shall—

3 (1) be developed in consultation with the Postal  
4 Regulatory Commission;

5 (2) provide for an increase in the co-location of  
6 post offices at retail facilities to enable the United  
7 States Postal Service to offer its products and serv-  
8 ices at those locations;

9 (3) consider the impact of any co-location deci-  
10 sions on small communities and rural areas before  
11 taking actions to co-locate post offices; and

12 (4) ensure that—

13 (A) service shall continue in small commu-  
14 nities and rural areas after implementation the  
15 plan;

16 (B) the United States Postal Service solie-  
17 its community input before making decisions  
18 about co-location; and

19 (C) the quality of products and services of-  
20 fered in co-located facilities are consistent with  
21 those offered in post offices.

22 (c) REPORT ON PROGRESS.—Not later than January  
23 1, 2012, the Postmaster General shall submit a report on  
24 the progress of implementing the plan on the co-location  
25 of post offices at retail facilities under this section to—

1 (1) the Committee on Homeland Security and  
 2 Governmental Affairs of the Senate; and

3 (2) the Committee on Oversight and Govern-  
 4 ment Reform of the House of Representatives.

5 **SEC. 106. ANNUAL REPORT ON UNITED STATES MAILING IN-**  
 6 **DUSTRY.**

7 (a) IN GENERAL.—Not later than November 1, of  
 8 each year, the Postal Regulatory Commission shall submit  
 9 a report on the fiscal stability of the United States mailing  
 10 industry with respect to the preceding fiscal year to—

11 (1) the Committee on Homeland Security and  
 12 Governmental Affairs of the Senate; and

13 (2) the Committee on Oversight and Govern-  
 14 ment Reform of the House of Representatives.

15 (b) ASSISTANCE.—The United States Postal Service  
 16 and any Federal agency involved in oversight or data col-  
 17 lection regarding relevant industry sectors shall provide  
 18 any assistance to the Postal Regulatory Commission that  
 19 the Postal Regulatory Commission determines is necessary  
 20 in the preparation of any report under this section.

21 **TITLE II—POSTAL**  
 22 **CONTRACTING PROVISIONS**

23 **SEC. 201. CONTRACTING PROVISIONS.**

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

**“CHAPTER 7—CONTRACTING PROVISIONS**

“Sec.

“701. Definitions.

“702. Advocate for competition.

“703. Delegation of contracting authority.

“704. Posting of justifications of noncompetitive contracts.

“705. Review of ethical issues.

“706. Ban on certain contracts.

## 1 **“§ 701. Definitions**

2 “In this chapter—

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

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

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

8 “(B) the Postal Regulatory Commission;

9 “(3) the term ‘head of a covered postal entity’  
10 means—

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

13 “(B) in the case of the Postal Regulatory  
14 Commission, the Postal Regulatory Commis-  
15 sion;

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

20 “(5) the term ‘senior procurement executive’  
21 means the senior procurement executive of a covered  
22 postal entity.



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

2 “(a) ESTABLISHMENT AND DESIGNATION.—

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

5 “(2) The head of each covered postal entity  
6 shall—

7 “(A) designate for the covered postal entity  
8 and for each procuring activity of the covered  
9 postal entity 1 officer or employee (other than  
10 the senior procurement executive) to serve as  
11 the advocate for competition;

12 “(B) not assign such officer or employee  
13 any duties or responsibilities that are incon-  
14 sistent with the duties and responsibilities of  
15 the advocates for competition; and

16 “(C) provide such officer or employee with  
17 such staff or assistance as may be necessary to  
18 carry out the duties and responsibilities of the  
19 advocate for competition, such as persons who  
20 are specialists in engineering, technical oper-  
21 ations, contract administration, financial man-  
22 agement, supply management, and utilization of  
23 small and disadvantaged business concerns.

24 “(b) DUTIES AND FUNCTIONS.—The advocate for  
25 competition of each covered postal entity shall—

1           “(1) be responsible for challenging barriers to  
2           and promoting full and open competition in the pro-  
3           curement of goods and services by the covered postal  
4           entity;

5           “(2) review the procurement activities of the  
6           covered postal entity;

7           “(3) identify and report to the senior procure-  
8           ment executive—

9                   “(A) opportunities and actions taken to  
10                  maximize full and open competition in the pro-  
11                  curement activities of the covered postal entity;  
12                  and

13                   “(B) any condition or action which has the  
14                  effect of unnecessarily restricting competition in  
15                  the procurement actions of the covered postal  
16                  entity;

17           “(4) prepare and transmit to the head of each  
18           covered postal entity, the Board of Governors of the  
19           United States Postal Service, and Congress an an-  
20           nual report describing—

21                   “(A) the activities of the advocate under  
22                  this section;

23                   “(B) initiatives required to increase com-  
24                  petition; and

1                   “(C) barriers to the use of full and open  
2                   competition to the maximum extent practicable;

3                   “(5) recommend to the senior procurement ex-  
4                   ecutive the goals and the plans for increasing com-  
5                   petition on a fiscal year basis;

6                   “(6) recommend to the senior procurement ex-  
7                   ecutive a system of personal and organizational ac-  
8                   countability for competition, which may include the  
9                   use of recognition and awards to motivate program  
10                  managers, contracting officers, and others in author-  
11                  ity to promote competition in procurement pro-  
12                  grams; and

13                  “(7) describe other ways in which the covered  
14                  postal entity has emphasized competition in pro-  
15                  grams for procurement training and research.

16                  “(c) RESPONSIBILITIES.—The advocate for competi-  
17                  tion for each procuring activity shall be responsible for  
18                  promoting full and open competition, promoting the acqui-  
19                  sition of commercial items, and challenging barriers to  
20                  such acquisition, including such barriers as unnecessarily  
21                  restrictive statements of need, unnecessarily detailed spec-  
22                  ifications, and unnecessarily burdensome contract clauses.

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 the U.S. Postal Service Im-  
 3           provements Act of 2010, the head of each covered  
 4           postal entity shall issue a policy on contracting offi-  
 5           cer delegations of authority for the covered postal  
 6           entity.

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

9                   “(A) notwithstanding any delegation of  
 10                  contracting authority, the ultimate responsi-  
 11                  bility and accountability for the award and ad-  
 12                  ministration of postal contracts resides with the  
 13                  senior procurement executive; and

14                  “(B) a contracting officer shall maintain  
 15                  an awareness of and engagement in the activi-  
 16                  ties being performed on postal contracts for  
 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                  outside the functional contracting unit for the pro-  
 24                  curement of goods or services which exceeds the sim-  
 25                  plified acquisition threshold, as defined under sec-

1       tion 4(11) of the Office of Federal Procurement Pol-  
2       icy Act (41 U.S.C. 403(11)) including any adjust-  
3       ment under section 35A of that Act (41 U.S.C.  
4       431A), available on the website of the covered postal  
5       entity.

6               “(2) EFFECTIVE DATE.—This paragraph shall  
7       apply to any delegation of authority made on or  
8       after 30 days after the date of enactment of the  
9       U.S. Postal Service Improvements Act of 2010.

10   **“§ 704. Posting of justifications of noncompetitive**  
11               **contracts**

12       “(a) IN GENERAL.—Not later than 14 days after the  
13       date of the award of any noncompetitive contract which  
14       exceeds the simplified acquisition threshold, as defined  
15       under section 4(11) of the Office of Federal Procurement  
16       Policy Act (41 U.S.C. 403(11)) including any adjustment  
17       under section 35A of that Act (41 U.S.C. 431A), or within  
18       30 days if the justification and approval for that contract  
19       is urgent and compelling, a covered postal entity shall  
20       make publicly available the documents containing the jus-  
21       tification and approval of that contract.

22       “(b) WEBSITE.—

23               “(1) IN GENERAL.—Subject to paragraph (2),  
24       the documents described under subsection (a) shall

1 be made available on the website of the covered post-  
 2 al entity.

3 “(2) PROTECTION OF PROPRIETARY INFORMA-  
 4 TION.—The covered postal entity shall carefully  
 5 screen all justifications for proprietary data, and any  
 6 references and citations as are necessary to protect  
 7 the proprietary data, or security related information  
 8 and remove all such data or information before mak-  
 9 ing the justifications available.

#### 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. Ban on certain contracts**

20 “(a) DEFINITIONS.—In this section—

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

22 “(A) a contracting officer; or

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

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

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;

7           “(b) IN GENERAL.—

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

10           “(A) prohibit a covered employee from entering  
11           into a postal contract with any party  
12           with whom that covered employee is closely affiliated  
13           in a nongovernmental capacity, regardless of whether or not the postal contract is for  
14           private gain;

15           “(B) require a contractor to timely disclose  
16           to the chief ethics officers of the covered postal  
17           entity any relationship described under subparagraph (A) with a covered employee in a  
18           bid, solicitation, award, or performance of a  
19           postal contract; and

20           “(C) include authority for the head of the  
21           covered postal entity to a grant waiver to any  
22           prohibition or requirement under subparagraph  
23           (A) or (B).  
24  
25

1           “(2) POSTING OF WAIVERS.—Not later than 30  
 2       days after the head of a covered postal entity grants  
 3       a waiver described under paragraph (1)(C), the head  
 4       of the covered postal entity shall make the waiver  
 5       available on the website of the covered postal entity.

6       “(c) CONTRACT VOIDANCE AND RECOVERY.—

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

12               “(A) void that contract; and

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

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

18           “(A) IN GENERAL.—In any case described  
 19      under subparagraph (B) relating to a postal  
 20      contract, the head of a covered postal entity  
 21      may—

22               “(i) void that contract; and

23               “(ii) recover the amounts expended  
 24      and property transferred by the covered  
 25      postal entity under that contract.



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

“(i) there is a final conviction for an  
offense punishable under section 27(e) of  
the Office of Federal Procurement Policy  
Act (41 U.S.C. 423(e)); or

“(ii) the head of a covered postal enti-  
ty determines, based upon a preponderance  
of the evidence, that the contractor or  
someone acting for the contractor has en-  
gaged in conduct constituting an offense  
punishable under section 27(e) of that  
Act.”.

(b) TECHNICAL AND CONFORMING AMENDMENT.—

The table of chapters for part I of title 39, United States  
Code, is amended by adding at the end the following:

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

**TITLE III—FEDERAL WORKERS  
COMPENSATION REFORMS  
FOR RETIREMENT ELIGIBLE  
EMPLOYEES**

**SEC. 301. FEDERAL WORKERS COMPENSATION REFORMS  
FOR RETIREMENT ELIGIBLE EMPLOYEES.**

(a) TRANSITION TO RETIREMENT.—

1           (1) IN GENERAL.—Chapter 81 of title 5, United  
 2       States Code, is amended by inserting after section  
 3       8106 the following:

4   **“§ 8106a. Transition to retirement**

5       “(a) DEFINITIONS.—In this section—

6           “(1) the term ‘covered employee’ means an em-  
 7       ployee who—

8           “(A) is paid compensation under section  
 9       8105 or 8106; and

10          “(B) on or after attaining retirement age  
 11       is eligible for an annuity under chapter 83 or  
 12       84 (other than a survivor annuity); and

13          “(2) the term ‘retirement age’ has the meaning  
 14       given under section 216(l)(1) of the Social Security  
 15       Act (42 U.S.C. 416(l)(1)).

16       “(b) Notwithstanding any other provision of this  
 17       chapter, the payment of compensation under section 8105  
 18       or 8106 to a covered employee shall terminate on the date  
 19       that the covered employee—

20          “(1) attains retirement age and is eligible for  
 21       an annuity under chapter 83 or 84 (other than a  
 22       survivor annuity); or

23          “(2) after attaining retirement age becomes eli-  
 24       gible for an annuity under chapter 83 or 84 (other  
 25       than a survivor annuity).

1 “(c) Not later than 1 year before the date that a cov-  
 2 ered employee attains retirement age or subsequently be-  
 3 comes eligible for an annuity under chapter 83 or 84  
 4 (other than a survivor annuity), the Secretary of Labor  
 5 shall provide notice of this section to—

6 “(1) the covered employee;

7 “(2) the employing agency of that covered em-  
 8 ployee; and

9 “(3) the Office of Personnel Management.

10 “(d) The employing agency of a covered employee  
 11 shall file an application for an annuity with the Office of  
 12 Personnel Management in accordance with section 8352  
 13 or 8471.”.

14 (2) TECHNICAL AND CONFORMING AMEND-  
 15 MENT.—The table of sections for chapter 81 of title  
 16 5, United States Code, is amended by inserting after  
 17 the item relating to section 8106 the following:

“Sec. 8106a. Transition to retirement.”.

18 (b) FILING OF APPLICATIONS.—

19 (1) CIVIL SERVICE RETIREMENT SYSTEM.—

20 (A) IN GENERAL.—Chapter 83 of title 5,  
 21 United States Code, is amended by inserting  
 22 after section 8351 the following:

1 **“§ 8352. Employees transitioning from workers com-**  
 2 **pensation**

3 “(a) DEFINITION.—In this section, the term ‘covered  
 4 employee’ means an employee who is a covered employee  
 5 as defined under section 8106a(a)(1) and is eligible for  
 6 an annuity under this chapter.

7 “(b) APPLICATIONS.—Not later than 1 year before  
 8 the date of the termination of payments of compensation  
 9 under section 8106a(b) to a covered employee who is eligi-  
 10 ble for an annuity under this chapter, the employing agen-  
 11 cy of that covered employee shall file an application for  
 12 an annuity for that covered employee under this chapter  
 13 with the Office of Personnel Management.

14 “(c) REGULATIONS.—The Office of Personnel Man-  
 15 agement shall prescribe regulations to carry out this sec-  
 16 tion.”.

17 (B) TECHNICAL AND CONFORMING AMEND-  
 18 MENT.—The table of sections for chapter 83 of  
 19 title 5, United States Code, is amended by in-  
 20 serting after the item relating to section 8351  
 21 the following:

“Sec. 8352. Employees transitioning from workers compensation.”.

22 (2) FEDERAL EMPLOYEES RETIREMENT SYS-  
 23 TEM.—

1 (A) IN GENERAL.—Chapter 84 of title 5,  
 2 United States Code, is amended by inserting  
 3 after section 8470 the following:

4 **“§ 8471. Employees transitioning from workers com-**  
 5 **pensation**

6 “(a) DEFINITION.—In this section, the term ‘covered  
 7 employee’ means an employee who is a covered employee  
 8 as defined under section 8106a(a)(1) and is eligible for  
 9 an annuity under this chapter.

10 “(b) APPLICATIONS.—Not later than 1 year before  
 11 the date of the termination of payments of compensation  
 12 under section 8106a(b) to a covered employee who is eligi-  
 13 ble for an annuity under this chapter, the employing agen-  
 14 cy of that covered employee shall file an application for  
 15 an annuity for that covered employee under this chapter  
 16 with the Office of Personnel Management.

17 “(c) REGULATIONS.—The Office of Personnel Man-  
 18 agement shall prescribe regulations to carry out this sec-  
 19 tion.”.

20 (B) TECHNICAL AND CONFORMING AMEND-  
 21 MENT.—The table of sections for chapter 84 of  
 22 title 5, United States Code, is amended by in-  
 23 serting after the item relating to section 8456  
 24 the following:

“Sec. 8471. Employees transitioning from workers compensation.”.

1 **SEC. 302. REGULATIONS.**

2 Not later than 180 days after the date of enactment  
3 of this Act, the Secretary of Labor, after consultation with  
4 the Director of the Office of Personnel Management, shall  
5 prescribe regulations to carry out this title.

6 **SEC. 303. EFFECTIVE DATE.**

7 (a) IN GENERAL.—Except as provided under sub-  
8 section (b), this title (including the amendments made by  
9 this tile) shall take effect on the date of enactment of this  
10 Act.

11 (b) TERMINATION OF COMPENSATION.—Section  
12 8106a(b) of title 5, United States Code, (as added by sec-  
13 tion 301 of this Act) shall take effect 1 year after the  
14 date regulations are prescribed under section 302.

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