

Calendar No. 622

115TH CONGRESS
2D SESSION**S. 3532**

To authorize the United States Postal Service to provide certain nonpostal property, products, and services on behalf of State, local, and tribal governments.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 28, 2018

Mr. HATCH introduced the following bill; which was read the first time

OCTOBER 4, 2018

Read the second time and placed on the calendar

A BILL

To authorize the United States Postal Service to provide certain nonpostal property, products, and services on behalf of State, local, and tribal governments.

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. POSTAL SERVICE PROGRAM FOR STATE,**
4 **LOCAL, AND TRIBAL GOVERNMENTS.**

5 (a) POSTAL SERVICE PROGRAM FOR STATE, LOCAL,
6 AND TRIBAL GOVERNMENTS.—

1 (1) IN GENERAL.—Part IV of title 39, United
 2 States Code, is amended by adding after chapter 36
 3 the following:

4 **“CHAPTER 37—POSTAL SERVICE PRO-**
 5 **GRAM FOR STATE, LOCAL, AND TRIB-**
 6 **AL GOVERNMENTS**

“Sec.

“3701. Purpose.

“3702. Definitions.

“3703. Postal Service program for State, local, and tribal governments.

7 **“§ 3701. Purpose**

8 “The purpose of this chapter is to enable the Postal
 9 Service to increase its net revenues through providing spe-
 10 cific nonpostal property, products, and services that are
 11 expressly authorized by this chapter. Postal Service reve-
 12 nues and expenses under this chapter shall be funded
 13 through the Postal Service Fund.

14 **“§ 3702. Definitions**

15 “In this chapter—

16 “(1) the term ‘costs attributable’ has the mean-
 17 ing given such term in section 3631; and

18 “(2) the term ‘year’ means a fiscal year.

19 **“§ 3703. Postal Service program for State, local, and**
 20 **tribal governments**

21 “(a) IN GENERAL.—Subject to subsection (d), and
 22 notwithstanding any other provision of this title, the Post-
 23 al Service may establish a program under which the Postal

1 Service may enter into an agreement with an agency of
2 a State government, local government, or tribal govern-
3 ment to provide property, products, or services on behalf
4 of the agency, if providing the property, products, or serv-
5 ices—

6 “(1) provides enhanced value to the public, such
7 as by lowering the cost or raising the quality of the
8 property, products, or services or by making the
9 property, products, or services more accessible;

10 “(2) does not interfere with or detract from the
11 value of postal services, including—

12 “(A) with respect to the cost and efficiency
13 of postal services; and

14 “(B) that providing the property, products,
15 or services will not unreasonably restrict access
16 to postal retail service, such as through in-
17 creased customer waiting time or reduced ac-
18 cess to parking; and

19 “(3) will provide a reasonable contribution to
20 the institutional costs of the Postal Service, which
21 shall include reimbursement that covers not less
22 than 100 percent of the costs attributable to pro-
23 viding the property, products, and services under the
24 agreement in each year.

1 “(b) PUBLIC NOTICE.—Not later than 90 days before
2 beginning to provide property, products, or services under
3 an agreement described in subsection (a), the Postal Serv-
4 ice shall make available to the public on the website of
5 the Postal Service—

6 “(1) the agreement with the agency regarding
7 providing the property, products, or services; and

8 “(2) a business plan that describes—

9 “(A) the specific property, products, and
10 services to be provided;

11 “(B) the enhanced value to the public;

12 “(C) the terms of reimbursement;

13 “(D) the estimated annual reimbursement
14 to the Postal Service; and

15 “(E) the estimated percentage of the costs
16 attributable to providing the property, products,
17 and services that will be covered by reimburse-
18 ment (with documentation to support the esti-
19 mates).

20 “(c) PUBLIC COMMENT.—

21 “(1) IN GENERAL.—Before beginning to provide
22 property, products, or services under an agreement
23 described in subsection (a), the Postal Service shall
24 provide for a public comment period of not less than
25 30 days, during which the public may post com-

1 ments relating to the provision of the property, prod-
2 ucts, or services on the website of the Postal Service.

3 “(2) RESPONSE.—The Postal Service shall
4 make reasonable efforts to provide written responses
5 to the comments described in paragraph (1) on the
6 website of the Postal Service not later than 30 days
7 before beginning to provide the property, products,
8 or services.

9 “(d) APPROVAL REQUIRED.—The Postal Service may
10 not enter into an agreement under subsection (a) unless
11 a majority of the Board of Governors of the Postal Service
12 approve, by a recorded vote that is publicly disclosed on
13 the website of the Postal Service—

14 “(1) the agreement; or

15 “(2) an agreement under subsection (a) with
16 another agency of a State government, local govern-
17 ment, or tribal government to provide property,
18 products, or services on behalf of the agency under
19 the same or similar terms and conditions.

20 “(e) DESIGNATION.—The Postal Regulatory Com-
21 mission shall designate whether property, products, or
22 services provided under an agreement described in sub-
23 section (a) shall be regulated under this title as a market
24 dominant product, a competitive product, or an experi-
25 mental product.

1 “(f) REPORTING REQUIREMENTS.—Before beginning
 2 to provide property, products, or services under an agree-
 3 ment described in subsection (a), the Postal Service shall
 4 submit to the Postal Regulatory Commission a separate
 5 report for each agreement entered into under subsection
 6 (a), analyzing the costs, revenues, rates, and quality of
 7 the property, products, and services provided under the
 8 agreement, including information demonstrating that the
 9 agreement satisfies the requirements of paragraphs (1)
 10 through (3) of subsection (a).

11 “(g) REGULATIONS REQUIRED.—

12 “(1) IN GENERAL.—The Postal Service shall
 13 issue such regulations as are necessary to carry out
 14 subsections (a) through (d) of this section.

15 “(2) PRC.—The Postal Regulatory Commission
 16 shall issue such regulations as are necessary to carry
 17 out subsections (e) and (f) of this section.

18 “(h) CONFIDENTIAL INFORMATION.—Subsections (b)
 19 and (c) shall not be construed as requiring the Postal
 20 Service to disclose to the public any information that is—

21 “(1) described in section 410(c); or

22 “(2) exempt from public disclosure under sec-
 23 tion 552(b) of title 5.

24 “(i) DEFINITIONS.—For the purpose of this sec-
 25 tion—

1 “(1) the term ‘local government’ means a coun-
 2 ty, municipality, city, town, township, local public
 3 authority, school district, special district, intrastate
 4 district, council of governments, or regional or inter-
 5 state government entity;

6 “(2) the term ‘State government’ includes each
 7 of the several States, the government of the District
 8 of 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 “(3) the term ‘tribal government’ means the
 14 government of an Indian tribe, as that term is de-
 15 fined in section 4(e) of the Indian Self-Determina-
 16 tion Act (25 U.S.C. 450b(e)).”.

17 (b) TECHNICAL AND CONFORMING AMENDMENTS.—

18 (1) The table of chapters for part IV of title 39,
 19 United States Code, is amended by adding after the
 20 item relating to chapter 36 the following:

**“37. Postal Service program for State, local, and tribal
 governments 3701”.**

21 (2) Section 404(e) of title 39, United States
 22 Code, is amended—

23 (A) in paragraph (2), by inserting after
 24 “subsection,” the following: “or any property,

1 products, or services authorized to be provided
2 under chapter 37,”; and

3 (B) by adding at the end the following:

4 “(6) Nothing in this section shall be construed to pre-
5 vent the Postal Service from providing property, products,
6 or services that are expressly authorized by chapter 37.”.

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