

## TEXT OF AMENDMENTS

**SA 2001.** Mr. MCCAIN (for himself, Mr. COBURN, and Mr. JOHNSON of Wisconsin) submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS; REFERENCES.**

(a) **SHORT TITLE.**—This Act may be cited as the “Postal Reform Act of 2012”.

(b) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents; references.

**TITLE I—POSTAL SERVICE MODERNIZATION**

**Subtitle A—Commission on Postal Reorganization**

Sec. 101. Short title.  
Sec. 102. Definitions.  
Sec. 103. Commission on Postal Reorganization.  
Sec. 104. Recommendations for closures and consolidations.  
Sec. 105. Implementation of closures and consolidations.  
Sec. 106. Congressional consideration of final CPR reports.  
Sec. 107. Nonappealability of decisions.  
Sec. 108. Rules of construction.  
Sec. 109. GAO study and report.

**Subtitle B—Other Provisions**

Sec. 111. Frequency of mail delivery.  
Sec. 112. Efficient and flexible universal postal service.  
Sec. 113. Enhanced reporting on Postal Service efficiency.  
Sec. 114. Applicability of procedures relating to closures and consolidations.

**TITLE II—POSTAL SERVICE FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY**

**Subtitle A—Establishment and Organization**

Sec. 201. Purposes.  
Sec. 202. Establishment of the Authority.  
Sec. 203. Membership and qualification requirements.  
Sec. 204. Organization.  
Sec. 205. Executive Director and staff.  
Sec. 206. Funding.

**Subtitle B—Powers of the Authority**

Sec. 211. Powers.  
Sec. 212. Exemption from liability for claims.  
Sec. 213. Treatment of actions arising under this title.  
Sec. 214. Delivery point modernization.

**Subtitle C—Establishment and Enforcement of Financial Plan and Budget for the Postal Service**

Sec. 221. Development of financial plan and budget for the Postal Service.  
Sec. 222. Process for submission and approval of financial plan and budget.  
Sec. 223. Responsibilities of the Authority.  
Sec. 224. Effect of finding noncompliance with financial plan and budget.  
Sec. 225. Recommendations regarding financial stability, etc.  
Sec. 226. Special rules for fiscal year in which control period commences.  
Sec. 227. Assistance in achieving financial stability, etc.  
Sec. 228. Obtaining reports.  
Sec. 229. Reports and comments.

**Subtitle D—Termination of a Control Period**

Sec. 231. Termination of control period, etc.

Sec. 232. Congressional consideration of recommendation.

**TITLE III—POSTAL SERVICE WORKFORCE**

Sec. 301. Modifications relating to determination of pay comparability.  
Sec. 302. Limitation on postal contributions under FEGLI and FEHBP.  
Sec. 303. Repeal of provision relating to overall value of fringe benefits.  
Sec. 304. Applicability of reduction-in-force procedures.  
Sec. 305. Modifications relating to collective bargaining.

**TITLE IV—FEDERAL EMPLOYEE'S COMPENSATION ACT**

Sec. 401. Short title; references.  
Sec. 402. Federal workers compensation reforms for retirement-age employees.  
Sec. 403. Augmented compensation for dependents.  
Sec. 404. Schedule compensation payments.  
Sec. 405. Vocational rehabilitation.  
Sec. 406. Reporting requirements.  
Sec. 407. Disability management review; independent medical examinations.  
Sec. 408. Waiting period.  
Sec. 409. Election of benefits.  
Sec. 410. Sanction for noncooperation with field nurses.  
Sec. 411. Subrogation of continuation of pay.  
Sec. 412. Social Security earnings information.  
Sec. 413. Amount of compensation.  
Sec. 414. Technical and conforming amendments.  
Sec. 415. Regulations.

**TITLE V—POSTAL SERVICE REVENUE**

Sec. 501. Adequacy, efficiency, and fairness of postal rates.  
Sec. 502. Repeal of rate preferences for qualified political committees.  
Sec. 503. Streamlined review of qualifying service agreements for competitive products.  
Sec. 504. Submission of service agreements for streamlined review.  
Sec. 505. Transparency and accountability for service agreements.  
Sec. 506. Nonpostal services.  
Sec. 507. Reimbursement of Alaska bypass mail costs.  
Sec. 508. Appropriations modernization.  
Sec. 509. Retiree health care benefit payment deferral.

**TITLE VI—POSTAL CONTRACTING REFORM**

Sec. 601. Contracting provisions.  
Sec. 602. Technical amendment to definition.

(c) **REFERENCES.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 39, United States Code.

**TITLE I—POSTAL SERVICE MODERNIZATION**

**Subtitle A—Commission on Postal Reorganization**

**SEC. 101. SHORT TITLE.**

This subtitle may be cited as the “Commission on Postal Reorganization Act” or the “CPR Act”.

**SEC. 102. DEFINITIONS.**

For purposes of this title—

(1) the term “Postal Service” means the United States Postal Service;

(2) the term “postal retail facility” means a post office, post office branch, post office classified station, or other facility which is operated by the Postal Service, and the pri-

mary function of which is to provide retail postal services;

(3) the term “mail processing facility” means a processing and distribution center, processing and distribution facility, network distribution center, or other facility which is operated by the Postal Service, and the primary function of which is to sort and process mail;

(4) the term “district office” means the central office of an administrative field unit with responsibility for postal operations in a designated geographic area (as defined under regulations, directives, or other guidance of the Postal Service, as in effect on June 23, 2011);

(5) the term “area office” means the central office of an administrative field unit with responsibility for postal operations in a designated geographic area which is comprised of designated geographic areas as referred to in paragraph (4); and

(6) the term “baseline year” means the fiscal year last ending before the date of the enactment of this Act.

**SEC. 103. COMMISSION ON POSTAL REORGANIZATION.**

(a) **ESTABLISHMENT.**—There shall be established, not later than 90 days after the date of the enactment of this Act, an independent commission to be known as the “Commission on Postal Reorganization” (hereinafter in this section referred to as the “Commission”).

(b) **DUTIES.**—The Commission shall carry out the duties specified for it in this subtitle.

(c) **MEMBERS.**—

(1) **IN GENERAL.**—The Commission shall be composed of 5 members who shall be appointed by the President, and of whom—

(A) 1 shall be appointed from among individuals recommended by the Speaker of the House of Representatives;

(B) 1 shall be appointed from among individuals recommended by the majority leader of the Senate;

(C) 1 shall be appointed from among individuals recommended by the minority leader of the House of Representatives;

(D) 1 shall be appointed from among individuals recommended by the minority leader of the Senate; and

(E) 1 shall be appointed from among individuals recommended by the Comptroller General.

(2) **QUALIFICATIONS.**—

(A) **IN GENERAL.**—Members of the Commission shall be chosen to represent the public interest generally, and shall not be representatives of specific interests using the Postal Service.

(B) **INELIGIBILITY.**—An individual may not be appointed to serve as a member of the Commission if such individual served as an employee of the Postal Service or the Postal Regulatory Commission, or of a labor organization representing employees of the Postal Service or the Postal Regulatory Commission, during the 3-year period ending on the date of such appointment.

(3) **POLITICAL AFFILIATION.**—Not more than 3 members of the Commission may be of the same political party.

(d) **TERMS.**—Each member of the Commission shall be appointed for the life of the Commission and may be removed only for cause.

(e) **VACANCIES.**—A vacancy in the Commission shall be filled in the same manner as the original appointment.

(f) **CHAIRMAN.**—The President shall, at the time of making appointments under subsection (c), designate one of the members to serve as chairman of the Commission.

(g) **COMPENSATION AND TRAVEL EXPENSES.**—

(1) **COMPENSATION.**—

(A) **IN GENERAL.**—Except as provided in subparagraph (B), each member of the Commission shall be paid at a rate equal to the

daily equivalent of \$40,000 per year for each day (including travel time) during which the member is engaged in the actual performance of duties vested in the Commission.

(B) **EXCEPTION.**—Any member of the Commission who is a full-time officer or employee of the United States may not receive additional pay, allowances, or benefits by reason of such member's service on the Commission.

(2) **TRAVEL EXPENSES.**—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions of subchapter I of chapter 57 of title 5, United States Code.

(h) **DIRECTOR.**—The Commission shall have a Director who shall be appointed by the Commission. The Director shall be paid at the rate of basic pay for level IV of the Executive Schedule under section 5315 of title 5, United States Code. An appointment under this subsection shall be subject to the requirements of subsection (c)(2).

(i) **ADDITIONAL PERSONNEL.**—With the approval of the Commission, the Director may appoint and fix the pay of such additional personnel as the Director considers appropriate. Such additional personnel may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay at a rate of basic pay in excess of the rate of basic pay payable to the Director. An individual appointed under this subsection shall serve at the pleasure of the Director.

(j) **PROVISIONS RELATING TO DETAILS.**—

(1) **IN GENERAL.**—Upon request of the Director, the head of any Federal department or agency may detail any of the personnel of such department or agency to the Commission to assist the Commission in carrying out its duties under this subtitle. Notwithstanding any other provision of law, to provide continuity in the work of the Commission, such details may be extended beyond 1 year at the request of the Director.

(2) **NUMERICAL LIMITATION.**—Not more than  $\frac{1}{2}$  of the personnel of the Commission may consist of the number of individuals on detail from the Postal Service and the Postal Regulatory Commission combined.

(3) **OTHER LIMITATIONS.**—A person may not be detailed to the Commission from the Postal Service or the Postal Regulatory Commission if such person participated personally and substantially on any matter, within the Postal Service or the Postal Regulatory Commission, concerning the preparation of recommendations for closures or consolidations of postal facilities under this subtitle. No employee of the Postal Service or the Postal Regulatory Commission (including a detailee to the Postal Service or the Postal Regulatory Commission) may—

(A) prepare any report concerning the effectiveness, fitness, or efficiency of the performance, on the staff of the Commission, of any person detailed from the Postal Service or the Postal Regulatory Commission to such staff;

(B) review the preparation of such a report; or

(C) approve or disapprove such a report.

(k) **OTHER AUTHORITIES.**—

(1) **EXPERTS AND CONSULTANTS.**—The Commission may procure by contract, to the extent funds are available, temporary or intermittent services under section 3109 of title 5, United States Code.

(2) **LEASING, ETC.**—The Commission may lease space and acquire personal property to the extent funds are available.

(l) **AUTHORIZATION OF APPROPRIATIONS.**—In order to carry out this section, there are au-

thorized to be appropriated out of the Postal Service Fund \$20,000,000, which funds shall remain available until expended.

(m) **FINANCIAL REPORTING.**—

(1) **AUDIT AND EXPENDITURES.**—The Commission shall be responsible for issuing annual financial statements and for establishing and maintaining adequate controls over its financial reporting.

(2) **INTERNAL AUDITS.**—The Commission shall maintain an adequate internal audit of its financial transactions.

(3) **ANNUAL CERTIFICATION.**—The Commission shall obtain an annual certification for each fiscal year from an independent, certified public accounting firm of the accuracy of its financial statements.

(4) **COMPTROLLER GENERAL.**—The accounts and operations of the Commission shall be audited by the Comptroller General and reports thereon made to the Congress to the extent and at such times as the Comptroller General may determine.

(n) **TERMINATION.**—The Commission shall terminate 60 days after submitting its final reports under section 104(d)(3).

#### **SEC. 104. RECOMMENDATIONS FOR CLOSURES AND CONSOLIDATIONS.**

(a) **PLAN FOR THE CLOSURE OR CONSOLIDATION OF POSTAL RETAIL FACILITIES.**—

(1) **IN GENERAL.**—Not later than 120 days after the date of the enactment of this Act, the Postal Service, in consultation with the Postal Regulatory Commission, shall develop and submit to the Commission on Postal Reorganization a plan for the closure or consolidation of such postal retail facilities as the Postal Service considers necessary and appropriate so that the total annual costs attributable to the operation of postal retail facilities will be, for each fiscal year beginning at least 2 years after the date on which the Commission transmits to Congress its final report under subsection (d)(3)(A) relating to this subsection, at least \$1,000,000,000 less than the corresponding total annual costs for the baseline year.

(2) **CONTENTS.**—The plan shall include—

(A) a list of the postal retail facilities proposed for closure or consolidation under this subtitle;

(B) a proposed schedule under which—

(i) closures and consolidations of postal retail facilities would be carried out under this subtitle; and

(ii) all closures and consolidations of postal retail facilities under this subtitle would be completed by not later than 2 years after the date on which the Commission transmits to Congress its final report under subsection (d)(3)(A) relating to such plan;

(C) the estimated total annual cost savings attributable to the proposed closures and consolidations described in the plan;

(D) the criteria and process used to develop the information described in subparagraphs (A) and (B);

(E) the methodology and assumptions used to derive the estimates described in subparagraph (C); and

(F) any changes to the processing, transportation, delivery, or other postal operations anticipated as a result of the proposed closures and consolidations described in the plan.

(3) **CONSISTENCY.**—The methodology and assumptions used to derive the cost estimates described in paragraph (2)(C) shall be consistent with the methodology and assumptions which would have been used by the Postal Service if those closures and consolidations had instead taken effect in the baseline year.

(b) **PLAN FOR THE CLOSURE OR CONSOLIDATION OF MAIL PROCESSING FACILITIES.**—

(1) **IN GENERAL.**—Not later than 300 days after the date of the enactment of this Act, the Postal Service, in consultation with the

Inspector General of the United States Postal Service, shall develop and submit to the Commission on Postal Reorganization a plan for the closure or consolidation of such mail processing facilities as the Postal Service considers necessary and appropriate so that—

(A) the total annual costs attributable to the operation of mail processing facilities will be, for each fiscal year beginning at least 2 years after the date on which the Commission transmits to Congress its final report under subsection (d)(3)(A) relating to this subsection, at least \$2,000,000,000 less than the corresponding total annual costs for the baseline year; and

(B) the Postal Service has, for fiscal years beginning at least 2 years after the date on which the Commission transmits to Congress its final report under subsection (d)(3)(A) relating to this subsection, no more than 10 percent excess mail processing capacity.

(2) **CONTENTS.**—The plan shall include—

(A) a list of the mail processing facilities proposed for closure or consolidation under this subtitle;

(B) a proposed schedule under which—

(i) closures and consolidations of mail processing facilities would be carried out under this subtitle; and

(ii) all closures and consolidations of mail processing facilities under this subtitle would be completed by not later than 2 years after the date on which the Commission transmits to Congress its final report under subsection (d)(3)(A) relating to such plan;

(C) the estimated total annual cost savings attributable to the proposed closures and consolidations described in the plan;

(D) the criteria and process used to develop the information described in subparagraphs (A) and (B);

(E) the methodology and assumptions used to derive the estimates described in subparagraph (C); and

(F) any changes to the processing, transportation, delivery, or other postal operations anticipated as a result of the proposed closures and consolidations described in the plan.

(3) **CONSISTENCY.**—The methodology and assumptions used to derive the cost estimates described in paragraph (2)(C) shall be consistent with the methodology and assumptions which would have been used by the Postal Service if those closures and consolidations had instead taken effect in the baseline year.

(4) **EXCESS MAIL PROCESSING CAPACITY.**—The Commission shall cause to be published in the Federal Register notice of a proposed definition of "excess mail processing capacity" for purposes of this section within 120 days after the date of the enactment of this Act, and shall provide a period of 30 days for public comment on the proposed definition. Not later than 180 days after the date of the enactment of this Act, the Commission shall issue and cause to be published in the Federal Register a final definition of "excess mail processing capacity" for purposes of this section. Such definition shall include an estimate of the total amount of excess mail processing capacity in mail processing facilities as of the date of the enactment of this Act.

(5) **UNDERUTILIZED MAIL PROCESSING FACILITIES.**—In developing a plan under this subsection, the Postal Service may include the estimated total cost savings that would result from moving mail processing operations to any mail processing facility that, as of the date of introduction of this Act—

(A) is not currently used by the Postal Service; and

(B) is capable of processing mail to the Postal Service's standards.

(c) PLAN FOR THE CLOSURE OR CONSOLIDATION OF AREA AND DISTRICT OFFICES.—

(1) IN GENERAL.—Not later than 300 days after the date of the enactment of this Act, the Postal Service, in consultation with the Inspector General of the United States Postal Service, shall develop and submit to the Commission on Postal Reorganization a plan for the closure or consolidation of such area and district offices as the Postal Service considers necessary and appropriate so that the combined total number of area and district offices will be, for each fiscal year beginning at least 2 years after the date on which the Commission transmits to Congress its final report under subsection (d)(3)(A) relating to this subsection, at least 30 percent less than the corresponding combined total for the baseline year.

(2) CONTENTS.—The plan shall include—

(A) a list of the area and district offices proposed for closure or consolidation under this subtitle;

(B) a proposed schedule under which—

(i) closures and consolidations of area and district offices would be carried out under this subtitle; and

(ii) all closures and consolidations of area and district offices under this subtitle would be completed by not later than 2 years after the date on which the Commission transmits to Congress its final report under subsection (d)(3)(A) relating to such plan;

(C) the estimated total annual cost savings attributable to the proposed closures and consolidations described in the plan;

(D) the criteria and process used to develop the information described in subparagraphs (A) and (B);

(E) the methodology and assumptions used to derive the estimates described in subparagraph (C); and

(F) any changes to the processing, transportation, delivery, or other postal operations anticipated as a result of the proposed closures and consolidations described in the plan.

(3) CONSISTENCY.—The methodology and assumptions used to derive the cost estimates described in paragraph (2)(C) shall be consistent with the methodology and assumptions which would have been used by the Postal Service if those closures and consolidations had instead taken effect in the baseline year.

(d) REVIEW AND RECOMMENDATIONS OF THE COMMISSION.—

(1) INITIAL REPORTS.—

(A) IN GENERAL.—After receiving the plan of the Postal Service under subsection (a), (b), or (c), the Commission on Postal Reorganization shall transmit to Congress and publish in the Federal Register a report under this paragraph, which shall contain the Commission's findings based on a review and analysis of such plan, together with the Commission's initial recommendations for closures and consolidations of postal facilities, mail processing facilities, or area and district offices (as the case may be).

(B) EXPLANATION OF CHANGES.—The Commission shall explain and justify in its report any recommendations made by the Commission that are different from those contained in the Postal Service plan to which such report pertains.

(C) DEADLINES.—A report of the Commission under this paragraph shall be transmitted and published, in accordance with subparagraph (A), within—

(i) if the report pertains to the plan under subsection (a), 60 days after the date on which the Commission receives such plan; or

(ii) if the report pertains to the plan under subsection (b) or (c), 90 days after the date on which the Commission receives such plan.

(2) PUBLIC HEARINGS.—

(A) IN GENERAL.—After receiving the plan of the Postal Service under subsection (a), (b), or (c), the Commission on Postal Reorganization shall conduct at least 5 public hearings on such plan. The hearings shall be conducted in geographic areas chosen so as to reflect a broadly representative range of needs and interests.

(B) TESTIMONY.—All testimony before the Commission at a public hearing conducted under this paragraph shall be given under oath.

(C) DEADLINES.—All hearings under this paragraph shall be completed within 60 days after the date as of which the Commission satisfies the requirements of paragraph (1) with respect to such plan.

(3) FINAL REPORTS.—

(A) IN GENERAL.—After satisfying the requirements of paragraph (2) with respect to the plan of the Postal Service under subsection (a), (b), or (c) (as the case may be), the Commission shall transmit to Congress and publish in the Federal Register a report under this paragraph containing a summary of the hearings conducted with respect to such plan, together with the Commission's final recommendations for closures and consolidations of postal facilities, mail processing facilities, or area and district offices (as the case may be).

(B) APPROVAL.—Recommendations under subparagraph (A) shall not be considered to be final recommendations unless they are made with—

(i) except as provided in clause (ii), the concurrence of at least 4 members of the Commission; or

(ii) to the extent that the requirements of subsection (b)(1)(A) or (c)(1) are not met, the concurrence of all sitting members, but only if the shortfall (relative to the requirements of subsection (b)(1)(A) or (c)(1), as the case may be) does not exceed 25 percent.

(C) CONTENTS.—A report under this paragraph shall include—

(i) the information required by paragraph (2) of subsection (a), (b), or (c) (as the case may be); and

(ii) a description of the operations that will be affected by the closure or consolidation and the facilities or offices which will be performing or ceasing to perform such operations as a result of such closure or consolidation.

(D) DEADLINES.—A report of the Commission under this paragraph shall be transmitted and published, in accordance with subparagraph (A), within 60 days after the date as of which the Commission satisfies the requirements of paragraph (2) with respect to the plan involved.

(e) LIMITATION RELATING TO POSTAL RETAIL FACILITIES IDENTIFIED FOR CLOSURE OR CONSOLIDATION.—

(1) APPLICABILITY.—This subsection applies to any plan of the Postal Service under subsection (a) and any report of the Commission under subsection (d) (whether initial or final) pertaining to such plan.

(2) LIMITATION.—Of the total number of postal retail facilities recommended for closure or consolidation (combined) under any plan or report to which this subsection applies, the number of such facilities that are within the K or L cost ascertainment grouping (combined) shall account for not more than 10 percent of such total number.

(3) REFERENCES.—For purposes of this subsection—

(A) any reference to a "cost ascertainment grouping" shall be considered to refer to a cost ascertainment grouping as described in section 123.11 of the Postal Operations Manual (as in effect on June 23, 2011); and

(B) any reference to a particular category (designated by a letter) of a cost ascertainment grouping shall be considered to refer to

such category, as described in such section 123.11 (as in effect on the date specified in subparagraph (A)).

(f) ANNUAL REPORTS.—

(1) IN GENERAL.—There shall be included in the next 5 annual reports submitted under section 2402 of title 39, United States Code, beginning with the report covering any period of time occurring after the date of enactment of this Act, the following (shown on a State-by-State basis):

(A) In connection with closures and consolidations taking effect in the year covered by the report, the total number of individuals separated from employment with the Postal Service, including, if separation occurs in a year other than the year in which the closing or consolidation occurs, the year in which separation occurs.

(B) Of the total numbers under subparagraph (A)—

(i) the number and percentage comprising preference eligibles or veterans; and

(ii) the number and percentage comprising individuals other than preference eligibles or veterans.

(C) Of the total numbers under subparagraph (A), the number and percentage reemployed in a position within the general commuting area of the facility or office involved (including, if reemployment occurs in a year other than the year in which the closing or consolidation occurs, the year in which reemployment occurs)—

(i) with the Postal Service; or

(ii) with an employer other than the Postal Service.

(D) The methodology and assumptions used to derive the estimates described in subparagraph (B).

(E) The criteria and process used to develop the information described in subparagraph (C).

(2) DEFINITIONS.—For purposes of this subsection—

(A) the term "preference eligible" has the meaning given such term in section 2108(3) of title 5, United States Code; and

(B) the term "veteran" has the meaning given such term in section 101(2) of title 38, United States Code.

## SEC. 105. IMPLEMENTATION OF CLOSURES AND CONSOLIDATIONS.

(a) IN GENERAL.—Subject to subsection (b), the Postal Service shall—

(1) close or consolidate (as the case may be) the facilities and offices recommended by the Commission in each of its final reports under section 104(d)(3); and

(2) carry out those closures and consolidations in accordance with the timetable recommended by the Commission in such report, except that in no event shall any such closure or consolidation be completed later than 2 years after the date on which such report is submitted to Congress.

(b) CONGRESSIONAL DISAPPROVAL.—

(1) IN GENERAL.—The Postal Service may not carry out any closure or consolidation recommended by the Commission in a final report if a joint resolution disapproving the recommendations of the Commission is enacted, in accordance with section 106, before the earlier of—

(A) the end of the 30-day period beginning on the date on which the Commission transmits those recommendations to Congress under section 104(d)(3); or

(B) the adjournment of the Congress sine die for the session during which such report is transmitted.

(2) DAYS OF SESSION.—For purposes of paragraph (1) and subsections (a) and (c) of section 106, the days on which either House of Congress is not in session because of an adjournment of more than 7 days to a day certain shall be excluded in the computation of a period.

**SEC. 106. CONGRESSIONAL CONSIDERATION OF FINAL CPR REPORTS.**

(a) **TERMS OF THE RESOLUTION.**—For purposes of this subtitle, the term “joint resolution”, as used with respect to a report under section 104(d)(3), means only a joint resolution—

(1) which is introduced within the 10-day period beginning on the date on which such report is received by Congress;

(2) the matter after the resolving clause of which is as follows: “That Congress disapproves the recommendations of the Commission on Postal Reorganization, submitted by such Commission on \_\_\_\_, and pertaining to the closure or consolidation of \_\_\_\_”, the first blank space being filled in with the appropriate date and the second blank space being filled in with “postal retail facilities”, “mail processing facilities”, or “area and district offices” (as the case may be);

(3) the title of which is as follows: “Joint resolution disapproving the recommendations of the Commission on Postal Reorganization.”; and

(4) which does not have a preamble.

(b) **REFERRAL.**—A resolution described in subsection (a) that is introduced in the House of Representatives or the Senate shall be referred to the appropriate committees of the House of Representatives or the Senate, respectively.

(c) **DISCHARGE.**—If the committee to which a resolution described in subsection (a) is referred has not reported such resolution (or an identical resolution) by the end of the 20-day period beginning on the date on which the Commission transmits the report (to which such resolution pertains) to Congress under section 104(d)(3), such committee shall, at the end of such period, be discharged from further consideration of such resolution, and such resolution shall be placed on the appropriate calendar of the House involved.

(d) **CONSIDERATION.**—

(1) **IN GENERAL.**—On or after the third day after the date on which the committee to which such a resolution is referred has reported, or has been discharged (under subsection (c)) from further consideration of, such a resolution, it is in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution. A Member may make the motion only on the day after the calendar day on which the Member announces to the House concerned the Member's intention to make the motion, except that, in the case of the House of Representatives, the motion may be made without such prior announcement if the motion is made by direction of the committee to which the resolution was referred. All points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the respective House shall immediately proceed to consideration of the joint resolution without intervening motion, order, or other business, and the resolution shall remain the unfinished business of the respective House until disposed of.

(2) **DEBATE.**—Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 2 hours, which shall be divided equally between those favoring and those op-

posing the resolution. An amendment to the resolution is not in order. A motion further to limit debate is in order and not debatable. A motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(3) **VOTE ON FINAL PASSAGE.**—Immediately following the conclusion of the debate on a resolution described in subsection (a) and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(4) **APPEALS.**—Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in subsection (a) shall be decided without debate.

(e) **CONSIDERATION BY OTHER HOUSE.**—

(1) **IN GENERAL.**—If, before the passage by one House of a resolution of that House described in subsection (a), that House receives from the other House a resolution (described in subsection (a)) relating to the same report, then the following procedures shall apply:

(A) The resolution of the other House shall not be referred to a committee and may not be considered in the House receiving it except in the case of final passage as provided in subparagraph (B)(ii).

(B) With respect to the resolution described in subsection (a) (relating to the report in question) of the House receiving the resolution—

(i) the procedure in that House shall be the same as if no resolution (relating to the same report) had been received from the other House; but

(ii) the vote on final passage shall be on the resolution of the other House.

(2) **DISPOSITION OF A RESOLUTION.**—Upon disposition of the resolution received from the other House, it shall no longer be in order to consider the resolution that originated in the receiving House.

(f) **RULES OF THE SENATE AND HOUSE.**—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in subsection (a), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

**SEC. 107. NONAPPEALABILITY OF DECISIONS.**

(a) **TO PRC.**—The closing or consolidation of any facility or office under this subtitle may not be appealed to the Postal Regulatory Commission under section 404(d) or any other provision of title 39, United States Code, or be the subject of an advisory opinion issued by the Postal Regulatory Commission under section 3661 of such title.

(b) **JUDICIAL REVIEW.**—No process, report, recommendation, or other action of the Commission on Postal Reorganization shall be subject to judicial review.

**SEC. 108. RULES OF CONSTRUCTION.**

(a) **CONTINUED AVAILABILITY OF AUTHORITY TO CLOSE OR CONSOLIDATE POSTAL FACILITIES.**—

(1) **IN GENERAL.**—Nothing in this subtitle shall be considered to prevent the Postal

Service from closing or consolidating any postal facilities, in accordance with otherwise applicable provisions of law, either before or after the implementation of any closures or consolidations under this subtitle.

(2) **COORDINATION RULE.**—No appeal or determination under section 404(d) of title 39, United States Code, or any other provision of law shall delay, prevent, or otherwise affect any closure or consolidation under this subtitle.

(b) **INAPPLICABILITY OF CERTAIN PROVISIONS.**—

(1) **IN GENERAL.**—The provisions of law identified in paragraph (2)—

(A) shall not apply to any closure or consolidation carried out under this subtitle; and

(B) shall not be taken into account for purposes of carrying out section 103 or 104.

(2) **PROVISIONS IDENTIFIED.**—The provisions of law under this paragraph are—

(A) section 101(b) of title 39, United States Code; and

(B) section 404(d) of title 39, United States Code.

**SEC. 109. GAO STUDY AND REPORT.**

(a) **STUDY.**—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study on the effects, with respect to the unemployment rate of minority communities, of the proposed closures and consolidations of postal retail facilities, mail processing facilities, and area or district offices under this subtitle.

(b) **REPORT.**—Upon completion of the study required under subsection (a), the Comptroller General of the United States shall submit a report to Congress regarding the findings of such study.

**Subtitle B—Other Provisions****SEC. 111. FREQUENCY OF MAIL DELIVERY.**

Section 101 of title 39, United States Code, is amended by adding at the end the following:

“(h) Nothing in this title or any other provision of law shall be considered to prevent the Postal Service from taking whatever actions may be necessary to provide for 5-day delivery of mail and a commensurate adjustment in rural delivery of mail, subject to the requirements of section 3661.”.

**SEC. 112. EFFICIENT AND FLEXIBLE UNIVERSAL POSTAL SERVICE.**

(a) **POSTAL POLICY.**—

(1) **IN GENERAL.**—Section 101(b) is amended to read as follows:

“(b) The Postal Service shall provide effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining.”.

(2) **CONFORMING AMENDMENTS.**—(A) Clause (iii) of section 404(d)(2)(A) is amended to read as follows:

“(iii) whether such closing or consolidation is consistent with the policy of the Government, as stated in section 101(b), that the Postal Service shall provide effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining;”.

(B) Section 2401(b)(1) is amended (in the matter before subparagraph (A)) by striking “a maximum degree of”.

(b) **GENERAL DUTY.**—Paragraph (3) of section 403(b) is amended to read as follows:

“(3) to ensure that postal patrons throughout the Nation will, consistent with reasonable economies of postal operations, have ready access to essential postal services.”.

(c) **PRC REVIEW OF DETERMINATIONS TO CLOSE OR CONSOLIDATE A POST OFFICE.**—

(1) **DEADLINE FOR REVIEW.**—Section 404(d)(5) is amended by striking “120 days” and inserting “60 days”.

(2) EXCLUSION FROM REVIEW.—Section 404(d) is amended by adding at the end the following:

“(7)(A) The appeals process set forth in paragraph (5) shall not apply to a determination of the Postal Service to close a post office if there is located, within 2 miles of such post office, a qualified contract postal unit.

“(B) For purposes of this paragraph—

“(i) the term ‘contract postal unit’ means a store or other place of business which—

“(I) is not owned or operated by the Postal Service; and

“(II) in addition to its usual operations, provides postal services to the general public under contract with the Postal Service; and

“(ii) the term ‘qualified contract postal unit’, as used in connection with a post office, means a contract postal unit which—

“(I) begins to provide postal services to the general public during the period—

“(aa) beginning 1 year before the date on which the closure or consolidation of such post office is scheduled to take effect; and

“(bb) ending on the 15th day after the date on which the closure or consolidation of such post office is scheduled to take effect; and

“(II) has not, pursuant to subparagraph (A), served as the basis for exempting any other post office from the appeals process set forth in paragraph (5).

“(C)(i) If the contract postal unit (which is providing postal services that had been previously provided by the post office that was closed) does not continue to provide postal services, as required by subparagraph (B)(i)(II), for at least the 2-year period beginning on the date on which such post office was closed, the contract postal unit shall be subject to a closure determination by the Postal Service to decide whether a post office must be reopened within the area (delimited by the 2-mile radius referred to in subparagraph (A)).

“(ii) A decision under clause (i) not to reopen a post office may be appealed to the Postal Regulatory Commission under procedures which the Commission shall by regulation prescribe. Such procedures shall be based on paragraph (5), except that, for purposes of this clause, paragraph (5)(C) shall be applied by substituting ‘in violation of section 101(b), leaving postal patrons without effective and regular access to postal services’ for ‘unsupported by substantial evidence on the record’.”

(3) APPLICABILITY.—The amendments made by this subsection shall not apply with respect to any appeal, notice of which is received by the Postal Regulatory Commission before the date of the enactment of this Act (determined applying the rules set forth in section 404(d)(6) of title 39, United States Code).

(d) EXPEDITED PROCEDURES.—

(1) IN GENERAL.—Section 3661 is amended by adding at the end the following:

“(d)(1) The Commission shall issue its opinion within 90 days after the receipt of any proposal (as referred to in subsection (b)) concerning—

“(A) the closing or consolidation of postal retail facilities (as that term is defined in section 102(2) of the Postal Reform Act of 2012) to a degree that will generally affect service on a nationwide or substantially nationwide basis; or

“(B) an identical or substantially identical proposal on which the Commission issued an opinion within the preceding 5 years.

“(2) If necessary in order to comply with the 90-day requirement under paragraph (1), the Commission may apply expedited procedures which the Commission shall by regulation prescribe.”

(2) REGULATIONS.—The Postal Regulatory Commission shall prescribe any regulations necessary to carry out the amendment made

by paragraph (1) within 90 days after the date of the enactment of this Act.

(3) APPLICABILITY.—The amendment made by this subsection shall apply with respect to any proposal received by the Postal Regulatory Commission on or after the earlier of—

(A) the 90th day after the date of the enactment of this Act; or

(B) the effective date of the regulations under paragraph (2).

#### SEC. 113. ENHANCED REPORTING ON POSTAL SERVICE EFFICIENCY.

Section 3652(a) is amended—

(1) in paragraph (1), by striking “and” after the semicolon;

(2) in paragraph (2), by striking the period at the end and inserting “; and”; and

(3) by adding after paragraph (2) the following:

“(3) which shall provide the overall change in Postal Service productivity and the resulting effect of such change on overall Postal Service costs during such year, using such methodologies as the Commission shall by regulation prescribe.”

#### SEC. 114. APPLICABILITY OF PROCEDURES RELATING TO CLOSURES AND CONSOLIDATIONS.

(a) IN GENERAL.—Section 404(d) is amended by adding at the end the following:

“(7) For purposes of this subsection, the term ‘post office’ means a post office and any other facility described in section 102(2) of the Postal Reform Act of 2012.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective with respect to any closure or consolidation, the proposed effective date of which occurs on or after the 60th day following the date of enactment of this Act.

#### TITLE II—POSTAL SERVICE FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY

##### Subtitle A—Establishment and Organization

#### SEC. 201. PURPOSES.

(a) PURPOSES.—The purposes of this title are as follows:

(1) To eliminate budget deficits and cash shortages of the Postal Service through strategic financial planning, sound budgeting, accurate revenue forecasts, and careful spending.

(2) To ensure the universal service mandate detailed in section 101 of title 39, United States Code, is maintained during a period of fiscal emergency.

(3) To conduct necessary investigations and studies to determine the fiscal status and operational efficiency of the Postal Service.

(4) To assist the Postal Service in—

(A) restructuring its organization and workforce to bring expenses in line with diminishing revenue and generate sufficient profits for capital investment and repayment of debt;

(B) meeting all fiscal obligations to the Treasury of the United States; and

(C) ensuring the appropriate and efficient delivery of postal services.

(5) To ensure the long-term financial, fiscal, and economic vitality and operational efficiency of the Postal Service.

(b) RESERVATION OF POWERS.—Nothing in this title may be construed—

(1) to relieve any obligations existing as of the date of the enactment of this Act of the Postal Service to the Treasury of the United States; or

(2) to limit the authority of Congress to exercise ultimate legislative authority over the Postal Service.

#### SEC. 202. ESTABLISHMENT OF THE AUTHORITY.

(a) ESTABLISHMENT.—There shall be established, upon the commencement of any con-

trol period, an entity to be known as the “Postal Service Financial Responsibility and Management Assistance Authority” (hereinafter in this title referred to as the “Authority”).

(b) CONTROL PERIOD.—

(1) COMMENCEMENT OF A CONTROL PERIOD.—

(A) IN GENERAL.—For the purposes of this title, a control period commences whenever the Postal Service has been in default to the Treasury of the United States, with respect to any debts, obligations, loans, bonds, notes, or other form of borrowing, or any scheduled payments to any fund in the Treasury of the United States, for a period of at least 30 days.

(B) ADVISORY PERIOD.—For purposes of the first control period, the Authority shall operate exclusively in an advisory period for two full fiscal years after the commencement of the control period. At the completion of the second full fiscal year or any year thereafter during the length of the control period, if the Postal Service’s annual deficit is greater than \$2,000,000,000, the Authority shall be fully in force according to the provisions of this title. During an advisory period—

(i) the Authority is not authorized to employ any staff and the Postal Service shall designate a Level-Two Postal Service Executive as a liaison with the members of the Authority; and

(ii) any provision of this title that requires the Authority or the Postal Service to take any action shall be considered only to take effect in the event the Authority comes into full force and that effective date shall be considered to be the date of the commencement of the control period for the purposes any provision not mention in this subparagraph.

(2) TREATMENT OF AUTHORITIES AND RESPONSIBILITIES OF THE BOARD OF GOVERNORS, ETC. DURING A CONTROL PERIOD.—During a control period—

(A) all authorities and responsibilities of the Board of Governors, and the individual Governors, of the Postal Service under title 39, United States Code, and any other provision of law shall be assumed by the Authority; and

(B) the Board of Governors, and the individual Governors, may act in an advisory capacity only.

(3) TREATMENT OF CERTAIN POSTAL SERVICE EXECUTIVES DURING A CONTROL PERIOD.—

(A) DEFINITION.—For the purposes of this section, the term “Level-Two Postal Service Executive” includes the Postmaster General, the Deputy Postmaster General, and all other officers or employees of the Postal Service in level two of the Postal Career Executive Service (or the equivalent).

(B) TREATMENT.—Notwithstanding any other provision of law or employment contract, during a control period—

(i) all Level-Two Postal Service Executives shall serve at the pleasure of the Authority;

(ii) the duties and responsibilities of all Level-Two Postal Service Executives, as well as the terms and conditions of their employment (including their compensation), shall be subject to determination or redetermination by the Authority;

(iii) total compensation of a Level-Two Postal Service Executive may not, for any year in such control period, exceed the annual rate of basic pay payable for level I of the Executive Schedule under section 5312 of title 5, United States Code, for such year; for purposes of this clause, the term “total compensation” means basic pay, bonuses, awards, and all other monetary compensation;

(iv) the percentage by which the rate of basic pay of a Level-Two Postal Service Executive is increased during any year in such

control period may not exceed the percentage change in the Consumer Price Index for All Urban Consumers, unadjusted for seasonal variation, for the most recent 12-month period available, except that, in the case of a Level-Two Postal Service Executive who has had a significant change in job responsibilities, a greater change shall be allowable if approved by the Authority;

(v) apart from basic pay, a Level-Two Postal Service Executive may not be afforded any bonus, award, or other monetary compensation for any fiscal year in the control period if expenditures of the Postal Service for such fiscal year exceeded revenues of the Postal Service for such fiscal year (determined in accordance with generally accepted accounting principles); and

(vi) no deferred compensation may be paid, accumulated, or recognized in the case of any Level-Two Postal Service Executive, with respect to any year in a control period, which is not generally paid, accumulated, or recognized in the case of employees of the United States (outside of the Postal Service) in level I of the Executive Schedule under section 5312 of title 5, United States Code, with respect to such year.

(C) **BONUS AUTHORITY.**—Section 3686 of title 39, United States Code, shall, during the period beginning on the commencement date of the control period and ending on the termination date of the control period—

(i) be suspended with respect to all Level-Two Postal Service Executives; but

(ii) remain in effect for all other officers and employees of the Postal Service otherwise covered by this section.

(4) **TERMINATION OF A CONTROL PERIOD.**—Subject to subtitle D, a control period terminates upon certification by the Authority, with the concurrence of the Secretary of the Treasury and the Director of the Office of Personnel Management, that—

(A) for 2 consecutive fiscal years (occurring after the date of the enactment of this Act), expenditures of the Postal Service did not exceed revenues of the Postal Service (as determined in accordance with generally accepted accounting principles);

(B) the Authority has approved a Postal Service financial plan and budget that shows expenditures of the Postal Service not exceeding revenues of the Postal Service (as so determined) for the fiscal year to which such budget pertains and each of the next 3 fiscal years; and

(C) the Postal Service financial plan and budget (as referred to in subparagraph (B)) includes plans to properly fund Postal Service pensions and retiree health benefits in accordance with law.

#### **SEC. 203. MEMBERSHIP AND QUALIFICATION REQUIREMENTS.**

##### **(a) MEMBERSHIP.—**

(1) **IN GENERAL.**—The Authority shall consist of 5 members appointed by the President who meet the qualifications described in subsection (b), except that the Authority may take any action under this title at any time after the President has appointed 4 of its members.

(2) **RECOMMENDATIONS.**—Of the 5 members so appointed—

(A) 1 shall be appointed from among individuals recommended by the Speaker of the House of Representatives;

(B) 1 shall be appointed from among individuals recommended by the majority leader of the Senate;

(C) 1 shall be appointed from among individuals recommended by the minority leader of the House of Representatives;

(D) 1 shall be appointed from among individuals recommended by the minority leader of the Senate; and

(E) 1 shall be appointed from among individuals recommended by the Comptroller General.

(3) **POLITICAL AFFILIATION.**—No more than 3 members of the Authority may be of the same political party.

(4) **CHAIR.**—The President shall designate 1 of the members of the Authority as the Chair of the Authority.

(5) **SENSE OF CONGRESS REGARDING DEADLINE FOR APPOINTMENT.**—It is the sense of Congress that the President should appoint the members of the Authority as soon as practicable after the date on which a control period commences, but no later than 30 days after such date.

(6) **TERM OF SERVICE.—**

(A) **IN GENERAL.**—Except as provided in subparagraph (B), each member of the Authority shall be appointed for a term of 3 years.

(B) **APPOINTMENT FOR TERM FOLLOWING INITIAL TERM.**—As designated by the President at the time of appointment for the term immediately following the initial term, of the members appointed for the term immediately following the initial term—

(i) 1 member shall be appointed for a term of 1 year;

(ii) 2 members shall be appointed for a term of 2 years; and

(iii) 2 members shall be appointed for a term of 3 years.

(C) **REMOVAL.**—The President may remove any member of the Authority only for cause.

(D) **NO COMPENSATION FOR SERVICE.**—Members of the Authority shall serve without pay, but may receive reimbursement for any reasonable and necessary expenses incurred by reason of service on the Authority.

(b) **QUALIFICATION REQUIREMENTS.—**

(1) **IN GENERAL.**—An individual meets the qualifications for membership on the Authority if the individual—

(A) has significant knowledge and expertise in finance, management, and the organization or operation of businesses having more than 500 employees; and

(B) represents the public interest generally, is not a representative of specific interests using or belonging to the Postal Service, and does not have any business or financial interest in any enterprise in the private sector of the economy engaged in the delivery of mail matter.

(2) **SPECIFIC CONDITIONS.**—An individual shall not be considered to satisfy paragraph (1)(B) if, at any time during the 5-year period ending on the date of appointment, such individual—

(A) has been an officer, employee, or private contractor with the Postal Service or the Postal Regulatory Commission; or

(B) has served as an employee or contractor of a labor organization representing employees of the Postal Service or the Postal Regulatory Commission.

#### **SEC. 204. ORGANIZATION.**

(a) **ADOPTION OF BY-LAWS FOR CONDUCTING BUSINESS.**—As soon as practicable after the appointment of its members, the Authority shall adopt by-laws, rules, and procedures governing its activities under this title, including procedures for hiring experts and consultants. Upon adoption, such by-laws, rules, and procedures shall be submitted by the Authority to the Postmaster General, the President, and Congress.

(b) **CERTAIN ACTIVITIES REQUIRING APPROVAL OF MAJORITY OF MEMBERS.**—Under its by-laws, the Authority may conduct its operations under such procedures as it considers appropriate, except that an affirmative vote of a majority of the members of the Authority shall be required in order for the Authority to—

(1) approve or disapprove a financial plan and budget as described by subtitle C;

(2) implement recommendations on financial stability and management responsibility under section 225;

(3) take any action under authority of section 202(b)(3)(B)(i); or

(4) initiate the establishment of a new workers' compensation system for the Postal Service in accordance with section 311.

#### **SEC. 205. EXECUTIVE DIRECTOR AND STAFF.**

(a) **EXECUTIVE DIRECTOR.**—The Authority shall have an Executive Director who shall be appointed by the Chair with the consent of the Authority. The Executive Director shall be paid at a rate determined by the Authority, except that such rate may not exceed the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(b) **STAFF.**—With the approval of the Authority, the Executive Director may appoint and fix the pay of such additional personnel as the Executive Director considers appropriate, except that no individual appointed by the Executive Director may be paid at a rate greater than the rate of pay for the Executive Director. Personnel appointed under this subsection shall serve at the pleasure of the Executive Director.

(c) **INAPPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.**—The Executive Director and staff of the Authority may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) **STAFF OF FEDERAL AGENCIES.**—Upon request of the Chair, the head of any Federal department or agency may detail, on a reimbursable or nonreimbursable basis, any of the personnel of such department or agency to the Authority to assist it in carrying out its duties under this title.

#### **SEC. 206. FUNDING.**

(a) **IN GENERAL.**—There are authorized to be appropriated, out of the Postal Service Fund, such sums as may be necessary for the Authority. In requesting an appropriation under this section for a fiscal year, the Authority shall prepare and submit to the Congress under section 2009 of title 39, United States Code, a budget of the Authority's expenses, including expenses for facilities, supplies, compensation, and employee benefits not to exceed \$10,000,000. In years in which a control period commences, the Authority shall submit a budget within 30 days of the appointment of the members of the Authority.

(b) **AMENDMENT TO SECTION 2009.**—Section 2009 is amended in the next to last sentence—

(1) by striking “, and (3)” and inserting “, (3)”; and

(2) by striking the period and inserting “, and (4) the Postal Service Financial Responsibility and Management Assistance Authority requests to be appropriated, out of the Postal Service Fund, under section 206 of the Postal Reform Act of 2012.”.

#### **Subtitle B—Powers of the Authority**

#### **SEC. 211. POWERS.**

(a) **POWERS OF MEMBERS AND AGENTS.**—Any member or agent of the Authority may, if authorized by the Authority, take any action which the Authority is authorized by this section to take.

(b) **OBTAINING OFFICIAL DATA FROM THE POSTAL SERVICE.**—Notwithstanding any other provision of law, the Authority may secure copies of such records, documents, information, or data from any entity of the Postal Service necessary to enable the Authority to carry out its responsibilities under this title. At the request of the Authority, the Authority shall be granted direct access to such information systems,



records, documents, information, or data as will enable the Authority to carry out its responsibilities under this title. The head of the relevant entity of the Postal Service shall provide the Authority with such information and assistance (including granting the Authority direct access to automated or other information systems) as the Authority requires under this subsection.

(c) **GIFTS, BEQUESTS, AND DEVISES.**—The Authority may accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Authority. Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in such account as the Authority may establish and shall be available for disbursement upon order of the Chair.

(d) **ADMINISTRATIVE SUPPORT SERVICES.**—Upon the request of the Authority, the Administrator of General Services may provide to the Authority, on a reimbursable basis, the administrative support services necessary for the Authority to carry out its responsibilities under this title.

(e) **AUTHORITY TO ENTER INTO CONTRACTS.**—The Executive Director may enter into such contracts as the Executive Director considers appropriate (subject to the approval of the Chair) to carry out the Authority's responsibilities under this title.

(f) **CIVIL ACTIONS TO ENFORCE POWERS.**—The Authority may seek judicial enforcement of its authority to carry out its responsibilities under this title.

(g) **PENALTIES.**—

(1) **ADMINISTRATIVE DISCIPLINE.**—Any officer or employee of the Postal Service who, by action or inaction, fails to comply with any directive or other order of the Authority under section 225(c) shall be subject to appropriate administrative discipline, including suspension from duty without pay or removal from office, by order of either the Postmaster General or the Authority.

(2) **REPORTING REQUIREMENT.**—Whenever an officer or employee of the Postal Service takes or fails to take any action which is noncompliant with any directive or other order of the Authority under section 225(c), the Postmaster General shall immediately report to the Authority all pertinent facts, together with a statement of any actions taken by the Postmaster General or proposed by the Postmaster General to be taken under paragraph (1).

(h) **SENSE OF CONGRESS.**—It is the sense of Congress that, in making determinations that affect prior collective bargaining agreements and prior agreements on workforce reduction, any rightsizing effort within the Postal Service that results in a decrease in the number of postal employees should ensure that such employees can receive their full pensions, are fully compensated, and that the collective bargaining agreements and prior agreements on workforce reduction that they entered into with Postal Service management are fully honored.

#### **SEC. 212. EXEMPTION FROM LIABILITY FOR CLAIMS.**

The Authority and its members may not be liable for any obligation of or claim against the Postal Service resulting from actions taken to carry out this title.

#### **SEC. 213. TREATMENT OF ACTIONS ARISING UNDER THIS TITLE.**

(a) **JURISDICTION ESTABLISHED IN UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT.**—A person (including the Postal Service) adversely affected or aggrieved by an order or decision of the Authority may, within 30 days after such order or decision becomes final, institute proceedings for review thereof by filing a peti-

tion in the United States Court of Appeals for the District of Columbia Circuit. The court shall review the order or decision in accordance with section 706 of title 5, United States Code, and chapter 158 and section 2112 of title 28, United States Code. Judicial review shall be limited to the question of whether the Authority acted in excess of its statutory authority, and determinations of the Authority with respect to the scope of its statutory authority shall be upheld if based on a permissible construction of the statutory authority.

(b) **PROMPT APPEAL TO THE SUPREME COURT.**—Notwithstanding any other provision of law, review by the Supreme Court of the United States of a decision of the Court of Appeals which is issued pursuant to subsection (a) may be had only if the petition for such review is filed within 10 days after the entry of such decision.

(c) **TIMING OF RELIEF.**—No order of any court granting declaratory or injunctive relief against the Authority, including relief permitting or requiring the obligation, borrowing, or expenditure of funds, shall take effect during the pendency of the action before such court, during the time appeal may be taken, or (if appeal is taken) during the period before the court has entered its final order disposing of such action.

(d) **EXPEDITED CONSIDERATION.**—It shall be the duty of the United States Court of Appeals for the District of Columbia and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter brought under subsection (a).

#### **SEC. 214. DELIVERY POINT MODERNIZATION.**

(a) **DEFINITIONS.**—For purposes of this section—

(1) the term “delivery point” means a mailbox or other receptacle to which mail is delivered;

(2) the term “primary mode of delivery” means the typical method by which the Postal Service delivers letter mail to the delivery point of a postal patron;

(3) the term “door delivery” means a primary mode of mail delivery whereby mail is placed into a slot or receptacle at or near the postal patron's door or is hand delivered to a postal patron, but does not include curbside or centralized delivery;

(4) the term “centralized delivery” means a primary mode of mail delivery whereby mail receptacles are grouped or clustered at a single location; and

(5) the term “curbside delivery” means a primary mode of mail delivery whereby a mail receptacle is situated at the edge of a roadway or curb.

(b) **REDUCTION IN TOTAL NUMBER OF DELIVERY POINTS.**—The Authority shall, during the first control period commencing under this title, take such measures as may be necessary and appropriate so that—

(1) in each fiscal year beginning at least 2 years after the commencement date of such first control period—

(A) the total number of delivery points for which door delivery is the primary mode of mail delivery does not exceed 25 percent of the corresponding number for the fiscal year last ending before such commencement date; and

(B) the total annual costs attributable to door delivery, centralized delivery, and curbside delivery combined will be at least \$3,500,000,000 less than the corresponding total annual costs for the fiscal year last ending before such commencement date; and

(2) in each fiscal year beginning at least 4 years after the commencement date of such first control period, the total number of delivery points for which door delivery is the primary mode of mail delivery does not ex-

ceed 10 percent of the corresponding number for the fiscal year last ending before such commencement date.

In making any decision under this subsection involving the continuation or termination of door delivery with respect to any locality or addresses within a locality, the Authority shall consider rates of poverty, population density, historical value, whether such locality is in a registered historic district (as that term is defined in section 47(c)(3)(B) of the Internal Revenue Code of 1986), whether such address is another place on the National Register of Historic Places, and other appropriate factors.

(c) **ORDER OF PRECEDENCE.**—In order to carry out subsection (b)—

(1) in making conversions from door delivery to other primary modes of delivery—

(A) conversion shall be to centralized delivery; except

(B) if subparagraph (A) is impractical, conversion shall be to curbside delivery; and

(2) in the case of delivery points established after the commencement date of the first control period under this title—

(A) centralized delivery shall be the primary mode of delivery; except

(B) if subparagraph (A) is impractical, curbside delivery shall be the primary mode of delivery.

(d) **WAIVER FOR PHYSICAL HARDSHIP.**—The Postal Service shall establish and maintain a waiver program under which, upon application, door delivery may be continued or provided in any case in which—

(1) centralized or curbside delivery would, but for this subsection, otherwise be the primary mode of delivery; and

(2) door delivery is necessary in order to avoid causing significant physical hardship to a postal patron.

(e) **CENTRALIZED DELIVERY PLACEMENT.**—It is the sense of the Congress that the Postal Service should negotiate with State and local governments, businesses, local associations, and property owners to place centralized delivery units in locations that maximize delivery efficiency, ease of use for postal patrons, and respect for private property rights.

(f) **VOUCHER PROGRAM.**—

(1) **IN GENERAL.**—The Postal Service may, in accordance with such standards and procedures as the Postal Service shall by regulation prescribe, provide for a voucher program under which—

(A) upon application, the Postal Service may defray all or any portion of the costs associated with conversion from door delivery under this section which would otherwise be borne by postal patrons; and

(B) the Postal Service Competitive Products Fund is made available for that purpose.

(2) **CONFORMING AMENDMENT.**—Section 2011(a)(2) is amended—

(A) in subparagraph (A), by striking “and” after the semicolon;

(B) in subparagraph (B), by striking the period and inserting “; and”; and

(C) by adding at the end the following:

“(C) vouchers under the program described in section 214(f)(1) of the Postal Reform Act of 2012.”.

(g) **AUDITS.**—

(1) **IN GENERAL.**—The Inspector General of the United States Postal Service—

(A) shall conduct an annual audit to determine whether the Postal Service is in compliance with the requirements of subsection (b); and

(B) shall make such recommendations as the Inspector General considers appropriate to improve the administration of such subsection.

(2) **SUBMISSION.**—The audit and recommendations under paragraph (1) shall be submitted by the Inspector General to—

(A) the Committee on Oversight and Government Reform of the House of Representatives; and

(B) the Committee on Homeland Security and Governmental Affairs of the Senate.

(3) INFORMATION.—Upon request, the Postal Service shall furnish such information as the Inspector General may require in order to carry out this subsection.

(h) SAVINGS REPORT.—

(1) IN GENERAL.—In the event that a reduction in door delivery points is required under this section, the Authority shall submit a report to Congress, not later than 1 year after the date on which such reductions commence, describing the cost savings realized to the date of such submission and the estimated additional cost savings anticipated as a result of such reductions occurring after such submission. The report shall include—

(A) the measures taken to achieve the realized savings and the assumptions and methodologies used to compute the estimated cost savings; and

(B) information with respect to what additional measures might be necessary to achieve the cost savings required under this section.

(2) REDUCTION LIMITATION.—Notwithstanding any other provision of this Act, if the Authority determines that the measures described pursuant to subparagraphs (A) and (B) of paragraph (1) are not feasible, not cost effective, or otherwise detrimental to the mail delivery policy of the Postal Service, the Authority shall submit a report to Congress stating any legislative changes recommended for door delivery modernization procedures under this section, including increasing flexibility of this section's requirements or the postponement of further conversion.

#### **Subtitle C—Establishment and Enforcement of Financial Plan and Budget for the Postal Service**

#### **SEC. 221. DEVELOPMENT OF FINANCIAL PLAN AND BUDGET FOR THE POSTAL SERVICE.**

(a) DEVELOPMENT OF FINANCIAL PLAN AND BUDGET.—For each fiscal year for which the Postal Service is in a control period, the Postmaster General shall develop and submit to the Authority a financial plan and budget for the Postal Service in accordance with this section.

(b) CONTENTS OF FINANCIAL PLAN AND BUDGET.—A financial plan and budget for the Postal Service for a fiscal year shall specify the budget for the Postal Service as required by section 2009 of title 39, United States Code, for the applicable fiscal year and the next 3 fiscal years, in accordance with the following requirements:

(1) The financial plan and budget shall meet the requirements described in subsection (c) to promote the financial stability of the Postal Service.

(2) The financial plan and budget shall—

(A) include the Postal Service's annual budget program (under section 2009 of title 39, United States Code) and the Postal Service's plan commonly referred to as its "Integrated Financial Plan";

(B) describe lump-sum expenditures by all categories traditionally used by the Postal Service;

(C) describe capital expenditures (together with a schedule of projected capital commitments and cash outlays of the Postal Service and proposed sources of funding);

(D) contain estimates of overall debt (both outstanding and anticipated to be issued); and

(E) contain cash flow and liquidity forecasts for the Postal Service at such intervals as the Authority may require.

(3) The financial plan and budget shall include a statement describing methods of estimations and significant assumptions.

(4) The financial plan and budget shall include any other provisions and shall meet such other criteria as the Authority considers appropriate to meet the purposes of this title, including provisions for—

(A) changes in personnel policies and levels for each component of the Postal Service; and

(B) management initiatives to promote productivity, improvement in the delivery of services, or cost savings.

(c) REQUIREMENTS TO PROMOTE FINANCIAL STABILITY.—

(1) IN GENERAL.—The requirements to promote the financial stability of the Postal Service applicable to the financial plan and budget for a fiscal year are as follows:

(A) In each fiscal year (following the first full fiscal year) in a control period, budgeted expenditures of the Postal Service for the fiscal year involved may not exceed budgeted revenues of the Postal Service for the fiscal year involved.

(B) In each fiscal year in a control period, the Postal Service shall make continuous, substantial progress towards long-term fiscal solvency and shall have substantially greater net income than in the previous fiscal year.

(C) The financial plan and budget shall assure the continuing long-term financial stability of the Postal Service, as indicated by factors such as the efficient management of the Postal Service's workforce and the effective provision of services by the Postal Service.

(2) APPLICATION OF SOUND BUDGETARY PRACTICES.—In meeting the requirement described in paragraph (1) with respect to a financial plan and budget for a fiscal year, the Postal Service shall apply sound budgetary practices, including reducing costs and other expenditures, improving productivity, increasing revenues, or a combination of such practices.

(3) ASSUMPTIONS BASED ON CURRENT LAW.—In meeting the requirements described in paragraph (1) with respect to a financial plan and budget for a fiscal year, the Postal Service shall base estimates of revenues and expenditures on Federal law as in effect at the time of the preparation of such financial plan and budget.

#### **SEC. 222. PROCESS FOR SUBMISSION AND APPROVAL OF FINANCIAL PLAN AND BUDGET.**

(a) IN GENERAL.—For each fiscal year for which the Postal Service is in a control period, the Postmaster General shall submit to the Authority—

(1) by February 1 before the start of such fiscal year, a preliminary financial plan and budget under section 221 for such fiscal year; and

(2) by August 1 before the start of such fiscal year, a final financial plan and budget under section 221 for such fiscal year.

(b) REVIEW BY AUTHORITY.—Upon receipt of a financial plan and budget under subsection (a) (whether preliminary or final), the Authority shall promptly review such financial plan and budget. In conducting the review, the Authority may request any additional information it considers necessary and appropriate to carry out its duties under this subtitle.

(c) APPROVAL OF POSTMASTER GENERAL'S FINANCIAL PLAN AND BUDGET.—

(1) CERTIFICATION TO POSTMASTER GENERAL.—

(A) IN GENERAL.—If the Authority determines that the final financial plan and budget for the fiscal year submitted by the Postmaster General under subsection (a) meets the requirements of section 221—

(i) the Authority shall approve the financial plan and budget and shall provide the Postmaster General, the President, and Congress with a notice certifying its approval; and

(ii) the Postmaster General shall promptly submit the annual budget program to the Office of Management and Budget pursuant to section 2009 of title 39, United States Code.

(B) DEEMED APPROVAL AFTER 30 DAYS.—

(i) IN GENERAL.—If the Authority has not provided the Postmaster General, the President, and Congress with a notice certifying approval under subparagraph (A)(i) or a statement of disapproval under subsection (d) before the expiration of the 30-day period which begins on the date the Authority receives the financial plan and budget from the Postmaster General under subsection (a), the Authority shall be deemed to have approved the financial plan and budget and to have provided the Postmaster General, the President, and Congress with the notice certifying approval under subparagraph (A)(i).

(ii) EXPLANATION OF FAILURE TO RESPOND.—If clause (i) applies with respect to a financial plan and budget, the Authority shall provide the Postmaster General, the President and Congress with an explanation for its failure to provide the notice certifying approval or the statement of disapproval during the 30-day period described in such clause.

(d) DISAPPROVAL OF POSTMASTER GENERAL'S BUDGET.—If the Authority determines that the final financial plan and budget for the fiscal year submitted by the Postmaster General under subsection (a) does not meet the requirements applicable under section 221, the Authority shall disapprove the financial plan and budget, and shall provide the Postmaster General, the President, and Congress with a statement containing—

(1) the reasons for such disapproval;

(2) the amount of any shortfall in the budget or financial plan; and

(3) any recommendations for revisions to the budget the Authority considers appropriate to ensure that the budget is consistent with the financial plan and budget.

(e) AUTHORITY REVIEW OF POSTMASTER GENERAL'S REVISED FINAL FINANCIAL PLAN AND BUDGET.—

(1) SUBMISSION OF POSTMASTER GENERAL'S REVISED FINAL FINANCIAL PLAN AND BUDGET.—Not later than 15 days after receiving the statement from the Authority under subsection (d), the Postmaster General shall promptly adopt a revised final financial plan and budget for the fiscal year which addresses the reasons for the Authority's disapproval cited in the statement, and shall submit such financial plan and budget to the Authority.

(2) APPROVAL OF POSTMASTER GENERAL'S REVISED FINAL FINANCIAL PLAN AND BUDGET.—If, after reviewing the revised final financial plan and budget for a fiscal year submitted by the Postmaster General under paragraph (1) in accordance with the procedures described in this section, the Authority determines that the revised final financial plan and budget meets the requirements applicable under section 221—

(A) the Authority shall approve the financial plan and budget and shall provide the Postmaster General, the President, and Congress with a notice certifying its approval; and

(B) the Postmaster General shall promptly submit the annual budget program to the Office of Management and Budget pursuant to section 2009 of title 39, United States Code.

(3) DISAPPROVAL OF POSTMASTER GENERAL'S REVISED FINAL FINANCIAL PLAN AND BUDGET.—

(A) IN GENERAL.—If, after reviewing the revised final financial plan and budget for a fiscal year submitted by the Postmaster



General under paragraph (1) in accordance with the procedures described in this subsection, the Authority determines that the revised final financial plan and budget does not meet the applicable requirements under section 221, the Authority shall—

(i) disapprove the financial plan and budget;

(ii) provide the Postmaster General, the President, and Congress with a statement containing the reasons for such disapproval and describing the amount of any shortfall in the financial plan and budget; and

(iii) approve and recommend a financial plan and budget for the Postal Service which meets the applicable requirements under section 221, and submit such financial plan and budget to the Postmaster General, the President, and Congress.

(B) SUBMISSION TO OMB.—Upon receipt of the recommended financial plan and budget under subparagraph (A)(iii), the Postmaster General shall promptly submit the recommended annual budget program to the Office of Management and Budget pursuant to section 209 of title 39, United States Code.

(4) DEEMED APPROVAL AFTER 15 DAYS.—

(A) IN GENERAL.—If the Authority has not provided the Postmaster General, the President, and Congress with a notice certifying approval under paragraph (2)(A) or a statement of disapproval under paragraph (3) before the expiration of the 15-day period which begins on the date the Authority receives the revised final financial plan and budget submitted by the Postmaster General under paragraph (1), the Authority shall be deemed to have approved the revised final financial plan and budget and to have provided the Postmaster General, the President, and Congress with the notice certifying approval described in paragraph (2)(A).

(B) EXPLANATION OF FAILURE TO RESPOND.—If subparagraph (A) applies with respect to a financial plan and budget, the Authority shall provide the Postmaster General, the President and Congress with an explanation for its failure to provide the notice certifying approval or the statement of disapproval during the 15-day period described in such subparagraph.

(f) DEADLINE FOR TRANSMISSION OF FINANCIAL PLAN AND BUDGET BY AUTHORITY.—Notwithstanding any other provision of this section, not later than September 30th before each fiscal year which is in a control period, the Authority shall—

(1) provide Congress with a notice certifying its approval of the Postmaster General's initial financial plan and budget for the fiscal year under subsection (c)(1);

(2) provide Congress with a notice certifying its approval of the Postmaster General's revised final financial plan and budget for the fiscal year under subsection (e)(2); or

(3) submit to Congress an approved and recommended financial plan and budget of the Authority for the Postal Service for the fiscal year under subsection (e)(3)(A)(iii).

(g) REVISIONS TO FINANCIAL PLAN AND BUDGET.—

(1) PERMITTING POSTMASTER GENERAL TO SUBMIT REVISIONS.—The Postmaster General may submit proposed revisions to the financial plan and budget for a control period to the Authority at any time during the year.

(2) PROCESS FOR REVIEW, APPROVAL, DISAPPROVAL, AND POSTMASTER GENERAL ACTION.—Except as provided in paragraph (3), the procedures described in subsections (b), (c), (d), and (e) shall apply with respect to a proposed revision to a financial plan and budget in the same manner as such procedures apply with respect to the original financial plan and budget.

(3) EXCEPTION FOR REVISIONS NOT AFFECTING SPENDING.—To the extent that a proposed revision to a financial plan and budget adopted

by the Postmaster General pursuant to this subsection does not increase the amount of spending with respect to any account of the Postal Service, the revision shall become effective upon the Authority's approval of such revision.

#### SEC. 223. RESPONSIBILITIES OF THE AUTHORITY.

(a) IN GENERAL.—The Authority shall direct the exercise of the powers of the Postal Service, including—

(1) determining its overall strategies (both long-term and short-term);

(2) determining its organizational structure, particularly for senior management at the level of vice president and higher;

(3) hiring, monitoring, compensating, and, when necessary, replacing senior management at the level of vice president and higher, as well as ensuring adequate succession planning for these positions;

(4) approving major policies, particularly those that have an important effect on the Postal Service's financial position and the provision of universal postal service;

(5) approving corporate budgets, financial and capital plans, operational and service performance standards and targets, human resources strategies, collective bargaining strategies, negotiation parameters, and collective bargaining agreements, and the compensation structure for nonbargaining employees;

(6) approving substantial capital projects and any substantial disposition of capital assets, such as surplus property;

(7) approving changes in rates and classifications, new products and services, policy regarding other substantial matters before the Postal Regulatory Commission, and any appeals of its decisions or orders to the Federal courts;

(8) approving the Postal Service Annual Report, Annual Comprehensive Statement, and strategic plans, performance plans, and performance program reports under chapter 28 of title 39, United States Code;

(9) formulating and communicating organizational policy and positions on legislative and other public policy matters to Congress and the public;

(10) ensuring organizational responsiveness to oversight by Congress, the Postal Regulatory Commission, the Treasury of the United States, and other audit entities;

(11) ensuring adequate internal controls and selecting, monitoring, and compensating an independent public accounting firm to conduct an annual audit of the Postal Service; and

(12) carrying out any responsibility, not otherwise listed in this subsection, that was the responsibility of the Board of Governors at any time during the 5-year period ending on the date of the enactment of this Act.

(b) REVIEW OF POSTAL SERVICE PROPOSALS.—

(1) SUBMISSION OF POSTAL SERVICE PROPOSALS TO THE AUTHORITY.—During a control period, the Postmaster General shall submit to the Authority any proposal that has a substantial effect on any item listed in subsection (a).

(2) PROMPT REVIEW BY AUTHORITY.—Upon receipt of a proposal from the Postmaster General under paragraph (1), the Authority shall promptly review the proposal to determine whether it is consistent with the applicable financial plan and budget approved under this title.

(3) ACTIONS BY AUTHORITY.—

(A) APPROVAL.—If the Authority determines that a proposal is consistent with the applicable financial plan and budget, the Authority shall notify the Postmaster General that it approves the proposal.

(B) FINDING OF INCONSISTENCY.—If the Authority determines that a proposal is signifi-

cantly inconsistent with the applicable financial plan and budget, the Authority shall—

(i) notify the Postmaster General of its finding;

(ii) provide the Postmaster General with an explanation of the reasons for its finding; and

(iii) to the extent the Authority considers appropriate, provide the Postmaster General with recommendations for modifications to the proposal.

(4) DEEMED APPROVAL.—If the Authority does not notify the Postmaster General that it approves or disapproves a proposal submitted under this subsection during the 7-day period which begins on the date the Postmaster General submits the proposal to the Authority, the Authority shall be deemed to have approved the proposal in accordance with paragraph (3)(A). At the option of the Authority, the previous sentence shall be applied as if the reference in such sentence to "7-day period" were a reference to "14-day period" if, during the 7-day period referred to in the preceding sentence, the Authority so notifies the Postmaster General.

(c) EFFECT OF APPROVED FINANCIAL PLAN AND BUDGET ON CONTRACTS AND LEASES.—

(1) MANDATORY PRIOR APPROVAL FOR CERTAIN CONTRACTS AND LEASES.—

(A) IN GENERAL.—In the case of a contract or lease described in subparagraph (B) which is proposed to be entered into, renewed, modified, or extended by the Postal Service during a control period, the Postmaster General (or the appropriate officer or agent of the Postal Service) shall submit the proposed contract or lease to the Authority. The Authority shall review each contract or lease submitted under this subparagraph, and the Postmaster General (or the appropriate officer or agent of the Postal Service) may not enter into the contract or lease unless the Authority determines that the proposed contract or lease is consistent with the financial plan and budget for the fiscal year.

(B) CONTRACTS AND LEASES DESCRIBED.—A contract or lease described in this subparagraph is—

(i) a labor contract entered into through collective bargaining; or

(ii) such other type of contract or lease as the Authority may specify for purposes of this subparagraph.

(2) AUTHORITY TO REVIEW OTHER CONTRACTS AFTER EXECUTION.—

(A) IN GENERAL.—In addition to the prior approval of certain contracts and leases, the Postal Service shall submit to the Authority—

(i) any Level-Two Post Career Executive Service employee contract that is in effect during a control period; and

(ii) any collective bargaining agreement entered into by the Postal Service that is in effect during a control period.

Any such contract or agreement shall be submitted to the Authority upon the commencement of a control period and at such other times as the Authority may require.

(B) REVIEW BY AUTHORITY.—The Authority shall review each contract submitted under subparagraph (A) to determine if the contract is consistent with the financial plan and budget for the fiscal year. If the Authority determines that the contract is not consistent with the financial plan and budget, the Authority shall take such actions as are within the Authority's powers to revise the contract.

#### SEC. 224. EFFECT OF FINDING NONCOMPLIANCE WITH FINANCIAL PLAN AND BUDGET.

(a) SUBMISSION OF REPORTS.—Not later than 30 days after the expiration of each

quarter of each fiscal year beginning in a control period, the Postmaster General shall submit reports to the Authority describing the actual revenues obtained and expenditures made by the Postal Service during the quarter with its cash flows during the quarter, and comparing such actual revenues, expenditures, and cash flows with the most recent projections for these items.

(b) **ADDITIONAL INFORMATION.**—If the Authority determines, based on reports submitted by the Postmaster General under subsection (a), independent audits, or such other information as the Authority may obtain, that the revenues or expenditures of the Postal Service during a control period are not consistent with the financial plan and budget for the year, the Authority shall require the Postmaster General to provide such additional information as the Authority determines to be necessary to explain the inconsistency.

(c) **CERTIFICATION OF VARIANCE.**—

(1) **IN GENERAL.**—After requiring the Postmaster General to provide additional information under subsection (b), the Authority shall certify to the Postmaster General, the President, the Secretary of the Treasury, and Congress that the Postal Service is at variance with the financial plan and budget unless—

(A) the additional information provides an explanation for the inconsistency which the Authority finds reasonable and appropriate; or

(B)(i) the Postal Service adopts or implements remedial action (including revising the financial plan and budget pursuant to section 222(g)) to correct the inconsistency which the Authority finds reasonable and appropriate, taking into account the terms of the financial plan and budget; and

(ii) the Postmaster General agrees to submit the reports described in subsection (a) on a monthly basis for such period as the Authority may require.

(2) **SPECIAL RULE FOR INCONSISTENCIES ATTRIBUTABLE TO ACTS OF CONGRESS.**—

(A) **DETERMINATION BY AUTHORITY.**—If the Authority determines that the revenues or expenditures of the Postal Service during a control period are not consistent with the financial plan and budget for the year as approved by the Authority under section 222 as a result of the terms and conditions of any law enacted by Congress which affects the Postal Service, the Authority shall so notify the Postmaster General.

(B) **CERTIFICATION.**—In the case of an inconsistency described in subparagraph (A), the Authority shall certify to the Postmaster General, the President, the Secretary of the Treasury, and Congress that the Postal Service is at variance with the financial plan and budget unless the Postal Service adopts or implements remedial action (including revising the financial plan and budget pursuant to section 202(e)) to correct the inconsistency which the Authority finds reasonable and appropriate, taking into account the terms of the financial plan and budget.

(d) **EFFECT OF CERTIFICATION.**—If the Authority certifies to the Secretary of the Treasury that a variance exists, the Authority or the Secretary may withhold access by the Postal Service to additional supplementary debt authorized by this title.

#### **SEC. 225. RECOMMENDATIONS REGARDING FINANCIAL STABILITY, ETC.**

(a) **IN GENERAL.**—The Authority may at any time submit recommendations to the Postmaster General, the President, and Congress on actions the Postal Service or any other entity of the Federal Government should take to ensure compliance by the Postal Service with a financial plan and budget or to otherwise promote the financial stability, management responsibility, and

service delivery efficiency of the Postal Service, including recommendations relating to—

(1) the management of the Postal Service's financial affairs, including cash forecasting, information technology, placing controls on expenditures for personnel, reducing benefit costs, reforming procurement practices, and placing other controls on expenditures;

(2) the relationship between the Postal Service and other entities of the Federal Government;

(3) the structural relationship of subdivisions within the Postal Service;

(4) the modification of existing revenue structures, or the establishment of additional revenue structures;

(5) the establishment of alternatives for meeting obligations to pay for the pensions and retirement benefits of current and future Postal Service retirees;

(6) modifications of services which are the responsibility of and are delivered by the Postal Service;

(7) modifications of the types of services which are delivered by entities other than the Postal Service under alternative service delivery mechanisms;

(8) the effects of Federal Government laws and court orders on the operations of the Postal Service;

(9) the increased use of a personnel system for employees of the Postal Service which is based upon employee performance standards; and

(10) the improvement of personnel training and proficiency, the adjustment of staffing levels, and the improvement of training and performance of management and supervisory personnel.

(b) **RESPONSE TO RECOMMENDATIONS FOR ACTIONS WITHIN AUTHORITY OF POSTAL SERVICE.**—

(1) **IN GENERAL.**—In the case of any recommendations submitted under subsection (a) during a control period which are within the authority of the Postal Service to adopt, not later than 90 days after receiving the recommendations, the Postmaster General shall submit a statement to the Authority, the President, and Congress which provides notice as to whether the Postal Service will adopt the recommendations.

(2) **IMPLEMENTATION PLAN REQUIRED FOR ADOPTED RECOMMENDATIONS.**—If the Postmaster General notifies the Authority and Congress under paragraph (1) that the Postal Service will adopt any of the recommendations submitted under subsection (a), the Postmaster General shall include in the statement a written plan to implement the recommendation which includes—

(A) specific performance measures to determine the extent to which the Postal Service has adopted the recommendation; and

(B) a schedule for auditing the Postal Service's compliance with the plan.

(3) **EXPLANATIONS REQUIRED FOR RECOMMENDATIONS NOT ADOPTED.**—If the Postmaster General notifies the Authority, the President, and Congress under paragraph (1) that the Postal Service will not adopt any recommendation submitted under subsection (a) which the Postal Service has authority to adopt, the Postmaster General shall include in the statement explanations for the rejection of the recommendations.

(c) **IMPLEMENTATION OF REJECTED RECOMMENDATIONS BY AUTHORITY.**—

(1) **IN GENERAL.**—If the Postmaster General notifies the Authority, the President, and Congress under subsection (b)(1) that the Postal Service will not adopt any recommendation submitted under subsection (a) which the Postal Service has authority to adopt, the Authority may by a majority vote of its members take such action concerning the recommendation as it deems appro-

priate, after consulting with the Committee on Oversight and Government Reform of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate.

(2) **EFFECTIVE DATE.**—This subsection shall apply with respect to recommendations of the Authority made after the expiration of the 6-month period which begins on the date of the commencement of a control period.

#### **SEC. 226. SPECIAL RULES FOR FISCAL YEAR IN WHICH CONTROL PERIOD COMMENCES.**

(a) **ADOPTION OF TRANSITION BUDGET.**—Notwithstanding any provision of section 222 to the contrary, in the case of a fiscal year in which a control period commences, the following rules shall apply:

(1) Not later than 45 days after the appointment of its members, the Authority shall review the proposed Integrated Financial Plan for the Postal Service for such fiscal year and shall submit any recommendations for modifications to such plan to promote the financial stability of the Postal Service to the Postmaster General, the President, and Congress.

(2) Not later than 15 days after receiving the recommendations of the Authority submitted under paragraph (1), the Postmaster General shall promptly adopt a revised budget for the fiscal year (in this section referred to as the "transition budget"), and shall submit the transition budget to the Authority, the President, and Congress.

(3) Not later than 15 days after receiving the transition budget from the Postmaster General under paragraph (2), the Authority shall submit a report to the Postmaster General, the President, and Congress analyzing the budget (taking into account any items or provisions disapproved by the Postmaster General) and shall include in the report such recommendations for revisions to the transition budget as the Authority considers appropriate to promote the financial stability of the Postal Service during the fiscal year.

(b) **FINANCIAL PLAN AND BUDGET.**—

(1) **DEADLINE FOR SUBMISSION.**—For purposes of section 222, the Postmaster General shall submit the financial plan and budget for the applicable fiscal year as soon as practicable after the commencement of a control period (in accordance with guidelines established by the Authority).

(2) **ADOPTION BY POSTMASTER GENERAL.**—In accordance with the procedures applicable under section 222 (including procedures providing for review by the Authority) the Postmaster General shall adopt the financial plan and budget for the applicable fiscal year (including the transition budget incorporated in the financial plan and budget).

(3) **TRANSITION BUDGET AS TEMPORARY FINANCIAL PLAN AND BUDGET.**—Until the approval of the financial plan and budget for the applicable fiscal year by the Authority under this subsection, the transition budget established under subsection (a) shall serve as the financial plan and budget adopted under this subtitle for purposes of this Act (and any provision of law amended by this Act) for the applicable fiscal year.

#### **SEC. 227. ASSISTANCE IN ACHIEVING FINANCIAL STABILITY, ETC.**

In addition to any other actions described in this title, the Authority may undertake cooperative efforts to assist the Postal Service in achieving financial stability and management efficiency, including—

(1) assisting the Postal Service in avoiding defaults, eliminating and liquidating deficits, maintaining sound budgetary practices, and avoiding interruptions in the delivery of services;

(2) assisting the Postal Service in improving the delivery of services, the training and

effectiveness of personnel of the Postal Service, and the efficiency of management and supervision; and

(3) making recommendations to the President for transmission to Congress on changes to this Act or other Federal laws, or other actions of the Federal Government, which would assist the Postal Service in complying with an approved financial plan and budget under subtitle B.

#### SEC. 228. OBTAINING REPORTS.

The Authority may require the Postmaster General, the Chief Financial Officer of the Postal Service, and the Inspector General of the Postal Service, to prepare and submit such reports as the Authority considers appropriate to assist it in carrying out its responsibilities under this title, including submitting copies of any reports regarding revenues, expenditures, budgets, costs, plans, operations, estimates, and other financial or budgetary matters of the Postal Service.

#### SEC. 229. REPORTS AND COMMENTS.

(a) ANNUAL REPORTS TO CONGRESS.—Not later than 30 days after the last day of each fiscal year which is a control year, the Authority shall submit a report to Congress describing—

(1) the progress made by the Postal Service in meeting the objectives of this title during the fiscal year;

(2) the assistance provided by the Authority to the Postal Service in meeting the purposes of this title for the fiscal year; and

(3) any other activities of the Authority during the fiscal year.

(b) REVIEW AND ANALYSIS OF PERFORMANCE AND FINANCIAL ACCOUNTABILITY REPORTS.—The Authority shall review each yearly report prepared and submitted by the Postmaster General to the Postal Regulatory Commission and Congress and shall submit a report to Congress analyzing the completeness and accuracy of such reports.

(c) COMMENTS REGARDING ACTIVITIES OF POSTAL SERVICE.—At any time during a control period, the Authority may submit a report to Congress describing any action taken by the Postal Service (or any failure to act by the Postal Service) which the Authority determines will adversely affect the Postal Service's ability to comply with an approved financial plan and budget under subtitle B or will otherwise have a significant adverse impact on the best interests of the Postal Service.

(d) REPORTS ON EFFECT OF FEDERAL LAWS ON THE POSTAL SERVICE.—At any time during any year, the Authority may submit a report to the Postmaster General, the President, and Congress on the effect of laws enacted by Congress on the financial plan and budget for the year and on the financial stability and management efficiency of the Postal Service in general.

(e) MAKING REPORTS PUBLICLY AVAILABLE.—The Authority shall make any report submitted under this section available to the public, except to the extent that the Authority determines that the report contains confidential material.

#### Subtitle D—Termination of a Control Period

#### SEC. 231. TERMINATION OF CONTROL PERIOD, ETC.

(a) IN GENERAL.—After the completion of the requirements for the termination of a control period described in section 202(b)(4), the Authority shall submit a recommendation to Congress requesting the termination of such control period, the dissolution of the Authority, and the reinstatement to the Board of Governors (and the individual Governors) of the Postal Service of the authorities and responsibilities referred to in section 202(b)(2)(A).

(b) CONGRESSIONAL APPROVAL.—

(1) IN GENERAL.—A control period shall not be terminated unless a joint resolution ap-

proving of the recommendation in subsection (a) is enacted, in accordance with section 232, before the earlier of—

(A) the end of the 30-day period beginning on the date on which the Authority transmits the recommendation to Congress under subsection (a); or

(B) the adjournment of the Congress sine die for the session during which such recommendation is transmitted.

(2) DAYS OF SESSION.—For purposes of paragraph (1) and subsections (a) and (c) of section 232, the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of a period.

#### SEC. 232. CONGRESSIONAL CONSIDERATION OF RECOMMENDATION.

(a) TERMS OF THE RESOLUTION.—For purposes of this subtitle, the term “joint resolution” means only a joint resolution which is introduced within the 10-day period beginning on the date on which the recommendation referred to in section 231(a) is received by Congress—

(1) the matter after the resolving clause of which is as follows: “That Congress approves the recommendation of the Postal Service Financial Responsibility and Management Assistance Authority, submitted by such Authority on \_\_\_\_,” the blank space being filled in with the appropriate date;

(2) the title of which is as follows: “Joint resolution approving the recommendation of Postal Service Financial Responsibility and Management Assistance Authority.”; and

(3) which does not have a preamble.

(b) REFERRAL.—A resolution described in subsection (a) that is introduced in the House of Representatives or the Senate shall be referred to the appropriate committees of the House of Representatives or the Senate, respectively.

(c) DISCHARGE.—If the committee to which a resolution described in subsection (a) is referred has not reported such resolution (or an identical resolution) by the end of the 20-day period beginning on the date on which the Authority transmits its recommendation to Congress under section 231(a) such committee shall, at the end of such period, be discharged from further consideration of such resolution, and such resolution shall be placed on the appropriate calendar of the House involved.

(d) CONSIDERATION.—

(1) IN GENERAL.—On or after the third day after the date on which the committee to which such a resolution is referred has reported, or has been discharged (under subsection (c)) from further consideration of, such a resolution, it is in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution. A Member may make the motion only on the day after the calendar day on which the Member announces to the House concerned the Member's intention to make the motion, except that, in the case of the House of Representatives, the motion may be made without such prior announcement if the motion is made by direction of the committee to which the resolution was referred. All points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the re-

spective House shall immediately proceed to consideration of the joint resolution without intervening motion, order, or other business, and the resolution shall remain the unfinished business of the respective House until disposed of.

(2) DEBATE.—Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 2 hours, which shall be divided equally between those favoring and those opposing the resolution. An amendment to the resolution is not in order. A motion further to limit debate is in order and not debatable. A motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(3) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on a resolution described in subsection (a) and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(4) APPEALS.—Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in subsection (a) shall be decided without debate.

(e) CONSIDERATION BY OTHER HOUSE.—

(1) IN GENERAL.—If, before the passage by one House of a resolution of that House described in subsection (a), that House receives from the other House a resolution described in subsection (a), then the following procedures shall apply:

(A) The resolution of the other House shall not be referred to a committee and may not be considered in the House receiving it except in the case of final passage as provided in subparagraph (B)(ii).

(B) With respect to a resolution described in subsection (a) of the House receiving the resolution—

(i) the procedure in that House shall be the same as if no resolution had been received from the other House; but

(ii) the vote on final passage shall be on the resolution of the other House.

(2) DISPOSITION OF A RESOLUTION.—Upon disposition of the resolution received from the other House, it shall no longer be in order to consider the resolution that originated in the receiving House.

(f) RULES OF THE SENATE AND HOUSE.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in subsection (a), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

### TITLE III—POSTAL SERVICE WORKFORCE

#### SEC. 301. MODIFICATIONS RELATING TO DETERMINATION OF PAY COMPARABILITY.

(a) POSTAL POLICY.—The first sentence of section 101(c) is amended—

(1) by inserting “total” before “rates and types of compensation”; and

(2) by inserting “entire” before “private sector”.

(b) EMPLOYMENT POLICY.—The second sentence of section 1003(a) is amended—

(1) by inserting “total” before “compensation and benefits”; and

(2) by inserting “entire” before “private sector”.

(c) **CONSIDERATIONS.**—For purposes of the amendments made by this section, any determination of “total rates and types of compensation” or “total compensation and benefits” shall, at a minimum, take into account pay, health benefits, retirement benefits, life insurance benefits, leave, holidays, and continuity and stability of employment.

**SEC. 302. LIMITATION ON POSTAL CONTRIBUTIONS UNDER FEGLI AND FEHBP.**

Section 1003 is amended by adding at the end the following:

“(e)(1) At least 1 month before the start of each fiscal year as described in paragraph (2), the Postmaster General shall transmit to the Postal Regulatory Commission certification (together with such supporting documentation as the Postal Regulatory Commission may require) that contributions of the Postal Service for such fiscal year will not exceed—

“(A) in the case of life insurance under chapter 87 of title 5, the Government contributions determined under section 8708 of such title; and

“(B) in the case of health insurance under chapter 89 of title 5, the Government contributions determined under 8906 of such title.

“(2) This subsection applies with respect to—

“(A) except as provided in subparagraph (B), each fiscal year beginning after September 30, 2013; and

“(B) in the case of officers and employees of the Postal Service covered by a collective bargaining agreement which is in effect on the date of the enactment of this subsection—

“(i) each fiscal year beginning after the expiration date of such agreement, including

“(ii) for the fiscal year in which such expiration date occurs, any portion of such fiscal year remaining after such expiration date.

“(3)(A) If, after reasonable notice and opportunity for hearing is afforded to the Postal Service, the Postal Regulatory Commission finds that the contributions of the Postal Service for a fiscal year will exceed or are exceeding the limitation specified in subparagraph (A) or (B) of paragraph (1), the Commission shall order that the Postal Service take such action as the Commission considers necessary to achieve full and immediate compliance with the applicable limitation or limitations.

“(B) Sections 3663 and 3664 shall apply with respect to any order issued by the Postal Regulatory Commission under subparagraph (A).

“(C) Nothing in this paragraph shall be considered to permit the issuance of an order requiring reduction of contributions below the level specified by the provision of law cited in subparagraph (A) or (B) of paragraph (1), as applicable.”.

**SEC. 303. REPEAL OF PROVISION RELATING TO OVERALL VALUE OF FRINGE BENEFITS.**

The last sentence of section 1005(f) is repealed.

**SEC. 304. APPLICABILITY OF REDUCTION-IN-FORCE PROCEDURES.**

Section 1206 is amended by adding at the end the following:

“(d) Collective-bargaining agreements between the Postal Service and bargaining representatives recognized under section 1203, ratified after the date of enactment of this subsection, shall contain no provision restricting the applicability of reduction-in-force procedures under title 5 with respect to members of the applicable bargaining unit.

“(e) Any collective-bargaining agreement between the Postal Service and the bargaining representatives recognized under section 1203 ratified before the date of enactment of this Act that contain any provision violating subsection (d) shall be renegotiated with a new collective-bargaining agreement to be ratified or imposed through an arbitration decision under section 1207 within 9 months after such date of enactment.

“(f)(1) If a collective-bargaining agreement between the Postal Service and bargaining representatives recognized under section 1203, ratified after the date of enactment of this subsection, includes reduction-in-force procedures which can be applied in lieu of reduction-in-force procedures under title 5, the Postal Service may, in its discretion, apply with respect to members of the applicable bargaining unit—

“(A) the alternative procedures (or, if 2 or more are agreed to, 1 of the alternative procedures); or

“(B) the reduction-in-force procedures under title 5.

“(2) In no event may, if procedures for the resolution of a dispute or impasse arising in the negotiation of a collective-bargaining agreement (whether through binding arbitration or otherwise) are invoked under this chapter, the award or other resolution reached under such procedures provide for the elimination of, or the substitution of any alternative procedures in lieu of, reduction-in-force procedures under title 5.”.

**SEC. 305. MODIFICATIONS RELATING TO COLLECTIVE BARGAINING.**

Section 1207 is amended by striking subsections (c) and (d) and inserting the following:

“(c)(1) If no agreement is reached within 30 days after the appointment of a mediator under subsection (b), or if the parties decide upon arbitration before the expiration of the 30-day period, an arbitration board shall be established consisting of 1 member selected by the Postal Service (from the list under paragraph (2)), 1 member selected by the bargaining representative of the employees (from the list under paragraph (2)), and the mediator appointed under subsection (b).

“(2) Upon receiving a request from either of the parties referred to in paragraph (1), the Director of the Federal Mediation and Conciliation Service shall provide a list of not less than 9 individuals who are well qualified to serve as neutral arbitrators. Each person listed shall be an arbitrator of nationwide reputation and professional nature, a member of the National Academy of Arbitrators, and an individual whom the Director has determined to be willing and available to serve. If, within 7 days after the list is provided, either of the parties has not selected an individual from the list, the Director shall make the selection within 3 days.

“(3) The arbitration board shall give the parties a full and fair hearing, including an opportunity to present evidence in support of their claims, and an opportunity to present their case in person, by counsel, or by other representative as they may elect. The hearing shall be concluded no more than 40 days after the arbitration board is established.

“(4) No more than 7 days after the hearing is concluded, each party shall submit to the arbitration board 2 offer packages, each of which packages shall specify the terms of a proposed final agreement.

“(5) If no agreement is reached within 7 days after the last day date for the submission of an offer package under paragraph (4), each party shall submit to the arbitration board a single final offer package specifying the terms of a proposed final agreement.

“(6) No later than 3 days after the submission of the final offer packages under para-

graph (5), the arbitration board shall select 1 of those packages as its tentative award, subject to paragraph (7).

“(7)(A) The arbitration board may not select a final offer package under paragraph (6) unless it satisfies each of the following:

“(i) The offer complies with the requirements of sections 101(c) and 1003(a).

“(ii) The offer takes into account the current financial condition of the Postal Service.

“(iii) The offer takes into account the long-term financial condition of the Postal Service.

“(B)(i) If the board unanimously determines, based on clear and convincing evidence presented during the hearing under paragraph (3), that neither final offer package satisfies the conditions set forth in subparagraph (A), the board shall by majority vote—

“(I) select the package that best meets such conditions; and

“(II) modify the package so selected to the minimum extent necessary to satisfy such conditions.

“(ii) If modification (as described in subparagraph (B)(i)(II)) is necessary, the board shall have an additional 7 days to render its tentative award under this subparagraph.

“(8) The parties may negotiate a substitute award to replace the tentative award selected under paragraph (6) or rendered under paragraph (7) (as the case may be). If no agreement on a substitute award is reached within 10 days after the date on which the tentative award is so selected or rendered, the tentative award shall become final.

“(9) The arbitration board shall review any substitute award negotiated under paragraph (8) to determine if it satisfies the conditions set forth in paragraph (7)(A). If the arbitration board, by a unanimous vote taken within 3 days after the date on which the agreement on the substitute award is reached under paragraph (8), determines that the substitute award does not satisfy such conditions, the tentative award shall become final. In the absence of a vote, as described in the preceding sentence, the substitute agreement shall become final.

“(10) If, under paragraph (5), neither party submits a final offer package by the last day allowable under such paragraph, the arbitration board shall develop and issue a final award no later than 20 days after such last day.

“(11) A final award or agreement under this subsection shall be conclusive and binding upon the parties.

“(12) Costs of the arbitration board and mediation shall be shared equally by the Postal Service and the bargaining representative.

“(d) In the case of a bargaining unit whose recognized collective-bargaining representative does not have an agreement with the Postal Service, if the parties fail to reach agreement within 90 days after the commencement of collective bargaining, a mediator shall be appointed in accordance with the provisions of subsection (b), unless the parties have previously agreed to another procedure for a binding resolution of their differences. If the parties fail to reach agreement within 180 days after the commencement of collective bargaining, an arbitration board shall be established to provide conclusive and binding arbitration in accordance with the provisions of subsection (c).”.

**TITLE IV—FEDERAL EMPLOYEE'S COMPENSATION ACT**

**SEC. 401. SHORT TITLE; REFERENCES.**

(a) **SHORT TITLE.**—This title may be cited as the “Workers’ Compensation Reform Act of 2012”.

(b) **REFERENCES.**—Except as otherwise expressly provided, whenever in this title an

amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 5, United States Code.

**SEC. 402. FEDERAL WORKERS COMPENSATION REFORMS FOR RETIREMENT-AGE EMPLOYEES.**

(a) CONVERSION OF ENTITLEMENT AT RETIREMENT AGE.—

(1) DEFINITIONS.—Section 8101 is amended

(A) in paragraph (18), by striking “and” at the end;

(B) in paragraph (19), by striking “and” at the end;

(C) in paragraph (20), by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

“(21) ‘retirement age’ has the meaning given that term under section 216(1)(1) of the Social Security Act (42 U.S.C. 416(1)(1));

“(22) ‘covered claim for total disability’ means a claim for a period of total disability that commenced before the date of enactment of the Workers’ Compensation Reform Act of 2012;

“(23) ‘covered claim for partial disability’ means a claim for a period of partial disability that commenced before the date of enactment of the Workers’ Compensation Reform Act of 2012; and

“(24) ‘individual who has an exempt disability condition’ means an individual—

“(A) who—

“(i) is eligible to receive continuous periodic compensation for total disability under section 8105 on the date of enactment of the Workers’ Compensation Reform Act of 2012; and

“(ii) meets the criteria under 8105(c);

“(B) who, on the date of enactment of the Workers’ Compensation Reform Act of 2012—

“(i) is eligible to receive continuous periodic compensation for total disability under section 8105; and

“(ii) has sustained a currently irreversible severe mental or physical disability for which the Secretary of Labor has authorized, for at least the 1 year period ending on the date of enactment of the Workers’ Compensation Reform Act of 2012, constant in-home care or custodial care, such as in placement in a nursing home; or

“(C) who is eligible to receive continuous periodic compensation for total disability under section 8105—

“(i) for not less than the 3-year period ending on the date of enactment of the Workers’ Compensation Reform Act of 2012; or

“(ii) if the individual became eligible to receive continuous periodic compensation for total disability under section 8105 during the period beginning on the date that is 3 years before the date of enactment of the Workers’ Compensation Reform Act of 2012 and ending on such date of enactment, for not less than the 3-year period beginning on the date on which the individual became eligible.”.

(2) TOTAL DISABILITY.—Section 8105 is amended—

(A) in subsection (a), by striking “If” and inserting “IN GENERAL.—Subject to subsection (b), if”;

(B) by redesignating subsection (b) as subsection (c); and

(C) by inserting after subsection (a) the following:

“(b) CONVERSION OF ENTITLEMENT AT RETIREMENT AGE.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the basic compensation for total disability for an employee who has attained retirement age shall be 50 percent of the monthly pay of the employee.

“(2) EXCEPTIONS.—

“(A) COVERED RECIPIENTS WHO ARE RETIREMENT AGE OR HAVE AN EXEMPT DISABILITY CONDITION.—Paragraph (1) shall not apply to a

covered claim for total disability by an employee if the employee—

“(i) on the date of enactment of the Workers’ Compensation Reform Act of 2012, has attained retirement age; or

“(ii) is an individual who has an exempt disability condition.

“(B) TRANSITION PERIOD FOR CERTAIN EMPLOYEES.—For a covered claim for total disability by an employee who is not an employee described in subparagraph (A), the employee shall receive the basic compensation for total disability provided under subsection (a) until the later of—

“(i) the date on which the employee attains retirement age; and

“(ii) the date that is 3 years after the date of enactment of the Workers’ Compensation Reform Act of 2012.”.

(3) PARTIAL DISABILITY.—Section 8106 is amended—

(A) in subsection (a), by striking “If” and inserting “IN GENERAL.—Subject to subsection (b), if”;

(B) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(C) by inserting after subsection (a) the following:

“(b) CONVERSION OF ENTITLEMENT AT RETIREMENT AGE.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the basic compensation for partial disability for an employee who has attained retirement age shall be 50 percent of the difference between the monthly pay of the employee and the monthly wage-earning capacity of the employee after the beginning of the partial disability.

“(2) EXCEPTIONS.—

“(A) COVERED RECIPIENTS WHO ARE RETIREMENT AGE.—Paragraph (1) shall not apply to a covered claim for partial disability by an employee if, on the date of enactment of the Workers’ Compensation Reform Act of 2012, the employee has attained retirement age.

“(B) TRANSITION PERIOD FOR CERTAIN EMPLOYEES.—For a covered claim for partial disability by an employee who is not an employee described in subparagraph (A), the employee shall receive basic compensation for partial disability in accordance with subsection (a) until the later of—

“(i) the date on which the employee attains retirement age; and

“(ii) the date that is 3 years after the date of enactment of the Workers’ Compensation Reform Act of 2012.”.

**SEC. 403. AUGMENTED COMPENSATION FOR DEPENDENTS.**

(a) IN GENERAL.—Section 8110 is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following:

“(b) TERMINATION OF AUGMENTED COMPENSATION.—

“(1) IN GENERAL.—Subject to paragraph (2), augmented compensation for dependants under subsection (c) shall not be provided.

“(2) EXCEPTIONS.—

“(A) TOTAL DISABILITY.—For a covered claim for total disability by an employee—

“(i) the employee shall receive augmented compensation under subsection (c) if the employee is an individual who has an exempt disability condition; and

“(ii) the employee shall receive augmented compensation under subsection (c) until the date that is 3 years after the date of enactment of the Workers’ Compensation Reform Act of 2012 if the employee is not an employee described in clause (i).

“(B) PARTIAL DISABILITY.—For a covered claim for partial disability by an employee, the employee shall receive augmented compensation under subsection (c) until the date that is 3 years after the date of enactment of

the Workers’ Compensation Reform Act of 2012.

“(C) PERMANENT DISABILITY COMPENSATED BY A SCHEDULE.—For a claim for a permanent disability described in section 8107(a) by an employee that commenced before the date of enactment of the Workers’ Compensation Reform Act of 2012, the employee shall receive augmented compensation under subsection (c).”.

(b) MAXIMUM AND MINIMUM MONTHLY PAYMENTS.—Section 8112 is amended—

(1) in subsection (a)—

(A) by inserting “subsections (b) and (c) and” before “section 8138”;

(B) by striking “including augmented compensation under section 8110 of this title but”; and

(C) by striking “75 percent” each place it appears and inserting “66 ⅔ percent”;

(2) by redesignating subsection (b) as subsection (c);

(3) by inserting after subsection (a) the following:

“(b) EXCEPTIONS.—

“(1) COVERED DISABILITY CONDITION.—For a covered claim for total disability by an employee, if the employee is an individual who has an exempt disability condition—

“(A) the monthly rate of compensation for disability that is subject to the maximum and minimum monthly amounts under subsection (a) shall include any augmented compensation under section 8110; and

“(B) subsection (a) shall be applied by substituting ‘75 percent’ for ‘66 ⅔ percent’ each place it appears.

“(2) PARTIAL DISABILITY.—For a covered claim for partial disability by an employee, until the date that is 3 years after the date of enactment of the Workers’ Compensation Reform Act of 2012—

“(A) the monthly rate of compensation for disability that is subject to the maximum and minimum monthly amounts under subsection (a) shall include any augmented compensation under section 8110; and

“(B) subsection (a) shall be applied by substituting ‘75 percent’ for ‘66 ⅔ percent’ each place it appears.”; and

(4) in subsection (c), as redesignated by paragraph (2), by striking “subsection (a)” and inserting “subsections (a) and (b)”.

(c) DEATH BENEFITS GENERALLY.—Section 8133 is amended—

(1) in subsections (a) and (e), by striking “75 percent” each place it appears and inserting “66 ⅔ percent (except as provided in subsection (g))”; and

(2) by adding at the end the following:

“(g) If the death occurred before the date of enactment of the Workers’ Compensation Reform Act of 2012, subsections (a) and (e) shall be applied by substituting ‘75 percent’ for ‘66 ⅔ percent’ each place it appears.”.

(d) DEATH BENEFITS FOR CIVIL AIR PATROL VOLUNTEERS.—Section 8141 is amended—

(1) in subsection (b)(2)(B) by striking “75 percent” and inserting “66 ⅔ percent (except as provided in subsection (c))”; and

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting after subsection (b) the following:

“(c) If the death occurred before the date of enactment of the Workers’ Compensation Reform Act of 2012, subsection (b)(2)(B) shall be applied by substituting ‘75 percent’ for ‘66 ⅔ percent’.”.

**SEC. 404. SCHEDULE COMPENSATION PAYMENTS.**

Section 8107 is amended—

(1) in subsection (a), by striking “at the rate of 66 2/3 percent of his monthly pay” and inserting “at the rate specified under subsection (d)”; and

(2) by adding at the end the following:

“(d) RATE FOR COMPENSATION.—

“(1) ANNUAL SALARY.—

“(A) IN GENERAL.—Except as provided in paragraph (2), the rate under subsection (a) shall be the rate of 66 ⅔ percent of the annual salary level established under subparagraph (B), in a lump sum equal to the present value (as calculated under subparagraph (C)) of the amount of compensation payable under the schedule.

“(B) ESTABLISHMENT.—

“(i) IN GENERAL.—The Secretary of Labor shall establish an annual salary for purposes of subparagraph (A) in the amount the Secretary determines will result in the aggregate cost of payments made under this section being equal to what would have been the aggregate cost of payments under this section if the amendments made by section 304(a) of the Workers' Compensation Reform Act of 2012 had not been enacted.

“(ii) COST OF LIVING ADJUSTMENT.—The annual salary established under clause (i) shall be increased on March 1 of each year by the amount determined by the Secretary of Labor to represent the percent change in the price index published for December of the preceding year over the price index published for the December of the year prior to the preceding year, adjusted to the nearest one-tenth of 1 percent.

“(C) PRESENT VALUE.—The Secretary of Labor shall calculate the present value for purposes of subparagraph (A) using a rate of interest equal to the average market yield for outstanding marketable obligations of the United States with a maturity of 2 years on the first business day of the month in which the compensation is paid or, in the event that such marketable obligations are not being issued on such date, at an equivalent rate selected by the Secretary of Labor, true discount compounded annually.

“(2) CERTAIN INJURIES.—For an injury that occurred before the date of enactment of the Workers' Compensation Reform Act of 2012, the rate under subsection (a) shall be 66 ⅔ percent of the employee's monthly pay.

“(e) SIMULTANEOUS RECEIPT.—

“(1) TOTAL DISABILITY.—An employee who receives compensation for total disability under section 8105 may only receive the lump sum of schedule compensation under this section in addition to and simultaneously with the benefits for total disability after the later of—

“(A) the date on which the basic compensation for total disability of the employee becomes 50 percent of the monthly pay of the employee under section 8105(b); or

“(B) the date on which augmented compensation of the employee terminates under section 8110(b)(2)(A)(i), if the employee receives such compensation.

“(2) PARTIAL DISABILITY.—An employee who receives benefits for partial disability under section 8106 may only receive the lump sum of schedule compensation under this section in addition to and simultaneously with the benefits for partial disability after the later of—

“(A) the date on which the basic compensation for partial disability of the employee becomes 50 percent of the difference between the monthly pay of the employee and the monthly wage-earning capacity of the employee after the beginning of the partial disability under section 8106(b); or

“(B) the date on which augmented compensation of the employee terminates under section 8110(b)(2)(B), if the employee receives such compensation.”

#### SEC. 405. VOCATIONAL REHABILITATION.

(a) IN GENERAL.—Section 8104 is amended—

(1) in subsection (a)—

(A) by striking “(a) The Secretary of Labor may” and all that follows through “undergo vocational rehabilitation.” and inserting the following:

“(a) IN GENERAL.—

“(1) DIRECTION.—Except as provided in paragraph (2), not earlier than the date that is 6 months after the date on which an individual eligible for wage-loss compensation under section 8105 or 8106 is injured, or by such other date as the Secretary of Labor determines it would be reasonable under the circumstances for the individual to begin vocational rehabilitation, and if vocational rehabilitation may enable the individual to become capable of more gainful employment, the Secretary of Labor shall direct the individual to participate in developing a comprehensive return to work plan and to undergo vocational rehabilitation at a location a reasonable distance from the residence of the individual.”

(B) by striking “the Secretary of Health, Education, and Welfare in carrying out the purposes of chapter 4 of title 29” and inserting “the Secretary of Education in carrying out the purposes of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.)”;

(C) by striking “under section 32(b)(1) of title 29” and inserting “under section 5 of the Rehabilitation Act of 1973 (29 U.S.C. 704)”;

(D) by adding at the end the following:

“(2) EXCEPTION.—The Secretary of Labor may not direct an individual who has attained retirement age to participate in developing a comprehensive return to work plan or to undergo vocational rehabilitation.”

(2) by redesignating subsection (b) as subsection (c);

(3) by inserting after subsection (a) the following:

“(b) CONTENTS OF RETURN TO WORK PLAN.—A return to work plan developed under subsection (a)—

“(1) shall—

“(A) set forth specific measures designed to increase the wage-earning capacity of an individual;

“(B) take into account the prior training and education of the individual and the training, educational, and employment opportunities reasonably available to the individual; and

“(C) provide that any employment undertaken by the individual under the return to work plan be at a location a reasonable distance from the residence of the individual;

“(2) may provide that the Secretary will pay out of amounts in the Employees' Compensation Fund reasonable expenses of vocational rehabilitation (which may include tuition, books, training fees, supplies, equipment, and child or dependent care) during the course of the plan; and

“(3) may not be for a period of more than 2 years, unless the Secretary finds good cause to grant an extension, which may be for not more than 2 years.”

(4) in subsection (c), as so redesignated—

(A) by inserting “COMPENSATION.—” before “Notwithstanding”; and

(B) by striking “, other than employment undertaken pursuant to such rehabilitation”; and

(5) by adding at the end the following:

“(d) ASSISTED REEMPLOYMENT AGREEMENTS.—

“(1) IN GENERAL.—The Secretary may enter into an assisted reemployment agreement with an agency or instrumentality of any branch of the Federal Government or a State or local government or a private employer that employs an individual eligible for wage-loss compensation under section 8105 or 8106 to enable the individual to return to productive employment.

“(2) CONTENTS.—An assisted reemployment agreement under paragraph (1)—

“(A) may provide that the Secretary will use amounts in the Employees' Compensation

Fund to reimburse an employer in an amount equal to not more than 100 percent of the compensation the individual would otherwise receive under section 8105 or 8106; and

“(B) may not be for a period of more than 3 years.

“(e) LIST.—To facilitate the hiring of individuals eligible for wage-loss compensation under section 8105 or 8106, the Secretary shall provide a list of such individuals to the Office of Personnel Management, which the Office of Personnel Management shall provide to all agencies and instrumentalities of the Federal Government.”

(b) TERMINATION OF VOCATIONAL REHABILITATION REQUIREMENT AFTER RETIREMENT AGE.—Section 8113(b) is amended by adding at the end the following: “An individual who has attained retirement age may not be required to undergo vocational rehabilitation.”

(c) MANDATORY BENEFIT REDUCTION FOR NONCOMPLIANCE.—Section 8113(b) is amended by striking “may reduce” and inserting “shall reduce”.

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—Subchapter III of chapter 15 of title 31, United States Code, is amended by adding at the end the following:

#### “§ 1538. Authorization for assisted reemployment

“Funds may be transferred from the Employees' Compensation Fund established under section 8147 of title 5 to the applicable appropriations account for an agency or instrumentality of any branch of the Federal Government for the purposes of reimbursing the agency or instrumentality in accordance with an assisted reemployment agreement entered into under section 8104 of title 5.”

(2) TABLE OF SECTIONS.—The table of sections for chapter 15 of title 31, United States Code, is amended by inserting after the item relating to section 1537 the following:

“1538. Authorization for assisted reemployment.”

#### SEC. 406. REPORTING REQUIREMENTS.

(a) IN GENERAL.—Chapter 81 is amended by inserting after section 8106 the following:

#### “§ 8106a. Reporting requirements

“(a) DEFINITION.—In this section, the term ‘employee receiving compensation’ means an employee who—

“(1) is paid compensation under section 8105 or 8106; and

“(2) has not attained retirement age.

“(b) AUTHORITY.—The Secretary of Labor shall require an employee receiving compensation to report the earnings of the employee receiving compensation from employment or self-employment, by affidavit or otherwise, in the manner and at the times the Secretary specifies.

“(c) CONTENTS.—An employee receiving compensation shall include in a report required under subsection (a) the value of housing, board, lodging, and other advantages which are part of the earnings of the employee receiving compensation in employment or self-employment and the value of which can be estimated.

“(d) FAILURE TO REPORT AND FALSE REPORTS.—

“(1) IN GENERAL.—An employee receiving compensation who fails to make an affidavit or other report required under subsection (b) or who knowingly omits or understates any part of the earnings of the employee in such an affidavit or other report shall forfeit the right to compensation with respect to any period for which the report was required.

“(2) FORFEITED COMPENSATION.—Compensation forfeited under this subsection, if already paid to the employee receiving compensation, shall be recovered by a deduction



from the compensation payable to the employee or otherwise recovered under section 8129, unless recovery is waived under that section.”.

(b) **TECHNICAL AND CONFORMING AMENDMENTS.**—The table of sections for chapter 81 is amended by inserting after the item relating to section 8106 the following:

“8106a. Reporting requirements.”.

**SEC. 407. DISABILITY MANAGEMENT REVIEW; INDEPENDENT MEDICAL EXAMINATIONS.**

Section 8123 is amended by adding at the end the following:

“(e) **DISABILITY MANAGEMENT REVIEW.**—

“(1) **DEFINITIONS.**—In this subsection—

“(A) the term ‘covered employee’ means an employee who is in continuous receipt of compensation for total disability under section 8105 for a period of not less than 6 months; and

“(B) the term ‘disability management review process’ means the disability management review process established under paragraph (2)(A).

“(2) **ESTABLISHMENT.**—The Secretary of Labor shall—

“(A) establish a disability management review process for the purpose of certifying and monitoring the disability status and extent of injury of each covered employee; and

“(B) promulgate regulations for the administration of the disability management review process.

“(3) **PHYSICAL EXAMINATIONS REQUIRED.**—Under the disability management review process, the Secretary of Labor shall periodically require covered employees to submit to physical examinations under subsection (a) by physicians selected by the Secretary. A physician conducting a physical examination of a covered employee shall submit to the Secretary a report regarding the nature and extent of the injury to and disability of the covered employee.

“(4) **FREQUENCY.**—

“(A) **IN GENERAL.**—The regulations promulgated under paragraph (2)(B) shall specify the process and criteria for determining when and how frequently a physical examination should be conducted for a covered employee.

“(B) **MINIMUM FREQUENCY.**—

“(i) **INITIAL.**—An initial physical examination shall be conducted not more than a brief period after the date on which a covered employee has been in continuous receipt of compensation for total disability under section 8105 for 6 months.

“(ii) **SUBSEQUENT EXAMINATIONS.**—After the initial physical examination, physical examinations of a covered employee shall be conducted not less than once every 3 years.

“(5) **EMPLOYING AGENCY OR INSTRUMENTALITY REQUESTS.**—

“(A) **IN GENERAL.**—The agency or instrumentality employing an employee who has made a claim for compensation for total disability under section 8105 may at any time submit a request for the Secretary of Labor to promptly require the employee to submit to a physical examination under this subsection.

“(B) **REQUESTING OFFICER.**—A request under subparagraph (A) shall be made on behalf of an agency or instrumentality by—

“(i) the head of the agency or instrumentality;

“(ii) the Chief Human Capital Officer of the agency or instrumentality; or

“(iii) if the agency or instrumentality does not have a Chief Human Capital Officer, an officer with responsibilities similar to those of a Chief Human Capital Officer designated by the head of the agency or instrumentality to make requests under this paragraph.

“(C) **INFORMATION.**—A request under subparagraph (A) shall be in writing and accompanied by—

“(i) a certification by the officer making the request that the officer has reviewed the relevant material in the employee’s file;

“(ii) an explanation of why the officer has determined, based on the materials in the file and other information known to the officer, that requiring a physical examination of the employee under this subsection is necessary; and

“(iii) copies of the materials relating to the employee that are relevant to the officer’s determination and request, unless the agency or instrumentality has a reasonable basis for not providing the materials.

“(D) **EXAMINATION.**—If the Secretary of Labor receives a request under this paragraph before an employee has undergone an initial physical examination under paragraph (4)(B)(i), the Secretary shall promptly require the physical examination of the employee. A physical examination under this subparagraph shall satisfy the requirement under paragraph (4)(B)(i) that an initial physical examination be conducted.

“(E) **AFTER INITIAL EXAMINATION.**—

“(i) **IN GENERAL.**—If the Secretary of Labor receives a request under this paragraph after an employee has undergone an initial physical examination under paragraph (4)(B)(i), the Secretary shall—

“(I) review the request and the information, explanation, and other materials submitted with the request; and

“(II) determine whether to require the physical examination of the employee who is the subject of the request.

“(ii) **NOT GRANTED.**—If the Secretary determines not to grant a request described in clause (i), the Secretary shall promptly notify the officer who made the request and provide an explanation of the reasons why the request was denied.”.

**SEC. 408. WAITING PERIOD.**

(a) **IN GENERAL.**—Section 8117 is amended—

(1) in the section heading, by striking “**Time of accrual of right**” and inserting “**Waiting period**”;

(2) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking “An employee” and all that follows through “is not entitled” and inserting “**IN GENERAL.**—An employee is not entitled to continuation of pay within the meaning of section 8118 for the first 3 days of temporary disability or, if section 8118 does not apply, is not entitled”;

(B) in paragraph (1), by adding “or” at the end;

(C) by striking paragraph (2); and

(D) by redesignating paragraph (3) as paragraph (2); and

(3) in subsection (b)—

(A) by striking “A Postal Service” the first place it appears and all that follows through “A Postal Service” the second place it appears and inserting “**USE OF LEAVE.—**An”;

(B) by striking “that 3-day period” and inserting “the first 3 days of temporary disability”; and

(C) by striking “or is followed by permanent disability”.

(b) **CONTINUATION OF PAY.**—Section 8118 is amended—

(1) in the section heading, by striking “; **election to use annual or sick leave**”;

(2) in subsection (b)(1), by striking “section 8117(b)” and inserting “section 8117”;

(3) by striking subsection (c); and

(4) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(c) **TECHNICAL AND CONFORMING AMENDMENTS.**—The table of sections for chapter 81 is amended by striking the items relating to

sections 8117 and 8118 and inserting the following:

“8117. Waiting period.

“8118. Continuation of pay.”.

**SEC. 409. ELECTION OF BENEFITS.**

(a) **IN GENERAL.**—Section 8116 is amended by adding at the end the following:

“(e) **RETIREMENT BENEFITS.**—

“(1) **IN GENERAL.**—An individual entitled to compensation benefits payable under this subchapter and under chapter 83 or 84 or any other retirement system for employees of the Government, for the same period, shall elect which benefits the individual will receive.

“(2) **ELECTION.**—

“(A) **DEADLINE.**—An individual shall make an election under paragraph (1) in accordance with such deadlines as the Secretary of Labor shall establish.

“(B) **REVOCABILITY.**—An election under paragraph (1) shall be revocable, notwithstanding any other provision of law, except for any period during which an individual—

“(i) was qualified for benefits payable under both this subchapter and under a retirement system described in paragraph (1); and

“(ii) was paid benefits under the retirement system after having been notified of eligibility for benefits under this subchapter.

“(3) **INFORMED CHOICE.**—The Secretary of Labor shall provide information, and shall ensure that information is provided, to an individual described in paragraph (1) about the benefits available to the individual under this subchapter or under chapter 83 or 84 or any other retirement system referred to in paragraph (1) the individual may elect to receive.”.

(b) **TECHNICAL AND CONFORMING AMENDMENTS.**—Sections 8337(f)(3) and 8464a(a)(3) are each amended by striking “Paragraphs” and inserting “Except as provided under chapter 81, paragraphs”.

**SEC. 410. SANCTION FOR NONCOOPERATION WITH FIELD NURSES.**

Section 8123, as amended by section 307, is amended by adding at the end the following:

“(f) **FIELD NURSES.**—

“(1) **DEFINITION.**—In this subsection, the term ‘field nurse’ means a registered nurse that assists the Secretary in the medical management of disability claims under this subchapter and provides claimants with assistance in coordinating medical care.

“(2) **AUTHORIZATION.**—The Secretary may use field nurses to coordinate medical services and vocational rehabilitation programs for injured employees under this subchapter. If an employee refuses to cooperate with a field nurse or obstructs a field nurse in the performance of duties under this subchapter, the right to compensation under this subchapter shall be suspended until the refusal or obstruction stops.”.

**SEC. 411. SUBROGATION OF CONTINUATION OF PAY.**

(a) **IN GENERAL.**—Section 8131 is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by inserting “continuation of pay or” before “compensation”; and

(2) in subsection (b), by inserting “continuation of pay” before “compensation; and

(3) in subsection (c)—

(A) by inserting “continuation of pay or” before “compensation already paid”; and

(B) by inserting “continuation of pay or” before “compensation payable”.

(b) **ADJUSTMENT AFTER RECOVERY FROM A THIRD PERSON.**—Section 8132 is amended—

(1) in the first sentence—

(A) by inserting “continuation of pay or” before “compensation is payable”; and

(B) by inserting “continuation of pay or” before “compensation from the United States”;

(C) by striking “by him or in his behalf” and inserting “by the beneficiary or on behalf of the beneficiary”;

(D) by inserting “continuation of pay and” before “compensation paid by the United States”; and

(E) by striking “compensation payable to him” and inserting “continuation of pay or compensation payable to the beneficiary”;

(2) in the second sentence, by striking “his designee” and inserting “the designee of the beneficiary”; and

(3) in the fourth sentence, by striking “If compensation” and all that follows through “payable to him by the United States” and inserting “If continuation of pay or compensation has not been paid to the beneficiary, the money or property shall be credited against continuation of pay or compensation payable to the beneficiary by the United States”.

#### SEC. 412. SOCIAL SECURITY EARNINGS INFORMATION.

Section 8116, as amended by section 308, is amended by adding at the end the following:

“(f) EARNINGS INFORMATION.—Notwithstanding section 552a or any other provision of Federal or State law, the Social Security Administration shall make available to the Secretary of Labor, upon written request, the Social Security earnings information of a living or deceased employee who may have sustained an injury or died as a result of an injury that is the subject of a claim under this subchapter required by the Secretary of Labor to carry out this subchapter.”.

#### SEC. 413. AMOUNT OF COMPENSATION.

(a) INJURIES TO FACE, HEAD, AND NECK.—Section 8107(c)(21) is amended—

(1) by striking “not to exceed \$3,500” and inserting “in proportion to the severity of the disfigurement, not to exceed \$50,000,”; and

(2) by adding at the end the following: “The maximum amount of compensation under this paragraph shall be increased on March 1 of each year by the amount determined by the Secretary of Labor to represent the percent change in the price index published for December of the preceding year over the price index published for the December of the year prior to the preceding year, adjusted to the nearest one-tenth of 1 percent.”.

(b) FUNERAL EXPENSES.—Section 8134(a) is amended—

(1) by striking “\$800” and inserting “\$6,000”; and

(2) by adding at the end the following: “The maximum amount of compensation under this subsection shall be increased on March 1 of each year by the amount determined by the Secretary of Labor to represent the percent change in the price index published for December of the preceding year over the price index published for the December of the year prior to the preceding year, adjusted to the nearest one-tenth of 1 percent.”.

(c) APPLICATION.—The amendments made by this section shall apply to injuries or deaths, respectively, occurring on or after the date of enactment of this Act.

#### SEC. 414. TECHNICAL AND CONFORMING AMENDMENTS.

Chapter 81 is amended—

(1) in section 8101(1)(D), by inserting “for an injury that occurred before the effective date of section 204(e) of the District of Columbia Self-Government and Governmental Reorganization Act (Public Law 93-198; 87 Stat. 783; 5 U.S.C. 8101 note)” before the semicolon;

(2) in section 8139, by inserting “under this subchapter” after “Compensation awarded”; and

(3) in section 8148(a), by striking “section 8106” and inserting “section 8106a”.

#### SEC. 415. REGULATIONS.

(a) IN GENERAL.—As soon as possible after the date of enactment of this Act, the Secretary of Labor shall promulgate regulations (which may include interim final regulations) to carry out this title.

(b) CONTENTS.—The regulations promulgated under subsection (a) shall include, for purposes of the amendments made by sections 302 and 303, clarification of—

(1) what is a claim; and

(2) what is the date on which a period of disability, for which a claim is made, commences.

#### TITLE V—POSTAL SERVICE REVENUE

#### SEC. 501. ADEQUACY, EFFICIENCY, AND FAIRNESS OF POSTAL RATES.

(a) IN GENERAL.—Section 3622(d) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (B) through (E) as subparagraph (D) through (G), respectively; and

(B) by inserting after subparagraph (A) the following:

“(B) subject to the limitation under subparagraph (A), establish postal rates to fulfill the requirement that each market-dominant class, product, and type of mail service (except for an experimental product or service) bear the direct and indirect postal costs attributable to such class, product, or type through reliably identified causal relationships plus that portion of all other costs of the Postal Service reasonably assignable to such class, product, or type;

“(C) establish postal rates for each group of functionally equivalent agreements between the Postal Service and users of the mail that—

“(i) cover attributable cost; and

“(ii) improve the net financial position of the Postal Service;

for purposes of this subparagraph, a group of functionally equivalent agreements shall consist of all service agreements that are functionally equivalent to each other within the same market-dominant product, but shall not include agreements within an experimental product;”;

(2) by adding at the end the following:

“(4) PRC STUDY.—

“(A) IN GENERAL.—Within 90 days after the end of the first fiscal year beginning after the date of enactment of the Postal Reform Act of 2012, the Postal Regulatory Commission shall complete a study to determine the quantitative impact of the Postal Service’s excess capacity on the direct and indirect postal costs attributable to any class that bears less than 100 percent of its costs attributable (as described in paragraph (1)(B)), according to the most recent annual determination of the Postal Regulatory Commission under section 3653.

“(B) REQUIREMENTS.—The study required under subparagraph (A) shall—

“(i) be conducted pursuant to regulations that the Postal Regulatory Commission shall prescribe within 90 days after the date of enactment of the Postal Reform Act of 2012, taking into account existing regulations for proceedings to improve the quality, accuracy, or completeness of ratemaking information under section 3652(e)(2) in effect on such date; and

“(ii) for any year in which any class of mail bears less than 100 percent of its costs attributable (as described in paragraph (1)(B)), be updated annually by the Postal Service and included in its annual report to the Commission under section 3652, using such methodologies as the Commission shall by regulation prescribe.

“(5) ADDITIONAL RATES.—Starting not earlier than 12 months and not later than 18 months after the date on which the first

study described in paragraph (4) is completed, and at least once in each subsequent 12-month period, the Postal Service shall establish postal rates for each loss-making class of mail to eliminate such losses (other than those caused by the Postal Service’s excess capacity) by exhausting all unused rate authority as well as maximizing incentives to reduce costs and increase efficiency, subject to the following:

“(A) The term ‘loss-making’, as used in this paragraph with respect to a class of mail, means a class of mail that bears less than 100 percent of its costs attributable (as described in paragraph (1)(B)), according to the most recent annual determination of the Postal Regulatory Commission under section 3653, adjusted to account for the quantitative effect of excess capacity on the costs attributable of the class (as described in paragraph (1)(C)).

“(B) Unused rate authority shall be annually increased by 2 percent for each class of mail that bears less than 90 percent of its costs attributable (as described in paragraph (1)(B)), according to the most recent annual determination of the Postal Regulatory Commission under section 3653, adjusted to account for the quantitative effect of excess capacity on the costs attributable of the class (as described in paragraph (1)(C)), with such increase in unused rate authority to take effect 30 days after the date that the Commission issues such determination.”.

(b) CONFORMING AMENDMENT.—Subparagraph (A) of section 3622(c)(10) is amended to read as follows:

“(A) improve the net financial position of the Postal Service through reducing Postal Service costs or increasing the overall contribution to the institutional costs of the Postal Service; and”.

(c) EXCEPTION.—Section 3622(d) is amended by adding at the end the following:

“(4) EXCEPTION.—The requirements of paragraph (1)(B) shall not apply to a market-dominant product for which a substantial portion of the product’s mail volume consists of inbound international mail with terminal dues rates determined by the Universal Postal Union (and not by bilateral agreements or other arrangements).”.

#### SEC. 502. REPEAL OF RATE PREFERENCES FOR QUALIFIED POLITICAL COMMITTEES.

Subsection (e) of section 3626 is repealed.

#### SEC. 503. STREAMLINED REVIEW OF QUALIFYING SERVICE AGREEMENTS FOR COMPETITIVE PRODUCTS.

Section 3633 is amended by adding at the end the following:

“(c) STREAMLINED REVIEW.—Within 90 days after the date of the enactment of this subsection, after notice and opportunity for public comment, the Postal Regulatory Commission shall promulgate (and may from time to time thereafter revise) regulations for streamlined after-the-fact review of new agreements between the Postal Service and users of the mail that provide rates not of general applicability for competitive products, and are functionally equivalent to existing agreements that have collectively covered attributable costs and collectively improved the net financial position of the Postal Service. Streamlined review will be concluded within 5 working days after the agreement is filed with the Commission and shall be limited to approval or disapproval of the agreement as a whole based on the Commission’s determination of its functional equivalence. Agreements not approved may be resubmitted without prejudice under section 3632(b)(3).”.

#### SEC. 504. SUBMISSION OF SERVICE AGREEMENTS FOR STREAMLINED REVIEW.

Section 3632(b) is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting paragraph (3) the following:  
 “(4) **RATES FOR STREAMLINED REVIEW.**—In the case of rates not of general applicability for competitive products that the Postmaster General considers eligible for streamlined review under section 3633(c), the Postmaster General shall cause each agreement to be filed with the Postal Regulatory Commission by such date, on or before the effective date of any new rate, as the Postmaster General considered appropriate.”

**SEC. 505. TRANSPARENCY AND ACCOUNTABILITY FOR SERVICE AGREEMENTS.**

Section 3653 is amended—

(1) by redesignating subsections (c) through (e) as subsections (d) through (f), respectively; and

(2) by inserting after subsection (b) the following:

“(c) Each annual written determination of the Commission under section 3653 shall include the following written determinations:

“(1) whether each product covered its costs, and if it did not, the determination shall state that such product is in non-compliance under section 3653(c); and

“(2) for each group of functionally equivalent agreements between the Postal Service and users of the mail, whether it fulfilled requirements to—

“(A) cover attributable costs; and

“(B) improve the net financial position of the Postal Service.

“(3) Any group of functionally equivalent agreements (as referred to in subparagraph (B)) not meeting subparagraphs (A) and (B) of paragraph (2) shall be determined to be in non-compliance under this subsection.

“(4) For purposes of this subsection, a group of functionally equivalent agreements (as referred to in paragraph (2)) shall consist of all service agreements that are functionally equivalent to each other within the same market-dominant or competitive product, but shall not include agreements within an experimental product.”

**SEC. 506. NONPOSTAL SERVICES.**

(a) **NONPOSTAL SERVICES.**—

(1) **IN GENERAL.**—Part IV is amended by adding after chapter 36 the following:

**“CHAPTER 37—NONPOSTAL SERVICES**

**“Sec.**

“3701. Purpose.

“3702. Definitions.

“3703. Postal Service advertising program.

“3704. Postal Service program for State governments.

“3705. Postal Service program for other government agencies.

“3706. Transparency and accountability for nonpostal services.

**“§ 3701. Purpose**

“This chapter is intended to enable the Postal Service to increase its net revenues through specific nonpostal products and services that are expressly authorized by this chapter. Postal Service revenues and expenses under this chapter shall be funded through the Postal Service Fund.

**“§ 3702. Definitions**

“As used in this chapter—

“(1) the term ‘nonpostal services’ is limited to services offered by the Postal Service that are expressly authorized by this chapter and are not postal products or services;

“(2) the term ‘Postal Service advertising program’ means a program, managed by the Postal Service, by which the Postal Service receives revenues from entities which advertise at Postal Service facilities and on Postal Service vehicles;

“(3) the term ‘Postal Service program for State governments’ means a program, managed by the Postal Service, by which the Postal Service receives revenue from State governments (including their agencies) for

providing services on their behalf at Postal Service facilities;

“(4) the term ‘attributable costs’ means costs attributable, as defined in section 3631; and

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

**“§ 3703. Postal Service advertising program**

“Notwithstanding any other provision of this title, the Postal Service may establish and manage a program that allows entities to advertise at Postal Service facilities and on Postal Service vehicles. Such a program shall be subject to the following requirements:

“(1) The Postal Service shall at all times ensure advertising it permits is consistent with the integrity of the Postal Service.

“(2) Any advertising program is required to cover a minimum of 200 percent of its attributable costs in each year.

“(3) All advertising expenditures and revenues are subject to annual compliance determination (including remedies for noncompliance) applicable to nonpostal products.

“(4) Total advertising expenditures and revenues must be disclosed in Postal Service annual reports.

**“§ 3704. Postal Service program for State governments**

“(a) **IN GENERAL.**—Notwithstanding any other provision of this title, the Postal Service may establish a program to provide services for agencies of State governments within the United States, but only if such services—

“(1) shall provide enhanced value to the public, such as by lowering the cost or raising the quality of such services or by making such services more accessible;

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

“(A) the cost and efficiency of postal services; and

“(B) access to postal retail service, such as customer waiting time and access to parking; and

“(3) provide a reasonable contribution to the institutional costs of the Postal Service, defined as reimbursement for each service and to each agency covering at least 150 percent of the attributable costs of such service in each year.

“(b) **PUBLIC NOTICE.**—At least 90 days before offering any services under this section, the Postal Service shall make each agreement with State agencies readily available to the public on its website, including a business plan that describes the specific services to be provided, the enhanced value to the public, terms of reimbursement, the estimated annual reimbursement to the Postal Service, and the estimated percentage of attributable Postal Service costs that will be covered by reimbursement (with documentation to support these estimates). The Postal Service shall solicit public comment for at least 30 days, with comments posted on its website, followed by its written response posted on its website at least 30 days before offering such services.

“(c) **APPROVAL REQUIRED.**—The Governors of the Postal Service shall approve the provision of services under this section by a recorded vote, with at least  $\frac{2}{3}$  of its membership voting for approval, with the vote publicly disclosed on the Postal Service website.

“(d) **CLASSIFICATION OF SERVICES.**—All services for a given agency provided under this section shall be classified as a separate activity subject to the requirements of annual reporting under section 3706. Such reporting shall also include information on the quality of service and related information to demonstrate that it satisfied the requirements of subsection (a). Information provided under this section shall be according to requirements that the Postal Regulatory Commission shall by regulation prescribe.

“(e) **DEFINITIONS.**—For the purpose of this section—

“(1) the term ‘State’ includes the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States; and

“(2) the term ‘United States’, when used in a geographical sense, means the States.

**“§ 3705. Postal Service program for other government agencies**

“(a) **IN GENERAL.**—The Postal Service may establish a program to provide property and services for other government agencies within the meaning of section 411, but only if such program provides a reasonable contribution to the institutional costs of the Postal Service, defined as reimbursement by each agency that covers at least 100 percent of the attributable costs of all property and service provided by the Postal Service in a each year to such agency.

“(b) **CLASSIFICATION OF SERVICES.**—For each agency, all property and services provided by the Postal Service under this section shall be classified as a separate activity subject to the requirements of annual reporting under section 3706. Information provided under this section shall be according to requirements that the Postal Regulatory Commission shall by regulation prescribe.

**“§ 3706. Transparency and accountability for nonpostal services**

“(a) **ANNUAL REPORTS TO THE COMMISSION.**—

“(1) **IN GENERAL.**—The Postal Service shall, no later than 90 days after the end of each year, prepare and submit to the Postal Regulatory Commission a report (together with such nonpublic annex to the report as the Commission may require under subsection (b)) which shall analyze costs, revenues, rates, and quality of service for this chapter, using such methodologies as the Commission shall by regulation prescribe, and in sufficient detail to demonstrate compliance with all applicable requirements of this chapter.

“(2) **AUDITS.**—The Inspector General shall regularly audit the data collection systems and procedures utilized in collecting information and preparing such report. The results of any such audit shall be submitted to the Postal Service and the Postal Regulatory Commission.

“(b) **SUPPORTING MATTER.**—The Postal Regulatory Commission shall have access, in accordance with such regulations as the Commission shall prescribe, to the working papers and any other supporting matter of the Postal Service and the Inspector General in connection with any information submitted under this section.

“(c) **CONTENT AND FORM OF REPORTS.**—

“(1) **IN GENERAL.**—The Postal Regulatory Commission shall, by regulation, prescribe the content and form of the public reports (and any nonpublic annex and supporting matter relating to the report) to be provided by the Postal Service under this section. Such reports shall be included with the annual compliance determination reported under section 3653. In carrying out this subsection, the Commission shall give due consideration to—

“(A) providing the public with timely, adequate information to assess compliance;

“(B) avoiding unnecessary or unwarranted administrative effort and expense on the part of the Postal Service; and

“(C) protecting the confidentiality of information that is commercially sensitive or is exempt from public disclosure under section 552(b) of title 5.

“(2) **REVISED REQUIREMENTS.**—The Commission may, on its own motion or on request of

any interested party, initiate proceedings (to be conducted in accordance with regulations that the Commission shall prescribe) to improve the quality, accuracy, or completeness of Postal Service data required by the Commission under this subsection whenever it shall appear that—

“(A) the attribution of costs or revenues to property or services under this chapter has become significantly inaccurate or can be significantly improved;

“(B) the quality of service data provided to the Commission for annual reports under this chapter has become significantly inaccurate or can be significantly improved; or

“(C) such revisions are, in the judgment of the Commission, otherwise necessitated by the public interest.

“(d) CONFIDENTIAL INFORMATION.—

“(1) IN GENERAL.—If the Postal Service determines that any document or portion of a document, or other matter, which it provides to the Postal Regulatory Commission in a nonpublic annex under this section contains information which is described in section 410(c) of this title, or exempt from public disclosure under section 552(b) of title 5, the Postal Service shall, at the time of providing such matter to the Commission, notify the Commission of its determination, in writing, and describe with particularity the documents (or portions of documents) or other matter for which confidentiality is sought and the reasons therefor.

“(2) TREATMENT.—Any information or other matter described in paragraph (1) to which the Commission gains access under this section shall be subject to paragraphs (2) and (3) of section 504(g) in the same way as if the Commission had received notification with respect to such matter under section 504(g)(1).

“(e) ANNUAL COMPLIANCE DETERMINATION.—

“(1) OPPORTUNITY FOR PUBLIC COMMENT.—After receiving the reports required under subsection (a) for any year, the Postal Regulatory Commission shall promptly provide an opportunity for comment on such reports by any interested party, and an officer of the Commission who shall be required to represent the interests of the general public.

“(2) DETERMINATION OF COMPLIANCE OR NONCOMPLIANCE.—Not later than 90 days after receiving the submissions required under subsection (a) with respect to a year, the Postal Regulatory Commission shall make a written determination as to whether any nonpostal activities during such year were or were not in compliance with applicable provisions of this chapter (or regulations promulgated under this chapter). The Postal Regulatory Commission shall issue a determination of noncompliance if the requirements for coverage of attributable costs are not met. If, with respect to a year, no instance of noncompliance is found to have occurred in such year, the written determination shall be to that effect.

“(3) NONCOMPLIANCE.—If, for a year, a timely written determination of noncompliance is made under this chapter, the Postal Regulatory Commission shall take appropriate action. If the requirements for coverage of attributable costs specified by this chapter are not met, the Commission shall, within 60 days after the determination, prescribe remedial action to restore compliance as soon as practicable, which shall also include the full restoration of revenue shortfalls during the following fiscal year. The Commission may order the Postal Service to discontinue a nonpostal service under section 3703 or 3704 that persistently fails to meet cost coverage requirements.

“(4) ANY DELIBERATE NONCOMPLIANCE.—In addition, in cases of deliberate noncompliance by the Postal Service with the requirements of this chapter, the Postal Regulatory

Commission may order, based on the nature, circumstances, extent, and seriousness of the noncompliance, a fine (in the amount specified by the Commission in its order) for each incidence of noncompliance. All receipts from fines imposed under this subsection shall be deposited in the general fund of the Treasury of the United States.”.

(2) CLERICAL AMENDMENT.—The table of chapters at the beginning of part IV is amended by adding after the item relating to chapter 36 the following:

**“37. Nonpostal services ..... 3701”.**

(b) CONFORMING AMENDMENTS.—

(1) SECTION 404(e).—Section 404(e) is amended by adding at the end the following:

“(6) Nothing in this section shall be considered to prevent the Postal Service from establishing nonpostal products and services that are expressly authorized by chapter 37.”.

(2) SECTION 411.—The last sentence of section 411 is amended by striking “including reimbursability” and inserting “including reimbursability within the limitations of chapter 37”.

(3) TREATMENT OF EXISTING NONPOSTAL SERVICES.—All nonpostal services continued pursuant to section 404(e) of title 39, United States Code, shall be considered to be expressly authorized by chapter 37 of such title (as added by subsection (a)(1)) and shall be subject to the requirements of such chapter.

**SEC. 507. REIMBURSEMENT OF ALASKA BYPASS MAIL COSTS.**

(a) COST ESTIMATES BY POSTAL REGULATORY COMMISSION.—Section 3651(b) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following:

“(2) ALASKA BYPASS MAIL COSTS.—In addition to the information required under subsection (a), each report under this section shall also include, with respect to the period covered by such report, an estimate of the costs incurred by the Postal Service in providing Alaska bypass mail service under section 5402 of this title.”.

(b) REIMBURSEMENTS.—

(1) IN GENERAL.—Chapter 54 is amended by adding at the end the following:

**“§ 5404. Reimbursement of Alaska bypass mail costs**

“(a) IN GENERAL.—The State of Alaska, on an annual basis, shall make a payment to the Postal Service to reimburse the Postal Service for its costs in providing Alaska bypass mail service under section 5402 of this title.

“(b) DATE OF FIRST PAYMENT.—The State of Alaska shall make its first payment under subsection (a) on or before the last day of the first fiscal year of the State of Alaska beginning after the date of enactment of this section.

“(c) PAYMENT AMOUNTS.—

“(1) DETERMINATION OF AMOUNTS.—The amount of a payment under subsection (a) shall be determined based on the most recent cost estimate prepared by the Postal Regulatory Commission under section 3651(b)(2) of this title (in this subsection referred to as the ‘cost estimate’).

“(2) FIRST PAYMENT.—The first payment under subsection (a) shall be in an amount equal to 20 percent of the cost estimate.

“(3) SUBSEQUENT PAYMENTS.—Each subsequent payment under subsection (a) shall be in an amount equal to a percentage of the cost estimate determined by adding 20 percent to the percentage due in the prior year, except that no payment shall exceed 100 percent of the cost estimate.

“(d) NOTICE OF PAYMENT AMOUNTS.—Not later than 30 days after the date of issuance

of a cost estimate by the Postal Regulatory Commission under section 3651(b)(2) of this title, the Postal Service shall furnish the State of Alaska with written notice of the amount of the next payment due under subsection (a).

“(e) DEPOSIT OF PAYMENTS.—Not later than the last day of the fiscal year of the State of Alaska in which notice of a payment is provided under subsection (d)—

“(1) the State of Alaska shall transmit the payment to the Postal Service; and

“(2) the Postal Service shall deposit the payment in the Postal Service Fund.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 54 is amended by adding at the end the following:

“5404. Reimbursement of Alaska bypass mail costs.”.

**SEC. 508. APPROPRIATIONS MODERNIZATION.**

(a) IN GENERAL.—Section 2401 is amended by striking subsections (b) through (d).

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective with respect to fiscal years beginning after the date of enactment of this Act.

**SEC. 509. RETIREE HEALTH CARE BENEFIT PAYMENT DEFERRAL.**

Section 8909a of title 5, United States Code, is amended—

(1) in the section heading, by striking “Benefit” and inserting “Benefits”;

(2) in subsection (d)(3)(A)(v), by striking “\$5,500,000,000” and inserting “\$1,000,000,000”;

(3) in subsection (d)(3)(A)(ix), by striking “\$5,700,000,000” and inserting “\$7,950,000,000”; and

(4) in subsection (d)(3)(A)(x), by striking “\$5,800,000,000” and inserting “\$8,050,000,000”.

## TITLE VI—POSTAL CONTRACTING REFORM

**SEC. 601. CONTRACTING PROVISIONS.**

(a) IN GENERAL.—Part I 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 noncompetitive purchase requests for noncompetitive contracts.

“705. Review of ethical issues.

“706. Ethical restrictions on participation in certain contracting activity.

### “§ 701. Definitions

“In this chapter—

“(1) the term ‘contracting officer’ means an employee of a covered postal entity who has authority to enter into a postal contract;

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

“(A) the Postal Service; or

“(B) the Postal Regulatory Commission;

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

“(A) in the case of the Postal Service, the Postmaster General; or

“(B) in the case of the Postal Regulatory Commission, the Chairman of the Postal Regulatory Commission;

“(4) the term ‘postal contract’ means—

“(A) in the case of the Postal Service, any contract (including any agreement or memorandum of understanding) entered into by the Postal Service for the procurement of goods or services; or

“(B) in the case of the Postal Regulatory Commission, any contract (including any agreement or memorandum of understanding) in an amount exceeding the simplified acquisition threshold (as defined in section 134 of title 41 and adjusted under section 1908 of such title) entered into by the Postal Regulatory Commission for the procurement of goods or services.

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

#### “§ 702. Advocate for competition

“(a) ESTABLISHMENT AND DESIGNATION.—

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

“(2) The head of each covered postal entity shall designate for the covered postal entity 1 or more officers or employees (other than the senior procurement executive) to serve as the advocate for competition.

“(b) RESPONSIBILITIES.—The advocate for competition of a covered postal entity shall—

“(1) be responsible for promoting—

“(A) the contracting out of functions of the covered postal entity that the private sector can perform equally well or better, and at lower cost; and

“(B) competition to the maximum extent practicable consistent with obtaining best value by promoting the acquisition of commercial items and challenging barriers to competition;

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

“(3) prepare and transmit the annual report required under subsection (c).

“(c) ANNUAL REPORT.—

“(1) PREPARATION.—The advocate for competition of a covered postal entity shall prepare an annual report describing the following:

“(A) The activities of the advocate under this section.

“(B) Initiatives required to promote contracting out and competition.

“(C) Barriers to contracting out and competition.

“(D) In the case of the report prepared by the competition advocate of the Postal Service, the number of waivers made by the Postal Service under section 704(c).

“(2) TRANSMISSION.—The report under this subsection shall be transmitted—

“(A) to Congress;

“(B) to the head of the postal entity;

“(C) to the senior procurement executive of the entity;

“(D) in the case of the competition advocate of the Postal Service, to each member of the Postal Service Board of Governors; and

“(E) in the case of the competition advocate of the Postal Regulatory Commission, to each of the Commissioners of the Commission.

#### “§ 703. Delegation of contracting authority

“(a) IN GENERAL.—

“(1) POLICY.—Not later than 60 days after the date of enactment of this chapter, the head of each covered postal entity shall issue a policy on contracting officer delegations of authority for postal contracts for the covered postal entity.

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

“(A) notwithstanding any delegation of authority with respect to postal contracts, the ultimate responsibility and accountability for the award and administration of postal contracts resides with the senior procurement executive; and

“(B) a contracting officer shall maintain an awareness of and engagement in the activities being performed on postal contracts of which that officer has cognizance, notwithstanding any delegation of authority that may have been executed.

“(b) POSTING OF DELEGATIONS.—

“(1) IN GENERAL.—The head of each covered postal entity shall make any delegation of authority for postal contracts outside the functional contracting unit readily available and accessible on the website of the covered postal entity.

“(2) EFFECTIVE DATE.—This paragraph shall apply to any delegation of authority made on or after 30 days after the date of enactment of this chapter.

#### “§ 704. Posting of noncompetitive purchase requests for noncompetitive contracts

“(a) POSTING REQUIRED.—

“(1) POSTAL REGULATORY COMMISSION.—The Postal Regulatory Commission shall make the noncompetitive purchase request for any noncompetitive award for any contract (including any agreement or memorandum of understanding) entered into by the Postal Regulatory Commission for the procurement of goods and services, in an amount of \$20,000 or more, including the rationale supporting the noncompetitive award, publicly available on the website of the Postal Regulatory Commission—

“(A) not later than 14 days after the date of the award of the noncompetitive contract; or

“(B) not later than 30 days after the date of the award of the noncompetitive contract, if the basis for the award was a compelling business interest.

“(2) POSTAL SERVICE.—The Postal Service shall make the noncompetitive purchase request for any noncompetitive award of a postal contract in an amount of \$250,000 or more, including the rationale supporting the noncompetitive award, publicly available on the website of the Postal Service—

“(A) not later than 14 days after the date of the award; or

“(B) not later than 30 days after the date of the award, if the basis for the award was a compelling business interest.

“(3) ADJUSTMENTS TO THE POSTING THRESHOLD FOR THE POSTAL SERVICE.—

“(A) REVIEW AND DETERMINATION.—Not later than January 31 of each year, the Postal Service shall—

“(i) review the \$250,000 threshold established under paragraph (2); and

“(ii) based on any change in the Consumer Price Index for all-urban consumers of the Department of Labor, determine whether an adjustment to the threshold shall be made.

“(B) AMOUNT OF ADJUSTMENTS.—An adjustment under subparagraph (A) shall be made in increments of \$5,000. If the Postal Service determines that a change in the Consumer Price Index for a year would require an adjustment in an amount that is less than \$5,000, the Postal Service may not make an adjustment to the threshold for the year.

“(4) EFFECTIVE DATE.—This subsection shall apply to any noncompetitive contract awarded on or after the date that is 90 days after the date of enactment of this chapter.

“(b) PUBLIC AVAILABILITY.—

“(1) IN GENERAL.—Subject to paragraph (2), the information required to be made publicly available by a covered postal entity under subsection (a) shall be readily accessible on the website of the covered postal entity.

“(2) PROTECTION OF PROPRIETARY INFORMATION.—A covered postal entity shall—

“(A) carefully screen any description of the rationale supporting a noncompetitive award required to be made publicly available under subsection (a) to determine whether the description includes proprietary data (including any reference or citation to the proprietary data) or security-related information; and

“(B) remove any proprietary data or security-related information before making publicly available a description of the rationale supporting a noncompetitive award.

“(c) WAIVERS.—

“(1) WAIVER PERMITTED.—If the Postal Service determines that making a noncompetitive purchase request for a postal contract of the Postal Service publicly available would risk placing the Postal Service at

a competitive disadvantage relative to a private sector competitor, the senior procurement executive, in consultation with the advocate for competition of the Postal Service, may waive the requirements under subsection (a).

“(2) FORM AND CONTENT OF WAIVER.—

“(A) FORM.—A waiver under paragraph (1) shall be in the form of a written determination placed in the file of the contract to which the noncompetitive purchase agreement relates.

“(B) CONTENT.—A waiver under paragraph (1) shall include—

“(i) a description of the risk associated with making the noncompetitive purchase request publicly available; and

“(ii) a statement that redaction of sensitive information in the noncompetitive purchase request would not be sufficient to protect the Postal Service from being placed at a competitive disadvantage relative to a private sector competitor.

“(3) DELEGATION OF WAIVER AUTHORITY.—The Postal Service may not delegate the authority to approve a waiver under paragraph (1) to any employee having less authority than the senior procurement executive.

#### “§ 705. Review of ethical issues

“If a contracting officer identifies any ethical issues relating to a proposed contract and submits those issues and that proposed contract to the designated ethics official for the covered postal entity before the awarding of that contract, that ethics official shall—

“(1) review the proposed contract; and

“(2) advise the contracting officer on the appropriate resolution of ethical issues.

#### “§ 706. Ethical restrictions on participation in certain contracting activity

“(a) DEFINITIONS.—In this section—

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

“(A) a contracting officer; or

“(B) any employee of a covered postal entity whose decision making affects a postal contract as determined by regulations prescribed by the head of a covered postal entity;

“(2) the term ‘final conviction’ means a conviction, whether entered on a verdict or plea, including a plea of nolo contendere, for which a sentence has been imposed; and

“(3) the term ‘covered relationship’ means a covered relationship described in section 2635.502(b)(1) of title 5, Code of Federal Regulations, or any successor thereto.

“(b) IN GENERAL.—

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

“(A) require a covered employee to include in the file of any noncompetitive purchase request for a noncompetitive postal contract a written certification that—

“(i) discloses any covered relationship of the covered employee; and

“(ii) states that the covered employee will not take any action with respect to the noncompetitive purchase request that affects the financial interests of a friend, relative, or person with whom the covered employee is affiliated in a nongovernmental capacity, or otherwise gives rise to an appearance of the use of public office for private gain, as described in section 2635.702 of title 5, Code of Federal Regulations, or any successor thereto;

“(B) require a contracting officer to consult with the ethics counsel for the covered postal entity regarding any disclosure made by a covered employee under subparagraph (A)(i), to determine whether participation by the covered employee in the noncompetitive purchase request would give rise to a violation of part 2635 of title 5, Code of Federal Regulations (commonly referred to as the

Standards of Ethical Conduct for Employees of the Executive Branch), or any successor thereto;

“(C) require the ethics counsel for a covered postal entity to review any disclosure made by a contracting officer under subparagraph (A)(i) to determine whether participation by the contracting officer in the non-competitive purchase request would give rise to a violation of part 2635 of title 5, Code of Federal Regulations (commonly referred to as the Standards of Ethical Conduct for Employees of the Executive Branch), or any successor thereto;

“(D) under subsections (d) and (e) of section 2635.502 of title 5, Code of Federal Regulations, or any successor thereto, require the ethics counsel for a covered postal entity to—

“(i) authorize a covered employee that makes a disclosure under subparagraph (A)(i) to participate in the noncompetitive postal contract; or

“(ii) disqualify a covered employee that makes a disclosure under subparagraph (A)(i) from participating in the noncompetitive postal contract;

“(E) require a contractor to timely disclose to the contracting officer in a bid, solicitation, award, or performance of a postal contract any conflict of interest with a covered employee; and

“(F) include authority for the head of the covered postal entity to grant a waiver or otherwise mitigate any organizational or personal conflict of interest, if the head of the covered postal entity determines that the waiver or mitigation is in the best interests of the covered postal entity.

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

“(c) CONTRACT VOIDANCE AND RECOVERY.—

“(1) UNLAWFUL CONDUCT.—In any case in which there is a final conviction for a violation of any provision of chapter 11 of title 18 relating to a postal contract, the head of a covered postal entity may—

“(A) void that contract; and

“(B) recover the amounts expended and property transferred by the covered postal entity under that contract.

“(2) OBTAINING OR DISCLOSING PROCUREMENT INFORMATION.—

“(A) IN GENERAL.—In any case in which a contractor under a postal contract fails to timely disclose a conflict of interest to the appropriate contracting officer as required under the regulations promulgated under subsection (b)(1)(E), the head of a covered postal entity may—

“(i) void that contract; and

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

“(B) CONVICTION OR ADMINISTRATIVE DETERMINATION.—A case described under subparagraph (A) is any case in which—

“(i) there is a final conviction for an offense punishable under section 2105 of title 41; or

“(ii) the head of a covered postal entity determines, based upon a preponderance of the evidence, that the contractor or someone acting for the contractor has engaged in conduct constituting an offense punishable under section 2105 of such title.”.

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of part I is amended by adding at the end the following:

**“7. Contracting Provisions ..... 701”.**  
**SEC. 602. TECHNICAL AMENDMENT TO DEFINITION.**

Section 7101(8) of title 41, United States Code, is amended—

(1) by striking “and” at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting “; and”; and

(3) by adding at the end the following:

“(E) the United States Postal Service and the Postal Regulatory Commission.”.

**SA 2002.** Ms. MIKULSKI submitted an amendment intended to be proposed by her to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . PROHIBITION ON CLOSING OR CONSOLIDATING PROCESSING AND DISTRIBUTION CENTER IN EASTON, MARYLAND.**

The Postal Service may not close or consolidate the processing and distribution center in Easton, Maryland.

**SA 2003.** Ms. MIKULSKI submitted an amendment intended to be proposed by her to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . CERTIFICATION BY GOVERNOR OF A STATE.**

Section 404(f) of title 39, United States Code, as added by section 201 of this Act, is amended—

(1) by redesignating paragraphs (2) through (8) as paragraphs (3) through (9), respectively;

(2) by inserting after paragraph (1) the following:

“(2) CERTIFICATION BY GOVERNOR OF A STATE.—

“(A) DEFINITIONS.—In this paragraph—

“(i) the term ‘Governor’ means the chief executive officer of a State; and

“(ii) the term ‘State’ means a State of the United States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, Guam, American Samoa, and the Virgin Islands.

“(B) CERTIFICATION REQUIRED.—The Postal Service may not close or consolidate a postal facility unless the Governor of the State in which the postal facility is located submits to the Postal Service a certification that the closing or consolidation—

“(i) will not harm community safety;

“(ii) will not directly or indirectly disrupt commerce; and

“(iii) will not limit access to communications in any rural community that lacks broadband internet availability or cellular telephone coverage.”;

(3) in paragraph (3), as so redesignated—

(A) in subparagraph (A), in the matter preceding clause (i), by inserting after “facility,” the following: “and after receiving a certification submitted under paragraph (2)(B) for that postal facility.”; and

(B) in subparagraph (B)—

(i) by redesignating clause (ii) as clause (iii); and

(ii) by striking clause (i) and inserting the following:

“(i) REQUEST FOR CERTIFICATION FROM GOVERNOR.—

“(I) COMPLETED AREA MAIL PROCESSING STUDIES.—In the case of a postal facility described in clause (iii) for which an area mail processing study has been completed, the Postal Service shall request a certification, as described in paragraph (2)(B), for the postal facility from the Governor of the State in which the postal facility is located.

“(II) ONGOING AREA MAIL PROCESSING STUDIES.—In the case of a postal facility described in clause (iii) for which an area mail processing study is in progress, the Postal Service shall—

“(aa) suspend the area mail processing study;

“(bb) request a certification, as described in paragraph (2)(B), for the postal facility from the Governor of the State in which the postal facility is located; and

“(cc) after receiving a certification submitted under paragraph (2)(B) for the postal facility, complete the area mail processing study.

“(ii) CONSIDERATION OF ALTERNATIVE PLAN.—After receiving a certification submitted under paragraph (2)(B) for a postal facility described in clause (iii), the Postal Service shall—

“(I) consider a plan to reduce the capacity of the postal facility, but not close the postal facility; and

“(II) publish the results of the consideration under subclause (I) with or as an amendment to the area mail processing study relating to the postal facility.”;

(4) in paragraph (5), as so redesignated—

(A) in the matter preceding subparagraph (A), by striking “(3)” and inserting “(4)”;

and

(B) in subparagraph (A), by striking “(3)” and inserting “(4)”;

(5) in paragraph (6), as so redesignated—

(A) in subparagraph (A), by striking “(4)” and inserting “(5)”;

(B) in subparagraph (B), by striking “(4)” and inserting “(5)”;

(C) in subparagraph (C), by striking “(4)” and inserting “(5)”.

**SA 2004.** Ms. MIKULSKI submitted an amendment intended to be proposed by her to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . COMMUNITY IMPACT STUDY.**

Subsection (f) of section 404 of title 39, United States Code, as added by section 201 of this Act, is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (9) and (10), respectively;

(2) by redesignating paragraphs (2) through (6) as paragraphs (3) through (7), respectively;

(3) by inserting after paragraph (1) the following:

“(2) COMMUNITY IMPACT STUDY.—

“(A) STUDY BY INDEPENDENT ORGANIZATION.—Before making a determination under subsection (a)(3) as to the necessity for the closing or consolidation of any postal facility, the Postal Service shall contract with an independent organization to conduct a study of, and submit to the Postal Service a report on, the impact of the closing or consolidation on the community served by the postal facility.

“(B) MATTERS TO BE STUDIED.—A community impact study described in subparagraph (A) shall evaluate the potential impact of the closing or consolidation of a postal facility on—

“(i) small business concerns in the community in which the postal facility is located;

“(ii) jobs and employment in the community in which the postal facility is located;

“(iii) the unemployment rate in the community in which the postal facility is located; and

“(iv) State and local government tax revenues.

“(C) POSTAL SERVICE RESPONSE.—The Postal Service shall include in the justification



statement required under paragraph (6) for a postal facility a response to the report submitted under subparagraph (A) for the postal facility that describes the effect of the report on the determination to close or consolidate the postal facility.

“(D) APPLICABILITY.—The requirements under subparagraphs (A) through (C) shall apply to the determination to close or consolidate any postal facility, including a postal facility described in paragraph (3)(B)(ii).”;

(4) in paragraph (5), as so redesignated, by striking “paragraph (3)” each place that term appears and inserting “paragraph (4)”;

(5) in paragraph (6), as so redesignated, by striking “paragraph (4)” each place that term appears and inserting “paragraph (5)”;

and

(6) by inserting after paragraph (7), as so redesignated, the following:

“(8) APPEAL TO POSTAL REGULATORY COMMISSION.—

“(A) IN GENERAL.—A determination of the Postal Service to close or consolidate a postal facility may be appealed by any person served by the postal facility to the Postal Regulatory Commission.

“(B) REVIEW BY COMMISSION.—

“(i) REVIEW OF RECORD.—The Postal Regulatory Commission shall review a determination of the Postal Service under subparagraph (A) on the basis of the record that was before the Postal Service when the Postal Service made the determination.

“(ii) STANDARD OF REVIEW.—The Postal Regulatory Commission shall set aside any determination, findings, and conclusions of the Postal Service that the Commission finds to be—

“(I) inconsistent with the findings of the report submitted under paragraph (2)(A);

“(II) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law;

“(III) without observance of procedure required by law; or

“(IV) unsupported by substantial evidence on the record.

“(iii) APPLICABILITY OF OTHER LAWS.—The provisions of section 556, section 557, and chapter 7 of title 5 shall not apply to any review carried out by the Postal Regulatory Commission under this paragraph.

“(C) LIMITATION ON ACTIONS BY POSTAL REGULATORY COMMISSION.—The Postal Regulatory Commission may affirm the determination of the Postal Service or order that the entire matter be returned for further consideration, but the Commission may not modify the determination of the Postal Service.

“(D) SUSPENSION.—The Postal Regulatory Commission may suspend the effectiveness of the determination of the Postal Service until the final disposition of the appeal.

“(E) DEADLINES.—

“(i) SUBMITTAL OF APPEAL.—A person may submit an appeal under subparagraph (A) with respect to a postal facility not later than 15 days after the date on which the Postal Service posts the justification statement under paragraph (6) with respect to the postal facility.

“(ii) DETERMINATION OF POSTAL REGULATORY COMMISSION.—The Postal Regulatory Commission shall make a determination with respect to an appeal under subparagraph (A) not later than 120 days after the date on which the Commission receives the appeal.

“(iii) DATE SUBMITTED AND RECEIVED.—For purposes of clauses (i) and (ii), any appeal received by the Postal Regulatory Commission shall—

“(I) if sent to the Commission through the mails, be considered to have been submitted and received on the date of the Postal Serv-

ice postmark on the envelope or other cover in which such appeal is mailed; or

“(II) if otherwise lawfully delivered to the Commission, be considered to have been submitted and received on the date determined based on any appropriate documentation or other indicia (as determined under regulations of the Commission).”.

**SA 2005.** Ms. MIKULSKI submitted an amendment intended to be proposed by her to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ MAINTENANCE OF EXPECTED DELIVERY TIME FOR PROTECTED MAIL ITEMS.**

(a) IN GENERAL.—Subchapter VII of chapter 36 of title 39, United States Code, as amended by this Act, is amended by adding at the end the following:

**“§ 3693. Maintenance of expected delivery time for protected mail items**

“(a) DEFINITION OF PROTECTED MAIL ITEM.—In this section, the term ‘protected mail item’ means—

“(1) a medication or pharmaceutical provided by mail—

“(A) under a prescription drug plan under part D of title XVIII of the Social Security Act (42 U.S.C. 1395w-101 et seq.); or

“(B) by the Department of Veterans Affairs under the laws administered by the Secretary of Veterans Affairs;

“(2) a pharmaceutical provided by mail under the national mail-order pharmacy program under section 1074g of title 10, or otherwise provided by mail for members of the uniformed services and covered beneficiaries under chapter 55 of that title;

“(3) a benefit delivered to a beneficiary by mail under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.);

“(4) a payment of military pay and allowances made by mail to members of the Armed Forces; and

“(5) a payment of compensation or pension made by mail under chapter 11, 13, or 15 of title 38.

“(b) MAINTENANCE OF EXPECTED DELIVERY TIME.—Notwithstanding subsection (a), (b), or (c) of section 3691, section 204(b) or 206 of the 21st Century Postal Service Act of 2012, or any other provision of law, the Postal Service may not increase the expected delivery time for protected mail items relative to the expected delivery time for protected mail items as of the day before the date of enactment of the 21st Century Postal Service Act of 2012.”.

(b) CLERICAL AMENDMENT.—The table of sections for subchapter VII of chapter 36 of title 39, United States Code, is amended by adding at the end the following:

“3693. Maintenance of expected delivery time for protected mail items.”.

**SA 2006.** Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

On page 227, after the matter after line 7, add the following:

**SEC. 409. DELAY OF TIER 3 MOTOR VEHICLE EMISSION AND FUEL STANDARDS.**

(a) IN GENERAL.—The Administrator of the Environmental Protection Agency shall not propose any Tier 3 motor vehicle emission and fuel standard until the Administrator determines that the implementation of the standard will not result in—

(1) an increase in the price of gasoline;

(2) an increase in imports of finished products; or

(3) a loss of refining capacity or decrease in refinery utilization in any Petroleum Administration for Defense District.

(b) CONSULTATION.—In making the determination described in subsection (a), the Administrator of the Environmental Protection Agency shall consult with the Secretary of Energy and the National Petroleum Council.

**SA 2007.** Mr. MCCAIN (for himself, Mr. COBURN, and Mr. JOHNSON of Wisconsin) submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ POSTAL SERVICE ADVERTISING PROGRAM.**

Section 404 of title 39, United States Code, as amended by this Act, is amended by adding at the end the following:

“(g) Subject to subsection (a)(6), the Postal Service may establish and manage a program that allows entities to advertise at Postal Service facilities and on Postal Service vehicles, if—

“(1) the Postal Service at all times ensures that advertising it permits is consistent with the integrity of the Postal Service;

“(2) the program is required to cover a minimum of 200 percent of the costs attributable to the program for each year;

“(3) all advertising expenditures and revenues are subject to annual compliance determination (including remedies for noncompliance) applicable to nonpostal products; and

“(4) total advertising expenditures and revenues are disclosed in Postal Service annual reports.”.

**SA 2008.** Mr. MCCAIN (for himself, Mr. COBURN, and Mr. JOHNSON of Wisconsin) submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ LIMITATION ON BONUS AUTHORITY.**

Section 3686 of title 39, United States Code, is amended—

(1) in subsection (a), by striking “The Postal Service” and inserting “Subject to subsection (f), the Postal Service”; and

(2) by adding at the end the following:

“(f) LIMITATION ON BONUS AUTHORITY.—

“(1) DEFINITIONS.—In this subsection—

“(A) the term ‘bonus’ includes a bonus, incentive-based payment, or other reward under this section or any other provision of law; and

“(B) the term ‘senior executive of the Postal Service’ means—

“(i) a member of the Board of Governors;

“(ii) an individual serving in a position described in section 203 or 204; and

“(iii) an individual hired as an executive hired under section 1001(c).

“(2) LIMITATION.—On and after the date of enactment of this subsection, the Postal Service may not provide a bonus to a senior executive of the Postal Service if the Postal Service—

“(A) has outstanding obligations purchased by the Secretary of the Treasury under section 2006; or

“(B) owes any other debt to the Treasury of the United States.”.

**SA 2009.** Mr. MCCAIN (for himself, Mr. COBURN, and Mr. JOHNSON of Wisconsin) submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the end of title I, add the following:

**SEC. 106. LIMITATION ON POSTAL CONTRIBUTIONS UNDER FEGLI AND FEHBP.**

Section 1003 of title 39, United States Code, is amended by adding at the end the following:

“(e)(1) At least 1 month before the start of each fiscal year as described in paragraph (2), the Postmaster General shall transmit to the Postal Regulatory Commission certification (together with such supporting documentation as the Postal Regulatory Commission may require) that contributions of the Postal Service for such fiscal year will not exceed—

“(A) in the case of life insurance under chapter 87 of title 5, the Government contributions determined under section 8708 of such title; and

“(B) in the case of health insurance under chapter 89 of title 5, the Government contributions determined under 8906 of such title.

“(2) This subsection applies with respect to—

“(A) except as provided in subparagraph (B), each fiscal year beginning after September 30, 2013; and

“(B) in the case of officers and employees of the Postal Service covered by a collective bargaining agreement which is in effect on the date of the enactment of this subsection—

“(i) each fiscal year beginning after the expiration date of such agreement, including

“(ii) for the fiscal year in which such expiration date occurs, any portion of such fiscal year remaining after such expiration date.

“(3)(A) If, after reasonable notice and opportunity for hearing is afforded to the Postal Service, the Postal Regulatory Commission finds that the contributions of the Postal Service for a fiscal year will exceed or are exceeding the limitation specified in subparagraph (A) or (B) of paragraph (1), the Commission shall order that the Postal Service take such action as the Commission considers necessary to achieve full and immediate compliance with the applicable limitation or limitations.

“(B) Sections 3663 and 3664 shall apply with respect to any order issued by the Postal Regulatory Commission under subparagraph (A).

“(C) Nothing in this paragraph shall be considered to permit the issuance of an order requiring reduction of contributions below the level specified by the provision of law cited in subparagraph (A) or (B) of paragraph (1), as applicable.”.

**SA 2010.** Mr. MCCAIN (for himself, Mr. COBURN, and Mr. JOHNSON of Wisconsin) submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the end of title I, add the following:

**SEC. 106. APPLICABILITY OF REDUCTION-IN-FORCE PROCEDURES.**

Section 1206 of title 39, United States Code is amended by adding at the end the following:

“(d) Collective-bargaining agreements between the Postal Service and bargaining rep-

resentatives recognized under section 1203, ratified after the date of enactment of this subsection, shall contain no provision restricting the applicability of reduction-in-force procedures under title 5 with respect to members of the applicable bargaining unit.

“(e) Any collective-bargaining agreement between the Postal Service and the bargaining representatives recognized under section 1203 ratified before the date of enactment of this Act that contains any provision violating subsection (d) shall be renegotiated with a new collective-bargaining agreement to be ratified or imposed through an arbitration decision under section 1207 within 9 months after such date of enactment.

“(f)(1) If a collective-bargaining agreement between the Postal Service and bargaining representatives recognized under section 1203, ratified after the date of enactment of this subsection, includes reduction-in-force procedures which can be applied in lieu of reduction-in-force procedures under title 5, the Postal Service may, in its discretion, apply with respect to members of the applicable bargaining unit—

“(A) the alternative procedures (or, if 2 or more are agreed to, 1 of the alternative procedures); or

“(B) the reduction-in-force procedures under title 5.

“(2) In no event may, if procedures for the resolution of a dispute or impasse arising in the negotiation of a collective-bargaining agreement (whether through binding arbitration or otherwise) are invoked under this chapter, the award or other resolution reached under such procedures provide for the elimination of, or the substitution of any alternative procedures in lieu of, reduction-in-force procedures under title 5.”.

**SA 2011.** Mr. MCCAIN (for himself and Mr. COBURN) submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

Strike section 208 and insert the following:

**SEC. 208. FREQUENCY OF MAIL DELIVERY.**

Section 101 of title 39, United States Code, is amended by adding at the end the following:

“(h) Nothing in this title or any other provision of law shall be considered to prevent the Postal Service from taking whatever actions may be necessary to provide for 5-day delivery of mail and a commensurate adjustment in rural delivery of mail, subject to the requirements of section 3661.”.

**SA 2012.** Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the end, add the following:

**TITLE —REGULATION OF POLITICAL ROBOCALLS**

**SEC. .01. SHORT TITLE.**

This title may be cited as the “Robocall Privacy Act of 2012”.

**SEC. .02. FINDINGS.**

Congress makes the following findings:

(1) Abusive political robocalls harass voters and discourage them from participating in the political process.

(2) Abusive political robocalls infringe on the privacy rights of individuals by disturbing them in their homes.

**SEC. .03. DEFINITIONS.**

For purposes of this title—

(1) **POLITICAL ROBOCALL.**—The term “political robocall” means any outbound telephone call—

(A) in which a person is not available to speak with the person answering the call, and the call instead plays a recorded message; and

(B) which promotes, supports, attacks, or opposes a candidate for Federal office.

(2) **IDENTITY.**—The term “identity” means, with respect to any individual making a political robocall or causing a political robocall to be made, the name of the sponsor or originator of the call.

(3) **SPECIFIED PERIOD.**—The term “specified period” means, with respect to any candidate for Federal office who is promoted, supported, attacked, or opposed in a political robocall—

(A) the 60-day period ending on the date of any general, special, or run-off election for the office sought by such candidate; and

(B) the 30-day period ending on the date of any primary or preference election, or any convention or caucus of a political party that has authority to nominate a candidate, for the office sought by such candidate.

(4) **OTHER DEFINITIONS.**—The terms “candidate” and “Federal office” have the respective meanings given such terms under section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).

**SEC. .04. REGULATION OF POLITICAL ROBOCALLS.**

It shall be unlawful for any person during the specified period to make a political robocall or to cause a political robocall to be made—

(1) to any person during the period beginning at 9 p.m. and ending at 8 a.m. in the place which the call is directed; and

(2) to the same telephone number more than twice on the same day;

(3) without disclosing, at the beginning of the call—

(A) that the call is a recorded message; and

(B) the identity of the person making the call or causing the call to be made; or

(4) without transmitting the telephone number and the name of the person making the political robocall or causing the political robocall to be made to the caller identification service of the recipient.

**SEC. .05. ENFORCEMENT.**

(a) **ENFORCEMENT BY FEDERAL ELECTION COMMISSION.**—

(1) **IN GENERAL.**—Any person aggrieved by a violation of section .04 may file a complaint with the Federal Election Commission under rules similar to the rules under section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)).

(2) **CIVIL PENALTY.**—

(A) **IN GENERAL.**—If the Federal Election Commission or any court determines that there has been a violation of section .04, there shall be imposed a civil penalty of not more than \$1,000 per violation.

(B) **WILLFUL VIOLATIONS.**—In the case the Federal Election Commission or any court determines that there has been a knowing or willful violation of section .04, the amount of any civil penalty under subparagraph (A) for such violation may be increased to not more than 300 percent of the amount under subparagraph (A).

(b) **PRIVATE RIGHT OF ACTION.**—Any person may bring in an appropriate district court of the United States an action based on a violation of section .04 to enjoin such violation without regard to whether such person has filed a complaint with the Federal Election Commission.

**SA 2013.** Mr. REID proposed an amendment to amendment SA 2000 proposed by Mr. REID (for Mr. LIEBERMAN

(for himself, Ms. COLLINS, Mr. CARPER, and Mr. BROWN of Massachusetts)) to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; as follows:

At the end, add the following new section:

**SEC. \_\_\_\_**

This Act shall become effective 7 days after enactment.

**SA 2014.** Mr. REID proposed an amendment to amendment SA 2013 proposed by Mr. REID to the amendment SA 2000 proposed by Mr. REID (for Mr. LIEBERMAN (for himself, Ms. COLLINS, Mr. CARPER, and Mr. BROWN of Massachusetts)) to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; as follows:

In the amendment, strike “7 days” and insert “6 days”.

**SA 2015.** Mr. REID proposed an amendment to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; as follows:

At the end, add the following new section:

**SEC. \_\_\_\_**

This Act shall become effective 5 days after enactment.

**SA 2016.** Mr. REID proposed an amendment to amendment SA 2015 proposed by Mr. REID to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; as follows:

In the amendment, strike “5 days” and insert “4 days”.

**SA 2017.** Mr. REID proposed an amendment to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; as follows:

At the end, add the following new section:

**SEC. \_\_\_\_**

This Act shall become effective 3 days after enactment.

**SA 2018.** Mr. REID proposed an amendment to amendment SA 2017 proposed by Mr. REID to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; as follows:

In the amendment, strike “3 days” and insert “2 days”.

**SA 2019.** Mr. REID proposed an amendment to amendment SA 2018 proposed by Mr. REID to the amendment SA 2017 proposed by Mr. REID to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; as follows:

In the amendment, strike “2 days” and insert “1 day”.

**SA 2020.** Mr. WYDEN (for himself, Mrs. FEINSTEIN, Mr. MERKLEY, and Mr. TESTER) submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

On page 28, strike lines 20 through 24 and insert the following:

“(i) conduct an area mail processing study relating to that postal facility that includes—

“(I) a plan to reduce the capacity of the postal facility, but not close the postal facility; and

“(II) consideration of the effect of the closure or consolidation of the postal facility on the ability of individuals served by the postal facility to vote by mail and the ability of the Postal Service to timely deliver ballots by mail in accordance with the deadline to return ballots established under applicable State law;

On page 29, line 13, strike “and” and all that follows through “publish” on line 14 and insert the following:

“(II) consider the effect of the closure or consolidation of the postal facility on the ability of individuals served by the postal facility to vote by mail and the ability of the Postal Service to timely deliver ballots by mail in accordance with the deadline to return ballots established under applicable State law; and

“(III) publish

On page 30, line 1, after “the facility” insert the following: “or consideration of the effect of the closure or consolidation of the postal facility on the ability of individuals served by the postal facility to vote by mail and the ability of the Postal Service to timely deliver ballots by mail in accordance with the deadline to return ballots established under applicable State law”.

On page 45, strike line 3 and all that follows through “(c)” on line 11 and insert the following:

(b) MORATORIUM ON CLOSING OF POST OFFICES AND POSTAL FACILITIES.—

(1) GENERAL MORATORIUM.—Notwithstanding section 404(d) of title 39, United States Code, during the period beginning on the date of enactment of this Act and ending on the date on which the Postal Service establishes the service standards under subsection (b), the Postal Service may not close a post office, except as required for the immediate protection of health and safety.

(2) MORATORIUM TO PROTECT THE ABILITY OF VOTERS TO VOTE ABSENTEE OR BY MAIL.—Notwithstanding paragraph (1) or subsection (d) or (f) of section 404 of title 39, United States Code, during the period beginning on the date of enactment of this Act and ending on November 13, 2012, the Postal Service may not close or consolidate a post office or postal facility located in a State that conducts all elections by mail or permits no-excuse absentee voting, except as required for the immediate protection of health and safety.

(c) NOTIFICATION OF ELECTION OFFICIALS.—Section 404 of title 39, United States Code, as amended by this Act, is amended by adding at the end the following:

“(g) NOTIFICATION OF ELECTION OFFICIALS.—Not later than 120 days before the date on which the Postal Service closes or consolidates a post office or postal facility (as defined in subsection (f)), the Postal Service shall notify each State and local election official for the area affected by the closing or consolidation of the closing or consolidation.”.

(d)

**SA 2021.** Mr. TESTER submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . BOARD OF GOVERNORS.**

(a) IN GENERAL.—Section 202 of title 39, United States Code, is amended—

(1) in subsection (a)(1)—

(A) in the first sentence, by striking “11” and inserting “9”;

(B) in the second sentence—

(i) by striking “Nine” and inserting “Seven”; and

(ii) by striking “5” and inserting “4”; and

(C) in the fourth sentence, by striking “at least 4” and inserting “not fewer than 3”;

(2) in subsection (b)(1), by striking “The terms of the 9 Governors” and all that follows and inserting the following: “(A) The term of a Governor shall be 7 years.

“(B) A Governor appointed to fill a vacancy before the expiration of the term for which the predecessor of that Governor was appointed shall serve for the remainder of such term.

“(C) A Governor may continue to serve after the expiration of a term until the successor to that Governor has qualified, but may not serve for more than 1 year after the expiration of such term.”; and

(3) in subsection (e)(3), in the first sentence, by striking “at least 7” and inserting “not fewer than 5”.

(b) INCUMBENT.—Notwithstanding the amendments made by subsection (a), an individual serving as a Governor under section 202 of title 39, United States Code, on the date of enactment of this Act may serve as a Governor until the expiration of the term of the individual.

**SA 2022.** Mr. BENNET (for himself and Mr. BLUNT) submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . CITIZEN'S SERVICE PROTECTION ADVOCATES.**

(a) IN GENERAL.—Chapter 4 of title 39, United States Code, is amended by adding at the end the following:

**“§ 417. Citizen's service protection advocates**

“(a) APPOINTMENT OF ADVOCATE.—

“(1) IN GENERAL.—The chief executive of a State affected by the closure or consolidation of a rural post office or postal facility (as defined in section 404(f)) may appoint a citizen's service protection advocate to represent the interests of postal customers affected by the closure or consolidation.

“(2) CONSULTATION.—In making an appointment under this subsection, the chief executive of a State shall consult with—

“(A) the mayor (or equivalent official) of any city affected by the closure or consolidation; and

“(B) the commissioner (or equivalent official) of any county, parish, or equivalent political subdivision affected by the closure or consolidation.

“(b) NOTICE.—The Postal Service shall transmit to the chief executive of a State notice of any determination by the Postal Service to close or consolidate a rural post office or postal facility that affects postal customers in the State.

“(c) APPEALS.—

“(1) IN GENERAL.—Notwithstanding section 404(d), a citizen's service protection advocate may appeal to the Postal Regulatory Commission a decision by the Postal Service to close or consolidate a rural post office or postal facility, if the citizen's service protection advocate finds that the closure or consolidation would result in a failure by the Postal Service to comply with the retail

service standards established under section 204(b) of the 21st Century Postal Service Act of 2012.

“(2) TIME FOR APPEAL.—An appeal under paragraph (1) shall be submitted to the Postal Regulatory Commission not later than 30 days after the date on which the Postal Service transmits the notice under subsection (b).

“(3) POSTAL REGULATORY COMMISSION.—

“(A) DETERMINATION REQUIRED.—Not later than 90 days after the date on which the Postal Regulatory Commission receives an appeal under paragraph (1), the Postal Regulatory Commission shall determine whether to grant or deny the appeal.

“(B) EFFECT OF DETERMINATION.—A determination by the Postal Regulatory Commission under subparagraph (A) shall be binding upon the Postal Service.

“(4) PROHIBITION ON CLOSURE OR CONSOLIDATION DURING APPEAL.—Notwithstanding section 404(d), during the period beginning on the date on which a citizen’s service protection advocate submits an appeal under paragraph (1) and ending on the date on which the Postal Regulatory Commission makes a determination under paragraph (3), the Postal Service may not close or consolidate the rural post office or postal facility that is the subject of the appeal, except as required for the immediate protection of health and safety.

“(d) ACCESS TO INFORMATION AND ASSISTANCE.—

“(1) IN GENERAL.—Subject to paragraph (2), upon the request of any citizen’s service protection advocate appointed under this section, the Postal Service shall provide to the citizen’s service protection advocate—

“(A) access to any records, reports, audits, reviews, documents, papers, recommendations, or other materials of the Postal Service relating to the closure or consolidation of the relevant post office or postal facility; and

“(B) assistance in carrying out the duties of the citizen’s service protection advocate.

“(2) PRIVACY PROTECTIONS.—The Postal Service may not provide to a citizen’s service protection advocate any information, or compilation of information, that is a means of identification, as defined in section 1028(d)(7) of title 18, United States Code.

“(e) COMMUNICATION AND CONSULTATION.—The Postal Service shall—

“(1) provide for regular and efficient communication between a citizen’s service protection advocate and the officer or employee of the Postal Service responsible for the closure or consolidation of the relevant post office or postal facility; and

“(2) consult with the citizen’s service protection advocate in developing and implementing service changes that affect postal customers affected by the closure or consolidation of the relevant post office or postal facility.

“(f) TERMINATION OF SERVICE.—An individual may not serve as a citizen’s service protection advocate with respect to the closure or consolidation of a rural post office or postal facility after the later of—

“(1) the date on which the Postal Service determines not to close or consolidate the rural post office or postal facility;

“(2) the date on which the Postal Regulatory Commission makes a determination under subsection (c)(3); and

“(3) if a citizen’s service protection advocate does not submit an appeal under subsection (c), the date on which the Postal Service determines to close or consolidate the rural post office or postal facility; and”.

(b) TABLE OF SECTIONS.—The table of sections for chapter 4 of title 39, United States

Code, is amended by adding at the end the following:

“417. Citizen’s service protection advocate.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date on which the Postal Service establishes retail service standards under section 204(b).

**SA 2023.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ PROHIBITION ON FOREIGN ASSISTANCE TO EGYPT.**

(a) PROHIBITION.—No amounts may be obligated or expended to provide any direct United States assistance to the Government of Egypt unless the President certifies to Congress that—

(1) the Government of Egypt is not holding, detaining, prosecuting, harassing, or preventing the exit from Egypt of any person working for a nongovernmental organization supported by the United States Government on the basis of the person’s association with or work for the nongovernmental organization;

(2) the Government of Egypt is not holding any property of a nongovernmental organization described in paragraph (1) or of a person associated with such a nongovernmental organization; and

(3) the Government of Egypt—

(A) has dropped all charges against the persons described in paragraph (1);

(B) is no longer seeking the arrest of such persons; and

(C) is no longer seeking the extradition of such persons to Egypt for trial.

(b) RESCISSION OF FUNDS.—

(1) IN GENERAL.—Subject to paragraph (2), of any amounts previously appropriated for direct United States assistance to the Government of Egypt and available for obligation as of the date of the enactment of this Act, \$5,000,000 is hereby rescinded.

(2) CERTIFICATION.—If the President certifies to Congress the total amount of funds paid by the United States Government, nongovernmental organizations supported by the United States Government, and individuals working for such nongovernmental organizations to obtain the release of persons working for nongovernmental organizations detained by the Government of Egypt, the amount rescinded under paragraph (1) shall instead be the amount so certified.

(3) INSUFFICIENT FUNDS.—If the President certifies to Congress that the amount of funds required to be rescinded under paragraph (1) or paragraph (2) is greater than the amount of funds available to be rescinded, the President shall withhold from future funding available for direct United States assistance to the Government of Egypt an amount equal to the difference between the amount required to be rescinded and the amount available to be rescinded and transfer such amount to the Treasury of the United States to be used for deficit reduction.

**SA 2024.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

Strike section 105 and insert the following:

**SEC. 105. ENROLLING SENIORS IN THE SAME HEALTH CARE PLANS AS MEMBERS OF CONGRESS.**

(a) IN GENERAL.—Chapter 89 of title 5, United States Code, is amended—

(1) in section 8901—

(A) in paragraph (10), by striking “and” at the end;

(B) in paragraph (11), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(12) the term ‘covered individual’ means an individual who, taking into account section 226(k) of the Social Security Act, would have been entitled to, or could have enrolled for, benefits under part A of title XVIII of such Act or could have enrolled under part B of such title if section 1899B had not been enacted.”;

(2) by inserting after section 8901 the following:

**“SUBCHAPTER I—FEDERAL EMPLOYEES”;**

(3) in section 8902—

(A) in subsection (a)—

(i) by inserting “(1)” after “(a)”; and

(ii) by adding at the end the following:

“(2)(A) In this paragraph, the term ‘equivalent health benefits plan’ means a health benefits plan proposed to be provided that offers benefits that the Director of the Office of Personnel Management determines are substantially equivalent or superior to benefits offered under, and does not impose requirements that are substantially different than requirements under, a health benefits plan in which an employee could enroll on the date of enactment of this paragraph if the employee resided—

“(i) anywhere in the United States; or

“(ii) in the same region of the United States as the health benefits plan proposed to be provided.

“(B) For contract years beginning on or after January 1, 2014, if a carrier offers to provide an equivalent health benefits plan, the Director shall enter into a contract with the carrier to provide the equivalent health benefits plan.”;

(B) in subsection (e), by striking “The Office may prescribe” and inserting “Subject to subsection (a)(2), the Office may prescribe”; and

(C) by adding at the end the following:

“(p) A contract under this chapter for a contract year beginning on or after January 1, 2014, shall offer benefits for employees, annuitants, members of their families, former spouses, persons having continued coverage under section 8905a of this title, and covered individuals. In administering this subchapter and subchapter II, employees, annuitants, members of their families, former spouses, persons having continued coverage under section 8905a of this title, and covered individuals shall be in the same risk pool.”;

(4) in section 8904—

(A) by striking “(a) The benefits” and inserting “The benefits”;

(B) by striking “this subsection” each place it appears and inserting “this section”; and

(C) by striking subsection (b);

(5) in section 8909(a)(1), by inserting “and for all payments under section 8921(d)” before the semicolon;

(6) in section 8910, by striking subsection (d); and

(7) by adding at the end the following:

**“SUBCHAPTER II—COVERED INDIVIDUALS**

**“§ 8921. Health insurance for covered individuals**

“(a) For contract years beginning on or after January 1, 2014, and except as otherwise provided in this subchapter, the Director of the Office of Personnel Management shall

ensure that to the greatest extent possible health benefits plans provide benefits for covered individuals to the same extent and in the same manner as provided under subchapter I for employees, annuitants, members of their families, former spouses, and persons having continued coverage under section 8905a of this title.

“(b)(1) The Director shall establish the deadline by which a covered individual shall elect to—

“(A) enroll in a health benefits plan under this chapter based on the status of the individual as a covered individual; and

“(B) with the concurrence of the employer or former employer of the covered individual, receive payments under subsection (d) to assist in paying for health insurance provided through the employer or former employer of the covered individual; or

“(C) not enroll in a health benefits plan or receive payments under this chapter.

“(2) Failure to make a timely election under this subsection shall be deemed as an election to not enroll in a health benefits plan or receive payment under this chapter.

“(3) A covered individual—

“(A) may elect to enroll in a health benefits plan as an individual; and

“(B) may not enroll in a health benefits plan for self and family.

“(4)(A) A covered individual who elects not to enroll, or who elects not to continue enrollment, in a health benefits plan under this chapter (including a covered individual who elects to receive payments under subsection (d)) may subsequently enroll in a health benefits plan under this chapter based on the status of the covered individual as a covered individual in accordance with such procedures, and after paying such fees, as the Director of the Office of Personnel Management may establish.

“(B) The fact that a covered individual elects not to enroll, or elects not to continue enrollment, in a health benefits plan under this chapter shall not affect the eligibility of the covered individual for benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.).

“(c)(1)(A) A covered individual who elects to enroll in a health benefits plan under this chapter based on the status of the covered individual as a covered individual shall pay a monthly individual premium payment determined in accordance with subparagraph (B).

“(B) The individual premium payment under subparagraph (A) shall be determined based on income, as follows:

“(i) For an individual with an adjusted gross income (as defined under section 62 of the Internal Revenue Code of 1986) of not more than \$85,000, the individual premium payment shall be in an amount equal to the employee contribution for the health benefits plan, as determined under section 8906.

“(ii) For an individual with an adjusted gross income of more than \$85,000 and not more than \$107,000, the individual premium payment shall be in an amount equal to the sum of—

“(I) the employee contribution for the health benefits plan, as determined under section 8906; and

“(II) the product obtained by multiplying—

“(aa) the Government contribution (as determined under section 8906(b)); by

“(bb) 0.05.

“(iii) For an individual with an adjusted gross income of more than \$107,000 and not more than \$160,000, the individual premium payment shall be in an amount equal to the sum of—

“(I) the employee contribution for the health benefits plan, as determined under section 8906; and

“(II) the product obtained by multiplying—

“(aa) the Government contribution (as determined under section 8906(b)); by

“(bb) 0.1.

“(iv) For an individual with an adjusted gross income of more than \$160,000 and not more than \$250,000, the individual premium payment shall be in an amount equal to the sum of—

“(I) the employee contribution for the health benefits plan, as determined under section 8906; and

“(II) the product obtained by multiplying—

“(aa) the Government contribution (as determined under section 8906(b)); by

“(bb) 0.15.

“(v) For an individual with an adjusted gross income of more than \$250,000 and not more than \$1,000,000, the individual premium payment shall be in an amount equal to the sum of—

“(I) the employee contribution for the health benefits plan, as determined under section 8906; and

“(II) the product obtained by multiplying—

“(aa) the Government contribution (as determined under section 8906(b)); by

“(bb) 0.5.

“(vi) For an individual with an adjusted gross income of more than \$1,000,000, the individual premium payment shall be in an amount equal to the sum of—

“(I) the employee contribution for the health benefits plan, as determined under section 8906; and

“(II) the Government contribution (as determined under section 8906(b)).

“(C) The Director of the Office of Personnel Management shall adjust the income amounts under subparagraph (B) annually to reflect changes in the Consumer Price Index for all Urban Consumers published by the Department of Labor.

“(2)(A) For a covered individual who is entitled to monthly benefits under section 202 or 223 of the Social Security Act (42 U.S.C. 402 and 423), the monthly premiums of the covered individual under this subchapter shall (except as provided in subparagraph (B) or (C)) be collected by deducting the amount of the premium from the amount of such monthly benefits.

“(B) For a covered individual who is entitled to receive for a month an annuity under the Railroad Retirement Act of 1974 (whether or not the covered individual is also entitled for such month to a monthly insurance benefit under section 202 of the Social Security Act (42 U.S.C. 402)), the monthly premiums of the covered individual under this subchapter shall (except as provided in subparagraph (C)) be collected by deducting the amount thereof from such annuity or pension.

“(C) If a covered individual to whom subparagraph (A) or (B) applies estimates that the amount which will be available for deduction under such subparagraph for any premium payment period will be less than the amount of the monthly premiums for such period, the covered individual may pay to the Director of the Office of Personnel Management such portion of the monthly premiums for such period as the covered individual desires.

“(D) For a covered individual who is not described in subparagraph (A) or (B) and who elects to enroll in a health benefits plan under this chapter, or with respect to whom subparagraph (C) applies, the covered individual shall pay monthly premiums to the Director of the Office of Personnel Management at such times, and in such manner, as the Director shall by regulations prescribe.

“(E) Amounts deducted or paid under this paragraph shall be deposited in the Treasury to the credit of the Employees Health Benefits Fund established under section 8909.

“(F) After consultation with the Director of the Office of Personnel Management, the Secretary of Health and Human Services

shall establish procedures for making and depositing deductions under this paragraph.

“(3) The Director of the Office of Personnel Management shall establish procedures for terminating the enrollment of a covered individual in a health benefits plan if the covered individual fails to make timely payment of premiums, which shall allow such a covered individual to reenroll in a health benefits plan under such terms and conditions as the Director may prescribe.

“(d) The Director of the Office of Personnel Management shall make periodic payments to the employer or former employer providing health insurance to a covered individual who makes an election under subsection (b)(1)(B) in a total amount not to exceed the lesser of—

“(1) the cost to the employer or former employer of providing health insurance to the covered individual; and

“(2) the average Government contribution for an individual enrolled in a health benefits plan under this chapter that is available to individuals residing anywhere in the United States.

“(e) For fiscal year 2014 and each fiscal year thereafter, there are appropriated to the Employees Health Benefits Fund established under section 8909, out of any funds in the Treasury not otherwise appropriated—

“(1) an amount equal to—

“(A) the taxes imposed by sections 3101(b) and 3111(b) of the Internal Revenue Code of 1986 with respect to wages reported to the Secretary of the Treasury pursuant to subtitle F of such Code after December 31, 2013, as determined by the Secretary of the Treasury by applying the applicable rates of tax under such sections to such wages, which wages shall be certified by the Commissioner of Social Security on the basis of records of wages established and maintained by the Commissioner of Social Security in accordance with such reports;

“(B) the taxes imposed by section 1401(b) of the Internal Revenue Code of 1986 with respect to self-employment income reported to the Secretary of the Treasury on tax returns under subtitle F of such Code, as determined by the Secretary of the Treasury by applying the applicable rate of tax under such section to such self-employment income, which self-employment income shall be certified by the Commissioner of Social Security on the basis of records of self-employment established and maintained by the Commissioner of Social Security in accordance with such returns; and

“(C) any amounts that, on or after January 1, 2014, are to be deposited in the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395i) under any other provision of law; and

“(2) a Government contribution equal to the difference obtained by subtracting—

“(A) the sum of—

“(i) the total amount of premiums paid by covered individuals under subsection (c)(2) for the fiscal year; and

“(ii) the amount appropriated under paragraph (1); from

“(B) the sum of—

“(i) the total cost for the fiscal year of subscription charges for health benefits plans for covered individuals enrolled in a health benefits plan based on the status of the covered individuals as covered individuals; and

“(ii) the total amount of payments for the fiscal year under subsection (d).

“(f) The Director of the Office of Personnel Management shall establish, in consultation with the Secretary of Health and Human Services acting through the Administrator of the Centers for Medicare & Medicaid Services, procedures to ensure that health benefits plans coordinate with State Medicaid

programs with respect to the provision of cost-sharing and other medical assistance for covered individuals enrolled in health benefit plans who are also eligible for medical assistance and enrolled in a State Medicaid program.

#### **"SUBCHAPTER III—HIGH RISK POOL**

##### **"§ 8941. Reimbursement of costs for high risk individuals**

"(a) In this section, the term 'high risk individual' means an individual—

"(1) enrolled in a health benefits plan under this chapter for a contract year; and

"(2) who, of all individuals enrolled in a health benefits plan under this chapter for the contract year, is in the highest 5 percent in terms of benefits paid by a carrier under a health benefits plan relating to the contract year.

"(b) After the end of each contract year beginning on or after January 1, 2014, the Director of the Office of Personnel Management shall—

"(1) identify the high risk individuals for the contract year; and

"(2) pay to a carrier contracting to provide a health benefits plan to a high risk individual for the contract year 90 percent of the benefits paid by the carrier relating to the high risk individual.

"(c)(1) For fiscal year 2014 and each fiscal year thereafter, there are appropriated to the Director of the Office of Personnel Management from the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395i) such sums as are necessary to carry out this section.

"(2) If the amounts appropriated under paragraph (1) are insufficient to carry out this section, for fiscal year 2014 and each fiscal year thereafter, there are appropriated to the Director of the Office of Personnel Management, out of any funds in the Treasury not otherwise appropriated, such sums as are necessary to carry out this section."

(b) EXEMPTION FROM INSURANCE REQUIREMENTS.—

(1) AMENDMENT TO TITLE 5.—Chapter 89 of title 5, United States Code, is amended by inserting after section 8901 the following:

##### **"§ 8901A. Exemption from insurance requirements**

"Title I of the Patient Protection and Affordable Care Act, subtitle A of title X of such Act, and the amendments made by such title I and subtitle A shall not apply to health benefits plans."

(2) CONFORMING AMENDMENT.—Section 2709 of the Public Health Service Act (42 U.S.C. 300gg-8) (as added by section 10103 of the Patient Protection and Affordable Care Act) is amended—

(A) by striking subsection (g); and

(B) by redesignating subsection (h) as subsection (g).

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Chapter 89 of title 5, United States Code, is amended—

(1) in the table of sections—

(A) by inserting after the item relating to section 8901 the following:

"8901A. Exemption from insurance requirements.

"SUBCHAPTER I—FEDERAL EMPLOYEES"; and

(B) by adding at the end the following:

#### **"SUBCHAPTER II—COVERED INDIVIDUALS**

"8921. Health insurance for covered individuals.

#### **"SUBCHAPTER III—HIGH RISK POOL**

"8941. Reimbursement of costs for high risk individuals."

(2) in section 8902a(d)(1)—

(A) in subparagraph (A), by adding "or" at the end;

(B) by striking subparagraph (B); and

(C) by redesignating subparagraph (C) as subparagraph (B); and

(3) by striking section 8910(d).

(d) EFFECTIVE DATE; APPLICABILITY.—The amendments made by this section shall take effect on the date of enactment of this Act and apply on and after January 1, 2014.

**SA 2025.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the end of title II, add the following:

##### **SEC. \_\_\_\_ . ENDING THE MAILBOX USE MONOPOLY.**

Section 1725 of title 18, United States Code, is amended by striking "established, approved, or accepted" and all that follows through "mail route" and inserting "or post office box owned by the Postal Service or located on Postal Service property".

**SA 2026.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

##### **SEC. \_\_\_\_ . PERFORMANCE-BASED PAY FOR POSTMASTER GENERAL; POSTAL SERVICE BONUS AUTHORITY.**

(a) IN GENERAL.—Chapter 10 of title 39, United States Code, is amended by adding at the end the following:

##### **"§ 1012. Performance-based pay for Postmaster General; Postal Service bonus authority**

"(a) PERFORMANCE-BASED PAY FOR POSTMASTER GENERAL.—

"(1) DEFINITION.—In this subsection, the term 'base rate' means the annual rate of pay for the Postmaster General in effect on the date of enactment of the 21st Century Postal Service Act of 2012.

"(2) ANNUAL RATE OF PAY.—Except as provided under paragraph (3), the annual rate of pay for the Postmaster General shall be the base rate.

"(3) ADJUSTMENTS.—

"(A) IN GENERAL.—The annual rate of pay for the Postmaster General shall be adjusted only in accordance with this paragraph. An adjustment under this paragraph may be made notwithstanding section 1003(a).

"(B) FISCAL YEARS WITH SURPLUSES.—If there was a surplus in the preceding fiscal year as determined under subsection (c)(1) and the individual serving as the Postmaster General served in that position for all of the preceding fiscal year, the annual rate of pay for the Postmaster General for pay periods beginning on or after October 1 in any fiscal year shall be equal to the base rate increased by the percentage of the surplus for the preceding fiscal year as determined under subsection (c)(2).

"(C) FISCAL YEAR WITH DEFICITS.—If there was a deficit in the preceding fiscal year as determined under subsection (c)(1), the annual rate of pay for the Postmaster General for pay periods beginning on or after October 1 in any fiscal year shall be equal to the base rate decreased by the percentage of the deficit for the preceding fiscal year as determined under subsection (c)(2).

"(b) BONUS AUTHORITY.—

"(1) FISCAL YEARS WITH SURPLUSES.—If there was a surplus in the preceding fiscal year as determined under subsection (c)(1), the Postal Service may provide incentive or performance award payments to employees

during a fiscal year, which may not increase the total compensation of an employee relative to the base salary of the employee by a percentage greater than the percentage of the surplus for the preceding fiscal year as determined under subsection (c)(2).

"(2) FISCAL YEARS WITH DEFICITS.—If there was a deficit in the preceding fiscal year as determined under subsection (c)(1), the Postal Service may not provide incentive or performance award payments to employees during a fiscal year.

"(c) DETERMINATIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.—At the end each fiscal year the Director of the Office of Management and Budget shall—

"(1) make a determination of whether there is a surplus or a deficit in the annual budget of the Postal Service submitted under section 2009 for that fiscal year;

"(2) make a determination of the surplus or deficit described under paragraph (1) expressed as a percentage of the budget for that fiscal year; and

"(3) submit notification to the Board of Governors and Congress of the determinations made under paragraphs (1) and (2)."

(b) FIXING PAY BY BOARD OF GOVERNORS.—Sections 202(c) of title 39, United States Code, is amended in the second sentence by striking "pay and".

(c) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 10 of title 39, United States Code, is amended by adding after the item relating to section 1011 the following:

"1012. Performance-based pay for Postmaster General; Postal Service bonus authority."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided under paragraph (2), the amendments made by this section shall take effect on the date of enactment of this Act.

(2) ADJUSTMENTS; BONUSES.—

(A) ADJUSTMENTS.—Adjustments under section 1012(a) of title 39, United States Code, (as added by subsection (a) of this section) shall apply to pay periods occurring on or after October 1, 2012.

(B) BONUSES.—The limitation on the provision of incentive or performance award payments under Adjust section 1012(b) of title 39, United States Code, (as added by subsection (a) of this section) shall apply to fiscal year 2013 and each fiscal year thereafter.

**SA 2027.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

##### **SEC. \_\_\_\_ . CAPITOL COMPLEX POST OFFICES.**

(a) HOUSE OF REPRESENTATIVES.—

(1) IN GENERAL.—The Postal Service shall not maintain or operate more than 1 post office in the United States Capitol Complex, as defined in section 310(a)(3)(B) of the Legislative Branch Appropriations Act, 1990 (2 U.S.C. 130e(a)(3)(B)), which shall be located in a House Office Building.

(2) CLOSING OF CAPITOL POST OFFICES.—The Postal Service shall close any post office in the United States Capitol Complex, as defined in section 310(a)(3)(B) of the Legislative Branch Appropriations Act, 1990 (2 U.S.C. 130e(a)(3)(B)), not permitted under this subsection, without regard to the requirements under section 404(d) of title 39, United States Code.

(b) SENATE.—

(1) IN GENERAL.—The Sergeant at Arms and Doorkeeper of the Senate may not enter



into, modify, or renew a contract with the Postal Service to maintain or operate more than 1 post office in a Senate Office Building.

(2) **EXISTING CONTRACTS.**—Nothing in paragraph (1) may be construed to affect a contract entered into by the Sergeant at Arms and Doorkeeper of the Senate and the Postal Service before the date of enactment of this Act.

**SA 2028.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. —. PILOT PROGRAM TO TEST ALTERNATIVE METHODS FOR THE DELIVERY OF POSTAL SERVICES.**

(a) **DEFINITION.**—In this section, the term “review board” means a postal performance review board established under subsection (c)(2).

(b) **PILOT PROGRAM.**—

(1) **IN GENERAL.**—The United States Postal Service may conduct a pilot program to test the feasibility and desirability of alternative methods for the delivery of postal services. Subject to the provisions of this section, the pilot program shall not be limited by any lack of specific authority under title 39, United States Code, to take any action contemplated under the pilot program.

(2) **WAIVERS.**—

(A) **IN GENERAL.**—The Postal Service may waive any provision of law, rule, or regulation inconsistent with any action contemplated under the pilot program.

(B) **CONTENT.**—A waiver granted by the Postal Service under subparagraph (A) may include a waiver of requirements relating to—

- (i) days of mail delivery;
- (ii) the use of cluster-boxes;
- (iii) alternative uses of mailboxes; and
- (iv) potential customer charges for daily at-home delivery.

(C) **REGULATIONS AND CONSULTATION.**—The Postal Service shall issue any waiver under subparagraph (A)—

- (i) in accordance with regulations under subsection (h); and
- (ii) with respect to a waiver involving a provision of title 18, United States Code, in consultation with the Attorney General.

(c) **REQUIREMENTS.**—

(1) **IN GENERAL.**—

(A) **APPLICATION.**—Under the pilot program, alternative methods for the delivery of postal services may be tested only in a community that submits an appropriate application (together with a written plan)—

- (i) in such time, form, and manner as the Postal Service by regulation requires; and
- (ii) that is approved by the Postal Service.

(B) **CONTENTS.**—Any application under this paragraph shall include—

- (i) a description of the postal services that would be affected;
- (ii) the alternative providers selected and the postal services each would furnish (or the manner in which those decisions would be made);
- (iii) the anticipated costs and benefits to the Postal Service and users of the mail;
- (iv) the anticipated duration of the participation of the community in the pilot program;
- (v) a specific description of any actions contemplated for which there is a lack of specific authority or for which a waiver under subsection (b)(2) would be necessary; and
- (vi) any other information as the Postal Service may require.

(2) **REVIEW BOARDS.**—

(A) **IN GENERAL.**—Under the pilot program, a postmaster within a community may, in accordance with regulations prescribed by the Postal Service, establish a postal performance review board.

(B) **FUNCTIONS.**—A review board shall—

- (i) submit any application under paragraph (1) on behalf of the community that the review board represents; and
- (ii) carry out the plan on the basis of which any application with respect to that community is approved.

(C) **MEMBERSHIP.**—A review board shall consist of—

- (i) the postmaster for the community (or, if there is more than 1, the postmaster designated in accordance with regulations under subsection (h));
- (ii) at least 1 individual who shall represent the interests of business concerns; and
- (iii) at least 1 individual who shall represent the interests of users of the class of mail for which the most expeditious handling and transportation is afforded by the Postal Service.

(iv) **CHAIRPERSON.**—The postmaster for the community (or postmaster so designated) shall serve as chairperson of the review board.

(3) **ALTERNATIVE PROVIDERS.**—To be eligible to be selected as an alternative provider of postal services, a provider shall be a commercial enterprise, nonprofit organization, labor organization, or other person that—

(A) possesses the personnel, equipment, and other capabilities necessary to furnish the postal services concerned;

(B) satisfies any security and other requirements as may be necessary to safeguard the mail, users of the mail, and the general public;

(C) submits a bid to the appropriate review board in such time, form, and manner (together with such accompanying information) as the review board may require; and

(D) meets such other requirements as the review board may require, consistent with any applicable regulations under subsection (h).

(4) **USE OF POSTAL FACILITIES AND EQUIPMENT.**—A postmaster may, at the discretion of the postmaster, allow alternative providers to use facilities and equipment of the Postal Service. Any such use proposed by a person in a bid submitted under paragraph (3)(C) shall, for purposes of the competitive bidding process, be taken into account using the fair market value of such use.

(5) **APPLICATIONS FROM COMMUNITIES WITH POTENTIAL CLOSURES.**—When reviewing and granting applications, the Postal Service shall give priority to applications from communities identified for potential post office closures.

(d) **LIMITATION ON APPLICATIONS.**—

(1) **IN GENERAL.**—Except as provided under paragraph (2), no more than 250 applications may be approved for participation in the pilot program under this section at any 1 time.

(2) **INCREASED LIMITATION.**—If more than 250 applications for participation in the pilot program are filed during the 90-day period beginning on the date of enactment of this Act, no more than 500 applications may be approved for participation in the pilot program under this section at any 1 time.

(e) **TERMINATION OF COMMUNITY PARTICIPATION.**—Subject to such conditions as the Postal Service may by regulation prescribe and the terms of any written agreement or contract entered into in conformance with such regulations, the participation of a community in the pilot program may be terminated by the Postal Service or by the review board for that community if the Postal Service or the review board determines that the

continued participation of the community is not in the best interests of the public or the Government of the United States.

(f) **EVALUATIONS.**—

(1) **IN GENERAL.**—The Postal Service shall evaluate the operation of the pilot program within each community that participates in the pilot program.

(2) **CONTENTS.**—An evaluation under this subsection shall include an examination, as applicable, of—

(A) the reliability of mail delivery (including the rate of misdeliveries) in the community;

(B) the timeliness of mail delivery (including the time of day that mail is delivered and the time elapsing from the postmarking to delivery of mail) in the community;

(C) the volume of mail delivered in the community; and

(D) any cost savings or additional costs to the Postal Service attributable to the use of alternative providers.

(3) **ANALYSIS OF DATA.**—Data included in any evaluation under this subsection shall be analyzed—

(A) by community characteristics, time of year, and type of postal service;

(B) by residential, business, and any other type of mail user; and

(C) on any other basis as the Postal Service may determine.

(4) **SUBMISSION OF EVALUATIONS.**—Not later than 90 days after the date on which the pilot program terminates, the Postal Service shall submit each evaluation under this subsection and an overall evaluation of the pilot program to the President and Congress.

(g) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed to affect the obligation of the Postal Service to continue providing universal service, in accordance with otherwise applicable provisions of law, in all aspects not otherwise provided for under this section.

(h) **REGULATIONS.**—The Postal Service may prescribe any regulations necessary to carry out this section.

(i) **TERMINATION.**—

(1) **TERMINATION BY THE POSTAL SERVICE.**—The Postmaster General may terminate the pilot program under this section before the date described in paragraph (2)(A), if—

(A) the Postmaster General determines that continuation of the pilot program is not in the best interests of the public or the Government of the United States; and

(B) the Postal Regulatory Commission approves the termination.

(2) **TERMINATION AFTER 5 YEARS.**—

(A) **IN GENERAL.**—Except as provided under subparagraph (B), the authority to conduct the pilot program under this section shall terminate 5 years after the date of enactment of this Act.

(B) **EXTENSIONS.**—

(i) **IN GENERAL.**—The Postmaster General may extend the authority to conduct the pilot program under this section, if before the date that the authority to conduct the pilot program would otherwise terminate, the Postmaster General submits a notice of extension to Congress that includes—

(I) the term of the extension; and

(II) the reasons that the extension is in the best interests of the public or the Government of the United States.

(ii) **MULTIPLE EXTENSIONS.**—The Postmaster General may provide for more than 1 extension under this subparagraph.

**SA 2029.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

In section 401(b), strike paragraphs (3) and (4) and insert the following:

(3) any cost savings that the Postal Service anticipates will be achieved through negotiations with employees of the Postal Service;

(4) projected changes in mail volume; and

(5) the impact of—

(A) regulations the Postmaster General was required by Congress to promulgate; and

(B) congressional action required to facilitate the profitability of the Postal Service.

**SA 2030.** Mrs. MCCASKILL submitted an amendment intended to be proposed by her to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

Strike section 302 and insert the following:

**SEC. 302. FEDERAL WORKERS COMPENSATION REFORMS FOR RETIREMENT-AGE EMPLOYEES.**

(a) CONVERSION OF ENTITLEMENT AT RETIREMENT AGE.—

(1) DEFINITIONS.—Section 8101 is amended—  
(A) in paragraph (18), by striking “and” at the end;

(B) in paragraph (19), by striking “and” at the end;

(C) in paragraph (20), by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

“(21) ‘retirement age’ has the meaning given that term under section 216(1)(1) of the Social Security Act (42 U.S.C. 416(1)(1));

“(22) ‘covered claim for total disability’ means a claim for a period of total disability that commenced before the date of enactment of the Workers’ Compensation Reform Act of 2012;

“(23) ‘covered claim for partial disability’ means a claim for a period of partial disability that commenced before the date of enactment of the Workers’ Compensation Reform Act of 2012; and

“(24) ‘individual who has an exempt disability condition’ means an individual—

“(A) who—

“(i) is eligible to receive continuous periodic compensation for total disability under section 8105 on the date of enactment of the Workers’ Compensation Reform Act of 2012; and

“(ii) meets the criteria under section 8105(c);

“(B) who, on the date of enactment of the Workers’ Compensation Reform Act of 2012—

“(i) is eligible to receive continuous periodic compensation for total disability under section 8105; and

“(ii) has sustained a currently irreversible severe mental or physical disability for which the Secretary of Labor has authorized, for at least the 1-year period ending on the date of enactment of the Workers’ Compensation Reform Act of 2012, constant in-home care or custodial care, such as placement in a nursing home; or

“(C) who is eligible to receive continuous periodic compensation for total disability under section 8105—

“(i) for not less than the 3-year period ending on the date of enactment of the Workers’ Compensation Reform Act of 2012; or

“(ii) if the individual became eligible to receive continuous periodic compensation for total disability under section 8105 during the period beginning on the date that is 3 years before the date of enactment of the Workers’ Compensation Reform Act of 2012 and ending on such date of enactment, for not less than the 3-year period beginning on the date on which the individual became eligible.”.

(2) TOTAL DISABILITY.—Section 8105 is amended—

(A) in subsection (a), by striking “If” and inserting “IN GENERAL.—Subject to subsection (b), if”;

(B) by redesignating subsection (b) as subsection (c); and

(C) by inserting after subsection (a) the following:

“(b) CONVERSION OF ENTITLEMENT AT RETIREMENT AGE.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the basic compensation for total disability for an employee who has attained retirement age shall be 50 percent of the monthly pay of the employee.

“(2) EXCEPTIONS.—

“(A) COVERED RECIPIENTS WHO ARE RETIREMENT AGE, HAVE AN EXEMPT DISABILITY CONDITION, OR FACE FINANCIAL HARDSHIP.—Paragraph (1) shall not apply to a covered claim for total disability by an employee if the employee—

“(i) on the date of enactment of the Workers’ Compensation Reform Act of 2012, has attained retirement age;

“(ii) is an individual who has an exempt disability condition; or

“(iii) is a member of a household that would meet the income and assets requirements for eligibility for the supplemental nutrition assistance program as described in section 5 of the Food and Nutrition Act of 2008 (7 U.S.C. 2014) (not including any provisions permitting eligibility due to benefits received under any other law) if the basic compensation for total disability of the employee were provided in accordance with paragraph (1).

“(B) TRANSITION PERIOD FOR CERTAIN EMPLOYEES.—For a covered claim for total disability by an employee who is not an employee described in subparagraph (A), the employee shall receive the basic compensation for total disability provided under subsection (a) until the later of—

“(i) the date on which the employee attains retirement age; and

“(ii) the date that is 3 years after the date of enactment of the Workers’ Compensation Reform Act of 2012.”.

(3) PARTIAL DISABILITY.—Section 8106 is amended—

(A) in subsection (a), by striking “If” and inserting “IN GENERAL.—Subject to subsection (b), if”;

(B) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(C) by inserting after subsection (a) the following:

“(b) CONVERSION OF ENTITLEMENT AT RETIREMENT AGE.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the basic compensation for partial disability for an employee who has attained retirement age shall be 50 percent of the difference between the monthly pay of the employee and the monthly wage-earning capacity of the employee after the beginning of the partial disability.

“(2) EXCEPTIONS.—

“(A) COVERED RECIPIENTS WHO ARE RETIREMENT AGE OR FACE FINANCIAL HARDSHIP.—Paragraph (1) shall not apply to a covered claim for partial disability by an employee if the employee—

“(i) on the date of enactment of the Workers’ Compensation Reform Act of 2012, has attained retirement age; or

“(ii) is a member of a household that would meet the income and assets requirements for eligibility for the supplemental nutrition assistance program as described in section 5 of the Food and Nutrition Act of 2008 (7 U.S.C. 2014) (not including any provisions permitting eligibility due to benefits received under any other law) if the basic compensation for total disability of the employee were provided in accordance with paragraph (1).

“(B) TRANSITION PERIOD FOR CERTAIN EMPLOYEES.—For a covered claim for partial disability by an employee who is not an employee described in subparagraph (A), the employee shall receive basic compensation for partial disability in accordance with subsection (a) until the later of—

“(i) the date on which the employee attains retirement age; and

“(ii) the date that is 3 years after the date of enactment of the Workers’ Compensation Reform Act of 2012.”.

After section 313, insert the following:

**SEC. 314. TERRORISM INJURIES; ZONES OF ARMED CONFLICT.**

(a) COVERING TERRORISM INJURIES.—Section 8102(b) of title 5, United States Code, is amended in the matter preceding paragraph (1)—

(1) by inserting “or from an attack by a terrorist or terrorist organization, either known or unknown,” after “force or individual,”; and

(2) by striking “outside” and all that follows through “1979” and inserting “outside of the United States”.

(b) CONTINUATION OF PAY IN A ZONE OF ARMED CONFLICT.—Section 8118 of title 5, United States Code, as amended by section 308(b) of this Act, is amended—

(1) in subsection (b), by striking “Continuation” and inserting “Except as provided under subsection (d)(2), continuation”;

(2) in subsection (c), as redesignated by section 308(b)(4) of this Act, by striking “subsection (a)” and inserting “subsection (a) or (d)”;

(3) by redesignating subsection (d), as redesignated by section 308(b)(4) of this Act, as subsection (e); and

(4) inserting after subsection (c) the following:

“(d) CONTINUATION OF PAY IN A ZONE OF ARMED CONFLICT.—

“(1) IN GENERAL.—Notwithstanding subsection (a), the United States shall authorize the continuation of pay of an employee described in subparagraph (A), (C), (D), or (F) of section 8101(1), who—

“(A) files a claim for a period of wage loss due to an injury in performance of duty in a zone of armed conflict (as determined by the Secretary of Labor under paragraph (3)); and

“(B) files the claim for such wage loss benefit with the immediate superior of the employee not later than 45 days after the later of—

“(i) the termination of the assignment of the employee to the zone of armed conflict; or

“(ii) the return of the employee to the United States.

“(2) CONTINUATION OF PAY.—Notwithstanding subsection (b), continuation of pay under this subsection shall be furnished for a period not to exceed 135 days without any break in time or waiting period, unless controverted under regulations prescribed by the Secretary of Labor.

“(3) DETERMINATION OF ZONES OF ARMED CONFLICT.—For purposes of this subsection, the Secretary of Labor, in consultation with the Secretary of State and the Secretary of Defense, shall determine whether a foreign country or other foreign geographic area outside of the United States (as defined in section 202(a)(7) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4302(a)(7)) is a zone of armed conflict based on whether—

“(A) the Armed Forces of the United States are involved in hostilities in the country or area;

“(B) the incidence of civil insurrection, civil war, terrorism, or wartime conditions threatens physical harm or imminent danger to the health or well-being of United States civilian employees in the country or area;

“(C) the country or area has been designated a combat zone by the President under section 112(c) of the Internal Revenue Code of 1986;

“(D) a contingency operation involving combat operations directly affects civilian employees in the country or area; or

“(E) there exist other relevant conditions and factors.”.

**SA 2031.** Mrs. MCCASKILL (for herself, Mr. MERKLEY, Mr. BAUCUS, Mr. BEGICH, Mr. TESTER, and Mr. SANDERS) submitted an amendment intended to be proposed by her to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

#### SEC. \_\_\_\_ . RURAL POST OFFICES.

(a) CONDITIONS FOR CLOSING RURAL POST OFFICES.—Section 404(d) of title 39, United States Code, as amended by section 205 of this Act, is amended—

(1) in paragraph (3)—

(A) in the first sentence, by inserting “and, with respect to a rural post office, a summary of the determinations required under paragraph (9)” after “paragraph (2) of this subsection”; and

(B) in the second sentence, by striking “determination and findings” and inserting “determination, findings, and summary”; and

(2) by adding at the end the following:

“(9) The Postal Service may not make a determination under subsection (a)(3) to close a post office located in a rural area, as defined by the Census Bureau, unless the Postal Service determines that—

“(A) seniors served by the post office would continue to receive the same or substantially similar access to prescription medication sent through the mail as before the closing;

“(B) businesses located in the community served by the post office would not suffer financial loss as a result of the closing;

“(C) the economic loss to the community served by the post office as a result of the closing does not exceed the cost to the Postal Service of not closing the post office;

“(D) the area served by the post office has adequate access to wired broadband Internet service, as identified on the National Broadband Map of the National Telecommunications and Information Administration;

“(E) seniors and persons with disabilities who live near the post office would continue to receive the same or substantially similar access to postal services as before the closing; and

“(F) the closing would not result in more than 10 miles distance (as measured on roads with year-round access) between any 2 post offices.”.

(b) MORATORIUM.—Notwithstanding section 205(b) of this Act, or any other provision of law, during the 24-month period beginning on the date of enactment of this Act, the Postal Service may not close a post office located in a rural area, as defined by the Census Bureau, except as required for the immediate protection of health and safety.

**SA 2032.** Mr. TESTER (for himself and Mr. PRYOR) submitted an amendment intended to be proposed by him to the bill S. 1789, to improve, sustain, and transform the United States Postal Service; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

#### SEC. \_\_\_\_ . EXECUTIVE COMPENSATION.

(a) LIMITATIONS ON COMPENSATION.—Section 1003 of title 39, United States Code, is amended—

(1) in subsection (a), by striking the last sentence; and

(2) by adding at the end the following:

“(e) LIMITATIONS ON COMPENSATION.—

“(1) RATES OF BASIC PAY.—

“(A) IN GENERAL.—Subject to subparagraph (B), an officer or employee of the Postal Service may not be paid at a rate of basic pay that exceeds the rate of basic pay for level II of the Executive Schedule under section 5313 of title 5.

“(B) VERY SENIOR EXECUTIVES.—Not more than 6 officers or employees of the Postal Service that are in very senior executive positions, as determined by the Board of Governors, may be paid at a rate of basic pay that does not exceed the rate of basic pay for level I of the Executive Schedule under section 5312 of title 5.

“(2) BENEFITS.—For any fiscal year, an officer or employee of the Postal Service who is in a critical senior executive or equivalent position, as designated under section 3686(c), may not receive fringe benefits (within the meaning given that term under section 1005(f)) that are greater than the fringe benefits received by supervisory and other managerial personnel who are not subject to collective-bargaining agreements under chapter 12.”.

(b) LIMITATION ON BONUS AUTHORITY.—Section 3686 of title 39, United States Code, is amended—

(1) in subsection (a), by striking “The Postal Service” and inserting “Subject to subsection (f), the Postal Service”; and

(2) by adding at the end the following:

“(f) LIMITATION ON BONUS AUTHORITY.—

“(1) DEFINITION.—In this subsection, the term ‘covered year’ means the fiscal year following a fiscal year relating to which the Office of Management and Budget determines the Postal Service has not implemented the measures needed to achieve long-term solvency, as defined in section 208(e) of the 21st Century Postal Service Act of 2012.

“(2) LIMITATION.—The Postal Service may not provide a bonus or other reward under this section to an officer or employee of the Postal service in a critical senior executive or equivalent position, as designated under subsection (c), during a covered year.”.

(c) EFFECTIVE DATE; APPLICABILITY.—The amendments made by subsections (a) and (b) shall—

(1) take effect on the date of enactment of this Act; and

(2) apply to any contract entered or modified by the Postal Service on or after the date of enactment of this Act.

(d) SUNSET.—Effective 2 years after the date of enactment of this Act—

(1) section 1003 of title 39, United States Code, is amended—

(A) in subsection (a), by adding at the end the following: “No officer or employee shall be paid compensation at a rate in excess of the rate for level I of the Executive Schedule under section 5312 of title 5.”; and

(B) by striking subsection (e); and

(2) section 3686 of title 39, United States Code, is amended—

(A) in subsection (a), by striking “Subject to subsection (f), the Postal Service” and inserting “The Postal Service”; and

(B) by striking subsection (f).

#### AUTHORITY FOR COMMITTEES TO MEET

##### COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the Com-

mittee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on April 17, 2012, at 10 a.m., to conduct a committee hearing entitled “Export-Import Bank Reauthorization: Saving American Jobs and Supporting American Exporters.”

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SELECT COMMITTEE ON INTELLIGENCE

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on April 17, 2012, at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### AD HOC SUBCOMMITTEE ON CONTRACTING OVERSIGHT

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the Ad Hoc Subcommittee on Contracting Oversight of the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on April 17, 2012, at 10:30 a.m. to conduct a hearing entitled, “The Comprehensive Contingency Contracting Reform Act of 2012 (S. 2139).”

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SUBCOMMITTEE ON CLEAN AIR AND NUCLEAR SAFETY

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the Subcommittee on Clean Air and Nuclear Safety of the Committee on Environment and Public Works be authorized to meet during the session of the Senate on April 17, 2012 at 10 in Dirksen 406 to conduct a hearing entitled, “Review of Mercury Pollution’s Impacts to Public Health and the Environment.”

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SUBCOMMITTEE ON COMPETITIVENESS, INNOVATION, AND EXPORT PROMOTION

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the Subcommittee on Competitiveness, Innovation, and Export Promotion of the Committee on Commerce, Science, and Transportation be authorized to hold a meeting during the session of the Senate on April 17, 2012, at 10 a.m. in room 253 of the Russell Senate Office Building.

The Committee will hold a hearing entitled, “Promoting American Competitiveness: Filling Jobs Today and Training Workers for Tomorrow.”

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SUBCOMMITTEE ON EMERGING THREATS AND CAPABILITIES

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the Subcommittee on Emerging Threats and Capabilities of the Committee on Armed Services be authorized to meet during the session of the Senate on April 17, 2012, at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.