

eligible to borrow under paragraph (c)(1) of this section in order to provide electric or telecommunication services in a rural area. A subsidiary that is eligible to borrow under paragraph (c)(1)(iii) of this section may also obtain financing from a bank for cooperatives or agricultural credit bank for energy-related or public utility-related purposes that cannot be financed by the lenders referred to in paragraph (c)(1)(ii), including, without limitation, financing to operate a licensed cable television utility.

* * * * *

3. Amend § 613.3200 to read as follows:

- a. Revise paragraph (a); and
- b. Remove the words "farm supplies" and add in their place, the words "agricultural supplies" each place they appear in paragraphs (b) introductory text, (c) introductory text, and (c)(1).

§ 613.3200 International lending.

(a) *Definitions.* For the purpose of this section only the following definitions apply:

- (1) *Agricultural supply* includes:
 - (i) A farm supply; and
 - (ii) Agriculture-related processing equipment, agriculture-related machinery, and other capital goods related to the storage or handling of agricultural commodities or products.

(2) *Farm supply* refers to an input that is used in a farming or ranching operation.

* * * * *

Subpart C—Similar Entity Authority Under Sections 3.1(11)(B) and 4.18A of the Act

4. Revise § 613.3300(d) to read as follows:

§ 613.3300 Participations and other interests in loans to similar entities.

* * * * *

(d) *Approval by other Farm Credit System institutions.* A bank for cooperatives or agricultural credit bank may not participate in a loan to a similar entity under title III of the Act if the similar entity has a loan or loan commitment outstanding with a Farm Credit Bank or an association chartered under the Act, unless agreed to by the Farm Credit Bank or association.

PART 614—LOAN POLICIES AND OPERATIONS

5. The authority citation for part 614 continues to read as follows:

Authority: 42 U.S.C. 4012a, 4104a, 4104b, 4106, and 4128; secs. 1.3, 1.5, 1.6, 1.7, 1.9, 1.10, 1.11, 2.0, 2.2, 2.3, 2.4, 2.10, 2.12, 2.13, 2.15, 3.0, 3.1, 3.3, 3.7, 3.8, 3.10, 3.20, 3.28,

4.12, 4.12A, 4.13B, 4.14, 4.14A, 4.14C, 4.14D, 4.14E, 4.18, 4.18A, 4.19, 4.25, 4.26, 4.27, 4.28, 4.36, 4.37, 5.9, 5.10, 5.17, 7.0, 7.2, 7.6, 7.8, 7.12, 7.13, 8.0, 8.5 of the Farm Credit Act (12 U.S.C. 2011, 2013, 2014, 2015, 2017, 2018, 2019, 2071, 2073, 2074, 2075, 2091, 2093, 2094, 2097, 2121, 2122, 2124, 2128, 2129, 2131, 2141, 2149, 2183, 2184, 2201, 2202, 2202a, 2202c, 2202d, 2202e, 2206, 2206a, 2207, 2211, 2212, 2213, 2214, 2219a, 2219b, 2243, 2244, 2252, 2279a, 2279a-2, 2279b, 2279c-1, 2279f, 2279f-1, 2279aa, 2279aa-5); sec. 413 of Pub. L. 100-233, 101 Stat. 1568, 1639.

Subpart C—Bank/Association Lending Relationship

6. Amend § 614.4125(a) by adding a second sentence to read as follows:

§ 614.4125 Funding and discount relationships between Farm Credit Banks or agricultural credit banks and direct lender associations.

(a) * * * Each general financing agreement must require that the amount of financing available to a direct lender association be based solely on loans that comply with the Act and these regulations. If financing under a general financing agreement is based on a loan that FCA determines does not comply with the Act and these regulations, then the amount of financing available must be reduced by the amount of the ineligible loan.

* * * * *

PART 618—GENERAL PROVISIONS

7. The authority citation for part 618 continues to read as follows:

Authority: Secs. 1.5, 1.11, 1.12, 2.2, 2.4, 2.5, 2.12, 3.1, 3.7, 4.12, 4.13A, 4.25, 4.29, 5.9, 5.10, 5.17 of the Farm Credit Act (12 U.S.C. 2013, 2019, 2020, 2073, 2075, 2076, 2093, 2122, 2128, 2183, 2200, 2211, 2218, 2243, 2244, 2252).

Subpart A—Related Services

8. Amend § 618.8000(b) by revising the first sentence to read as follows:

§ 618.8000 Definitions.

* * * * *

(b) *Related service* means any service or type of activity provided by a System bank or association that is appropriate to the recipient's operations, including control of related financial matters.

* * * * *

§ 618.8005 [Amended]

- 9. Amend § 618.8005 by:
 - a. Adding the phrase "appropriate to on-farm and aquatic operations" after the word "services" in paragraph (a); and
 - b. Removing the phrase "appropriate to cooperative operations of" and

adding in its place, the word "to" in paragraph (c).

Dated: May 15, 2003.

Jeanette C. Brinkley,
Secretary, Farm Credit Administration Board.
[FR Doc. 03-12631 Filed 5-20-03; 8:45 am]
BILLING CODE 6705-01-P

POSTAL SERVICE

39 CFR Part 111

Customized MarketMail™

AGENCY: Postal Service.
ACTION: Proposed rule.

SUMMARY: On March 14, 2003, the United States Postal Service, in conformance with sections 3622 and 3623 of the Postal Reorganization Act (39 U.S.C. 101 *et seq.*), filed a request for a recommended decision by the Postal Rate Commission (PRC) on the establishment of Customized MarketMail™ as a minor classification change. The PRC designated this filing as Docket No. MC2003-1.

In view of this filing, the Postal Service proposes to amend current mailing standards in the *Domestic Mail Manual (DMM)* that would permit mailers to mail irregular-shaped and nonrectangular-shaped Regular Standard Mail and Nonprofit Standard Mail pieces, including pieces that are ¼ inch thick or less. Such pieces would be limited to the nonletter basic rate categories in the Standard Mail Regular and Nonprofit subclasses.

Current mailing standards require that any mailpiece that is ¼ inch thick or less may not be mailed if the piece is not rectangular in shape. This ban on nonrectangular letter-size mail and, in some cases, nonrectangular flat-size mail has limited the options available to businesses and various organizations that might wish to reach existing or potential customers with advertising messages and designs—including the shape of the mailpiece—that are more creative than those now permitted under Postal Service mailing standards.

Customized MarketMail (CMM) would significantly overcome this limitation under controlled circumstances that would ensure minimal impact on Postal Service operations, while allowing mailers the latitude to target a specific audience with highly individualized mailpiece designs. More creative designs could encourage greater customer interest and response rates to promotions, advertising, or other types of communications.

DATES: Submit comments on or before June 5, 2003.

ADDRESSES: Mail or deliver written comments to the Manager, Mailing Standards, ATTN: Neil Berger, U.S. Postal Service, 1735 N. Lynn Street, Room 3025, Arlington, VA 22209-6038. Written comments may also be submitted via fax to (703) 292-4058. Copies of all written comments will be available for inspection and photocopying between 9 a.m. and 4 p.m., Monday through Friday, at the Postal Service Headquarters Library, 475 L'Enfant Plaza SW., 11th Floor North, Washington, DC.

FOR FURTHER INFORMATION CONTACT:

Garry A. Rodriguez, (212) 613-8748, New York Rates and Classification Service Center; or Neil Berger, (703) 292-3645, Mailing Standards.

SUPPLEMENTARY INFORMATION: A basic requirement for mailability in Domestic Mail Classification Schedule (DMCS) § 6020 (and *Domestic Mail Manual* (DMM) § C010.1.1) is that “[a]ll items, other than keys and identification devices, which are 0.25 inch thick or less must be rectangular in shape, at least 3.5 inches in width, and at least 5 inches in length.” Administrative rulings issued by the Postal Service have interpreted and further clarified that the term “rectangular” implies that rectangular mailpieces must have four right-angle corners, four straight and regular edges, and no holes or other voids within their dimensions.

Mailpieces that are ¼ inch thick or thinner typically meet the dimensional standards for “letter-size mail” or “flat-size mail.” These two mail processing categories represent both the vast majority of mailpieces sorted and distributed in mail processing facilities and virtually all mail sorted into cases and delivered by Postal Service carriers.

The requirement that mail must be rectangular within certain dimensions for the typical letter-size or flat-size mailpieces was established to ensure that the Postal Service could efficiently handle and deliver such mail, whether by automated, mechanized, or manual means.

CMM items would differ from other letter-size mail and flat-size mail that is ¼ inch thick or less in two significant aspects. First, CMM items could be nonrectangular or irregular in shape. Second, such mail would be required to bypass all Postal Service handling between the mailer's plant (or point of origin) and the post office delivery unit. CMM items would therefore not be expected or required to be compatible with mechanical or automated processing because their entry profile

was specifically developed so that CMM pieces would bypass mail processing operations designed for fairly standardized, rectangular-shaped mail.

CMM Verification and Entry

At the mailer's option, CMM items would have to be presented for postage verification at the origin office under existing plant-verified drop shipment (PVDS) procedures as defined in DMM P950, prepared as Express Mail or Priority Mail drop shipment standards under DMM M072, or taken directly to a destination Postal Service facility with a business mail entry unit as a presorted mailing subject to the requirements in DMM E610.8.0.

Under the PVDS option, current standards for a 200-piece minimum volume would apply only to the entire PVDS mailing job rather than to the quantity for each destination delivery unit (DDU). Normally, the DDU is the facility where the mail would be distributed to and cased for delivery by the corresponding mail carrier or, for noncarrier offices, the facility where the mail is distributed into post office boxes. Transportation to each destination would be either on a vehicle owned or contracted by the mailer, or it would be through the use of existing Express Mail or Priority Mail drop shipment standards in DMM D072.

CMM Preparation

Each CMM mailing would be subject to the current minimum volume requirement of 200 pieces for presorted Standard Mail mailpieces only. There would be, however, no minimum volume requirements for packaging or containerization because all mail processing operations would be bypassed.

Packaging of CMM pieces would be required for all types of containers used in order to maintain mailpiece orientation, inhibit movement of the pieces, and ensure stability in transit. At the same time, packaging would help protect the individual mailpieces from damage. The number of pieces in each package and the method of packaging would be at the mailer's discretion, subject to applicable standards for suitable materials and package sizes in DMM M020.

CMM would be required to be prepared in containers as appropriate to the volume of mail destined for the DDU. Equipment such as sleeved letter trays, Express Mail and Priority Mail containers (*i.e.*, Postal Service pouches, sacks, envelopes, and boxes) or envelopes or boxes supplied by the mailer would be permitted as containers. Each mailing presented in

mailer-supplied containers, including those prepared as Express Mail and Priority Mail drop shipment, would be required to be accompanied by sample containers for tare weight calculations. Mailings with more than three different types of containers or mailings consisting of nonidentical-weight pieces would be required to be presented using a manifest mailing system (MMS) under DMM P910 or any other available postage payment system if approved by the Business Mailer Support (BMS) manager, Postal Service Headquarters.

CMM containers would be required to bear the correct container label and be endorsed to the attention of the delivery unit supervisor or postmaster with instructions to “open and distribute” the contents. At the DDU, the CMM pieces would be distributed to mail carriers for casing, and delivery, or in the case of noncarrier offices, to clerks for distribution directly into post office boxes.

At the mailer's option, every piece in a mailing would be permitted to bear the correct carrier route code under DMM M014. If applied, the carrier route code would require the use of CASS-certified software and the current USPS Carrier Route File scheme, hard-copy Carrier Route Files, or another AIS product containing carrier route information, subject to DMM A930 and A950. Carrier route information would also require updating within 90 days before the mailing date.

CMM Rates

CMM pieces would be subject to the basic nonletter piece rates, with no destination entry discount, in the Standard Mail Regular and Nonprofit subclasses. Owing to the irregular or nonrectangular shape inherent with CMM pieces, such pieces would also be subject to the residual shape surcharge (RSS). Currently, the RSS is applied only to mailable pieces within the Standard Mail subclasses that are prepared as a parcel or are not within the dimensional standards for either letter-size mail or flat-size mail.

CMM pieces would not be eligible for any destination entry discount, automation rate, or other presort rate. In addition, because CMM pieces would not be handled in mail processing facilities, such pieces would not be eligible for the parcel barcode discount, which currently is available to appropriately barcoded pieces that are also subject to the residual shape surcharge. Special services, as provided in DMM S900, would not be available for CMM pieces.

CMM Postage Payment

CMM pieces would be subject to the same options of postage payment (precanceled stamps, metered postage, or permit imprint) for Standard Mail pieces as permitted by current standards in DMM P600. CMM mailers would not be required to obtain special mailing permits or authorizations other than those already required for Regular or Nonprofit Standard Mail.

Mailers would, in most cases, be required to pay postage through an approved manifest mailing system (MMS) when more than three different types of mailing containers are used or when the mailing consists of nonidentical-weight pieces. Express Mail and Priority Mail drop shipments generally are also better processed through a manifesting system. The Business Mail Support (BMS) manager at Headquarters would approve the manifest mailing systems and any other postage payment system such as an optional procedure.

CMM Markings and Endorsements

In addition to the current class and rate markings required for Standard Mail pieces, CMM pieces would have to bear the marking "CUSTOMIZED MARKETMAIL" (or the approved abbreviations "CUST MKTMAIL" or "CMM"). The standards and placement of applicable markings and endorsements would follow existing requirements for Standard Mail pieces under DMM M012.

CMM Physical Characteristics

CMM mailpieces could be constructed of any material that is safe for handling by Postal Service personnel. However, CMM pieces would have to be sufficiently flexible to withstand normal handling required for carrier casing and delivery and for placement into mail receptacles and post office boxes.

CMM pieces would not be allowed to have attachments or enclosures. However, it would be permissible for a CMM piece to be constructed or assembled from layers or parts to form a single item.

For purposes of defining the dimensional requirements, a straight line drawn between the most distant outer points on a CMM mailpiece would define the axis of its length and a perpendicular line to that axis would be the axis of its height. The minimum and maximum dimensions and weight are as follows:

(1) *Height*: No less than 3½ inches and no more than 12 inches.

(2) *Length*: No less than 5 inches and no more than 15 inches.

(3) *Thickness*: No less than 0.007 inch at its thinnest point and no more than ¾ inch when measured at its thickest point.

(4) *Weight*: No more than 3.3 ounces.

CMM pieces would be permitted to have voids or holes within their dimensions, and they would also be permitted to have a nonuniform thickness. If pieces are of nonuniform thickness, packages of CMM pieces would be required to be prepared by counterstacking under DMM M020 to ensure stability in transit.

Mailpiece design approval by the manager of business mail entry in the district serving the office of mailing, though not required, would be highly recommended. Physical or graphic content would be subject to current standards in DMM C020 and C030 and to any applicable nonpostal statutes and regulations.

CMM Addressing

Each CMM piece would be required to bear a complete mailing address including an accurate 5-digit ZIP Code or ZIP+4 code. CMM pieces must bear the exceptional address format or the occupant address format under DMM A040.

The exceptional address format uses both a recipient's name and the alternative "Current Occupant" or "Current Resident," followed by a complete delivery address, city, state, and ZIP Code or ZIP+4 code. If the named recipient has moved, mail bearing an exceptional address format is neither forwarded to the recipient's new address nor returned to the sender. Instead, such mail is left at the indicated delivery address for the current resident.

The occupant address format does not use an actual recipient's name but only the designation "Occupant," "Householder," or "Resident" in place of a name, followed by a complete delivery address, city, state, and ZIP Code or ZIP+4 code. Mail bearing an occupant address is never forwarded or returned.

The address block could be placed anywhere on the mailpiece as currently permitted for flat-size mailpieces, whether printed directly on the mailpiece, or printed on an address label permanently affixed to the piece. The address and other mandatory information such as postage indicia and class and rate markings would be required to be clearly identifiable and legible, following current mailing standards.

CMM pieces would be subject to the standard for address quality and address list maintenance that requires all 5-digit

ZIP Codes included in addresses on pieces claimed at Regular Standard Mail and Nonprofit Standard Mail rates to be verified and corrected within 12 months before the mailing date using a method approved by the Postal Service. This requirement ensures that mail is addressed for the correct ZIP Code destination and eliminates potential misdirection of mail. The use of detached address labels (DALs) would not be permitted for CMM pieces.

CMM Delivery

Postal Service handling of CMM mailpieces would end when the mail carrier delivers the pieces to the addresses shown on the pieces or when the postal employee distributes the pieces to the correct post office boxes. Deliverable CMM pieces would be delivered or left at the address, and CMM pieces that are undeliverable as addressed because of an invalid address would be discarded.

Ancillary service endorsements used for address correction services and the forwarding and return of mail would not be available. Each piece would also be required to bear the appropriate carrier release endorsement in DMM D042 ("Carrier—Leave If No Response") to indicate that a deliverable CMM piece is to be left in a safe location near the recipient's mail receptacle if the piece cannot be placed inside the receptacle.

Although exempt from the notice and comment requirements of the Administrative Procedure Act [5 U.S.C. of 553(b), (c)] regarding proposed rulemaking by 39 U.S.C. 410(a), the Postal Service invites public comment on the following proposed revisions to the *Domestic Mail Manual*, incorporated in the *Code of Federal Regulations*. See 39 CFR 111.1.

List of Subjects in 39 CFR Part 111

Postal Service.

PART 111—[AMENDED]

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

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001–3011, 3201–3219, 3403–3406, 3621, 3626, 5001.

2. Amend the following sections of the *Domestic Mail Manual* (DMM) as set forth below:

Domestic Mail Manual (DMM)

* * * * *

C Characteristics and Content

C000 General Information

C010 General Mailability Standards

1.0 MINIMUM AND MAXIMUM DIMENSIONS

1.1 Minimum

[Revise 1.1 to read as follows:]

For mailability, the following standards apply:

a. All mailpieces (except Customized MarketMail mailed under E660 and keys and identification devices mailed under E130) that are ¼ inch thick or less must be rectangular, with four square corners and parallel opposite sides.

b. All mailpieces must be at least 3½ inches high and at least 5 inches long (see Exhibit 1.1).

c. All mailpieces must be at least 0.007 inch thick.

* * * * *

1.3 Length and Height

* * * * *

[Redesignate current 1.3c as 1.3d and add new 1.3c to read as follows:]

c. Standard Mail Customized MarketMail.

* * * * *

C600 Standard Mail

1.0 DIMENSIONS

1.1 Basic Standards

These standards apply to Standard Mail:

* * * * *

[Revise 1.1b to read as follows:]

b. Presorted rate and Customized MarketMail pieces are subject only to the basic mailability standards in C010.

* * * * *

[Redesignate current 2.0 through 5.0 as 3.0 through 6.0, respectively; add new 2.0 to read as follows:]

2.0 CUSTOMIZED MARKETMAIL

Mailpieces prepared as Customized MarketMail (CMM) under E660 must meet these additional standards and physical characteristics:

a. The material used for constructing the pieces, including paper, plastic, or any other suitable material, must be free of sharp edges, protrusions, and other design elements that could cause harm or injury to USPS personnel handling these pieces.

b. The dimensions of the pieces must not be smaller than the minimum dimensions for letter-size mail in C050 or greater than the maximum dimensions for flat-size mail in C050. Length and height are defined as follows:

(1) The length and the axis of length are determined by drawing a straight line between the two outer points most distant from each other.

(2) The height is determined by drawing perpendicular lines to the points that are the greatest distance above and below the axis of length. The sum of these two lines defines the height.

c. The maximum weight may not exceed 3.3 ounces.

d. Pieces may be rectangular or nonrectangular, may be of irregular thickness, and may include die cuts, holes, and voids.

e. Pieces must be flexible enough to fit inside a minimum-size mail receptacle measuring 4⅞ inches wide, 14⅞ inches high, and 5⅞ inches long (deep).

f. Design approval by the district business mail entry manager is not required, but it is recommended.

3.0 RESIDUAL SHAPE SURCHARGE

[Revise redesignated 3.0 to read as follows:]

Mail that is prepared as a parcel or is not letter-size or flat-size as defined in C050 is subject to a residual shape surcharge. Mail that is prepared as Customized MarketMail under E660 is also subject to the residual shape surcharge. There are different surcharges for Presorted rate pieces and Enhanced Carrier Route rate pieces.

* * * * *

D Deposit, Collection, and Delivery

D000 Basic Information

* * * * *

D040 Delivery of Mail

* * * * *

D042 Conditions of Delivery

* * * * *

[Revise heading of 7.0 to read as follows:]

7.0 CARRIER RELEASE

[Redesignate current text of 7.0 as 7.1 and add heading to read as follows:]

7.1 Parcels

An uninsured parcel may not be left in an unprotected place, such as a porch or stairway, unless the addressee has filed a written order, or the mailer has endorsed the parcel “Carrier—Leave If No Response.” The endorsement must appear directly below the return address as specified in M012.

[Add new 7.2 to read as follows:]

7.2 Customized MarketMail

Any matter mailed as Customized MarketMail under E660 must bear the

endorsement “Carrier—Leave If No Response” as specified in M012.

* * * * *

E Eligibility

* * * * *

E100 First-Class Mail

E110 Basic Standards

1.0 CLASSIFICATION AND DESCRIPTION

1.1 Eligibility

[Revise 1.1 to read as follows:]

All mailable matter may be sent as First-Class Mail (which for the purposes of the standards in 1.0 includes Priority Mail) or as Express Mail, except Customized MarketMail under E660 or other matter prohibited by the respective standards.

* * * * *

E600 Standard Mail

E610 Basic Standards

* * * * *

4.0 ENCLOSURES AND ATTACHMENTS

* * * * *

4.3 Nonincidental First-Class Enclosures

[Revise first sentence of 4.3 to read as follows; no other change:]

Letters or other pieces of nonincidental First-Class Mail, subject to postage at First-Class Mail rates, may be enclosed with Standard Mail (except matter mailed as Customized MarketMail under E660). * * *

4.4 Nonincidental First-Class Attachments

[Revise first sentence of 4.4 to read as follows; no other change:]

Letters or other pieces of nonincidental First-Class Mail may be placed in an envelope and securely attached to the address side of a Standard Mail piece (except matter mailed as Customized MarketMail under E660), or of the principal piece, as applicable. * * *

4.5 Attachment of Other Standard Mail Matter

[Revise introductory sentence and 4.5b to read as follows:]

The front or back cover page of a Standard Mail piece (except Customized MarketMail) may bear an attachment that is also Standard Mail matter if:

* * * * *

b. The material qualifies for and is mailed at Standard Mail rates.

* * * * *

5.0 RATES

5.1 General Information

[Revise 5.1 to read as follows:]

All Standard Mail rates are presorted rates (including all nonprofit rates). These rates apply to mailings meeting the basic standards in E610 and the corresponding standards for Presorted rates under E620, Enhanced Carrier Route rates under E630, automation rates under E640, or Customized MarketMail rates under E660. Except for Customized MarketMail, destination entry discount rates are available under E650, and barcode discounts are available for machinable parcels under E620. A mailpiece is subject to the residual shape surcharge if it is prepared as a parcel, or if it is not letter-size or flat-size under C050, or if it is prepared as Customized MarketMail under E660. Nonprofit rates may be used only by organizations authorized by the USPS under E670. Not all processing categories qualify for every rate. Pieces are subject to either a single minimum per piece rate or a combined piece/pound rate, depending on the weight of the individual pieces in the mailing under 5.2 or 5.3.

5.2 Minimum per Piece Rates

The minimum per piece rates (i.e., the minimum postage that must be paid for each piece) apply as follows:

* * * * *

[Revise 5.2b and 5.2c to read as follows:]

b. Letters and Nonletters. In applying the minimum per piece rates, a mailpiece is categorized as either a letter or a nonletter, based on whether the piece meets the letter-size standard in C050, without regard to placement of the address on the piece, except under these conditions:

(1) If the piece meets both the definition of a letter in C050 and the definition of an automation flat in C820, the piece may be prepared and entered at an automation flat (nonletter) rate.

(2) If the piece is prepared for automation letter rates, address placement is used to determine the length when applying the size standards and aspect ratio requirements to qualify for automation letter rates under C810. For this purpose, the length is considered to be the dimension parallel to the address.

(3) If the piece is mailed as Customized MarketMail under E660, the piece is always subject to the applicable Regular or Nonprofit Standard Mail basic nonletter per piece rate and must not exceed the maximum weight for those rates.

c. Individual Rates. There are separate minimum per piece rates for each subclass (Regular, Enhanced Carrier Route, Nonprofit, and Nonprofit Enhanced Carrier Route) and within each subclass for the type of mailing and the level of presort within each mailing under E620, E630, E640, and E660. Except for Customized MarketMail, discounted per piece rates also may be claimed for destination entry mailings (destination bulk mail center (DBMC), destination sectional center facility (DSCF), and destination delivery unit (DDU)) under E650. DDU rates are available only for mail entered at Enhanced Carrier Route or Nonprofit Enhanced Carrier Route rates. See R600 for individual per piece rates.

5.3 Piece/Pound Rates

[Revise 5.3 by adding a new sentence after the first sentence to read as follows; no other change:]

* * * Pieces exceeding 3.3 ounces may not be mailed as Customized MarketMail. * * *

* * * * *

[Revise heading of 5.4 to read as follows:]

5.4 Machinable Parcel Barcode Discount

[Revise last sentence to read as follows:]

* * * Pieces mailed at Enhanced Carrier Route, Nonprofit Enhanced Carrier Route, or Customized MarketMail rates are not eligible for a barcoded discount.

5.5. Residual Shape Surcharge

[Revise 5.5 to read as follows:]

Standard Mail that is prepared as a parcel or is not letter-size or flat-size as defined in C050 is subject to a residual shape surcharge. Mail that is prepared as Customized MarketMail under E660 is also subject to the residual shape surcharge. There are different surcharges for Presorted rate pieces and Enhanced Carrier Route rate pieces. Only the surcharges for Presorted rate pieces apply to Customized MarketMail.

* * * * *

9.0 SPECIAL SERVICES

* * * * *

9.3 Ineligible Matter

Special services may not be used for any of the following types of Standard Mail:

* * * * *

[Add 9.3e to read as follows:]

e. Pieces mailed as Customized MarketMail.

* * * * *

E620 Presorted Rates

* * * * *

[Revise heading and text of 3.0 to read as follows:]

3.0 RESIDUAL SHAPE SURCHARGE

Presorted Standard Mail that is prepared as a parcel or is not letter-size or flat-size as defined in C050 is subject to a residual shape surcharge.

* * * * *

E630 Enhanced Carrier Route Rates

* * * * *

5.0 RESIDUAL SHAPE SURCHARGE

[Revise 5.0 to read as follows:]

Enhanced Carrier Route Standard Mail that is prepared as a parcel or is not letter-size or flat-size as defined in C050 is subject to a residual shape surcharge.

* * * * *

E650 Destination Entry

1.0 BASIC STANDARDS

1.1 Rate Application

[Revise first sentence of 1.1 to read as follows; no other change:]

Except for Customized MarketMail as defined in E660, Regular, Nonprofit, Enhanced Carrier Route, and Nonprofit Enhanced Carrier Route Standard Mail meeting the basic standards in E610 may qualify for the destination BMC, SCF, or DDU entry rates, as applicable, if deposited at the correct destination postal facility, subject to the general standards below and the specific standards in 5.0, 6.0, and 7.0, respectively. * * *

* * * * *

[Add new E660 to read as follows:]

E660 Customized MarketMail

Summary

E660 describes the eligibility standards for Customized MarketMail (CMM) including standards for minimum volumes, addressing, and drop shipment.

1.0 BASIC STANDARDS

1.1 General

Customized MarketMail (CMM) is an option for mailing nonrectangular and irregular-shaped Regular Standard Mail and Nonprofit Standard Mail pieces if the pieces weigh 3.3 ounces or less and meet the physical characteristics and the dimensional requirements in C600 and the mail preparation standards in M660. Other Regular and Nonprofit Standard Mail measuring 3/4 inch thick or less and meeting the applicable

standards in C600, E660, and M660 may be entered as CMM at the mailer's option. CMM must be entered directly at a destination delivery unit (DDU).

1.2 Basic Standards

All pieces in a CMM mailing must:

a. Meet the basic standards for Standard Mail in E610 and, for Nonprofit Standard Mail, the additional standards in E670.

b. Be part of a single mailing of at least 200 addressed pieces. All pieces must be identical in size, shape, and weight unless excepted by standard under an approved postage payment system.

c. Bear a complete delivery address using the exceptional address format or occupant address format under A040 with the correct ZIP Code or ZIP+4 code. Each piece must also bear a carrier release endorsement as specified by D042.7.0. These additional addressing standards apply:

(1) Detached address labels (DALs) under A060 are not permitted.

(2) Ancillary service endorsements under F010 are not permitted.

(3) All 5-digit ZIP Codes included in addresses on pieces must be verified and corrected within 12 months before the mailing date, using a USPS-approved method. The mailer's signature on the postage statement certifies that this standard has been met when the corresponding mail is presented to the USPS. This standard applies to each address individually, not to a specific list or mailing. An address meeting this standard may be used in mailings at any other rates to which the standard applies during the 12-month period after its most recent update.

(4) At the mailer's option, a carrier route information line under M014 may be added. If this option is used, a carrier route code must be applied to every piece in the mailing and must be applied using CASS-certified software and the current USPS Carrier Route File scheme, hard copy Carrier Route Files, or another AIS product containing carrier route information, subject to A930 and A950. Carrier route information must be updated within 90 days before the mailing date.

d. Be marked, sorted, and documented as specified in M660.

e. Be entered at the destination delivery unit appropriate to the delivery address on the corresponding mail, as a mailing subject to the applicable requirements in E650, as a mailing using Express Mail or Priority Mail drop shipment under M072, or as a plant-verified drop shipment (PVDS) mailing

under P950. Minimum volumes per destination are not required.

2.0 RATES

Each CMM piece is subject to the Presorted Regular or Nonprofit Standard Mail nonletter, nondestination entry basic rate plus the residual shape surcharge. CMM is not eligible for the parcel barcode discount.

3.0 SPECIAL SERVICES

CMM is not eligible for any special service.

* * * * *

E700 Package Services

E710 Basic Standards

1.0 BASIC INFORMATION

1.1 Definition

[Revise first sentence of 1.1 to read as follows; no other change:]

Package Services mail consists of mailable matter that is neither mailed or required to be mailed as First-Class Mail nor entered as Periodicals (unless permitted or required by standard) or as Customized MarketMail as defined in E660. * * *

* * * * *

F Forwarding and Related Services

F000 Basic Services

F010 Basic Information

* * * * *

5.0 CLASS TREATMENT FOR ANCILLARY SERVICES

* * * * *

5.3 Standard Mail

Undeliverable-as-addressed (UAA) Standard Mail is treated as described in Exhibit 5.3a and Exhibit 5.3b, with these additional conditions:

* * * * *

[Add 5.3k to read as follows:]

k. Customized MarketMail under E660 is not eligible to use ancillary service endorsements.

* * * * *

M Mail Preparation and Sortation

M000 General Preparation Standards

M010 Mailpieces

M011 Basic Standards

1.0 TERMS AND CONDITIONS

* * * * *

1.4 Mailings

Mailings are defined as:

* * * * *

d. *Standard Mail*. Except as provided in E620.1.2, the types of Standard Mail

listed below may not be part of the same mailing. See M041, M045, M610, M620, and M900 for copalletized, combined, or mixed-rate mailings.

* * * * *

[Add 1.4d(8) to read as follows:]

(8) Customized MarketMail and any other type of mail.

* * * * *

M012 Markings and Endorsements

* * * * *

2.0 MARKINGS—FIRST-CLASS MAIL AND STANDARD MAIL

2.1 Placement

Markings must be placed as follows:

* * * * *

[Revise 2.1b to read as follows:]

b. Other Markings. The rate-specific markings "AUTO," "AUTOOCR," "Presorted" (or "PRSRT"); "Single-Piece" (or "SNGLP") (First-Class Mail only); and "ECRLOT," "ECRWSH," "ECRWSS," and "Customized MarketMail" (or "CUST MKTMAIL" or "CMM") (Standard Mail only) may be placed as follows:

(1) In the location specified in 2.1a.

(2) In the address area on the line directly above or two lines above the address if the marking appears alone or if no other information appears on the line with the marking except optional endorsement line information under M013 or carrier route package information under M014.

(3) If preceded by two asterisks (**), the "AUTO," "AUTOOCR," "PRESORTED" (or "PRSRT"), "CUSTOMIZED MARKETMAIL" (or "CUST MKTMAIL" or "CMM"), or "Single-Piece" (or "SNGLP") marking also may be placed on the line directly above or two lines above the address in a mailer keyline or a manifest keyline, or it may be placed above the address and below the postage in an MLOCR ink-jet printed date correction/meter drop shipment line. Alternatively, the "AUTO," "AUTOOCR," "PRSRT," or "SNGLP" marking may be placed to the left of the barcode clear zone (subject to the standards in C840) on letter-size pieces.

* * * * *

M070 Mixed Classes

* * * * *

M072 Express Mail and Priority Mail Drop Shipment

1.0 BASIC STANDARDS

1.1 Enclosed Mail

[Revise last sentence of 1.1 to read as follows; no other change:]

* * * When a drop shipment is destined to a 5-digit facility, then sacking or traying is not required for letters or flats, if all enclosed presort destination packages are destined to the same 5-digit ZIP Code as the Express Mail or Priority Mails pouch, sack, or container.

* * * * *

1.3 Containers for Expedited Transport

[Revise 1.3 to read as follows:]

Acceptable containers for expedited transport are as follows:

a. An Express Mail drop shipment must be contained in a blue and orange Express Mail pouch, except that Customized MarketMail under E660 may be contained in USPS-provided Express Mail envelopes and cartons or in any properly labeled container supplied by the mailer.

b. A Priority Mail drop shipment must be contained in either an orange Priority Mail sack or a letter-size tray, except that Customized MarketMail under E660 may be contained in USPS-provided Priority Mail envelopes and cartons or in any properly labeled container supplied by the mailer.

* * * * *

1.7 Label 23

[Revise 1.7 to read as follows:]

As an alternative to sacks for Priority Mail drop shipments, letter trays or mailer-supplied containers for Customized MarketMail under E660 may be used. Label 23 is affixed to the letter tray or mailer-supplied container. A single Label 23 may be used to identify two letter trays strapped together. The two trays must be of identical size, and each individual tray must be strapped under M033.1.5. Label 23 must be affixed to the sleeve of the top tray before strapping. These trays must be strapped securely around the length of the two trays. The total weight of two trays strapped together or mailer-supplied containers used for CMM may not exceed 70 pounds.

* * * * *

M600 Standard Mail

* * * * *

[Add new M660 to read as follows:]

M660 Customized MarketMail

Summary

M660 describes the basic preparation and marking standards for CustomizedMarketMail (CMM) meeting the eligibility standards in E660.

1.0 BASIC STANDARDS

1.1 All Mailings

All mailings and all pieces in each mailing prepared as Customized MarketMail (CMM) are subject to specific preparation standards in 1.0 and 2.0 and to these general standards:

a. All pieces must meet the standards for basic eligibility in E610 and specific eligibility in E660. Nonprofit Standard Mail must meet the additional eligibility standards in E670.

b. CMM pieces must not be part of a mailing containing any other type of Standard Mail.

c. Each mailing must meet the applicable standards for mail preparation in M010 and M020 and the following:

(1) Subject to the marking standards in M012, Regular Standard Mail pieces must be marked "Presorted Standard" (or "PRSORT STD") and Nonprofit Standard Mail pieces must be marked "Nonprofit Organization" (or "Nonprofit Org." or "Nonprofit"). All pieces must also be marked Customized MarketMail, "CUST MKTMAIL," or "CMM."

(2) At the mailer's option, a carrier route information line under M014 may be added. If this option is used, a carrier route code must be applied to every piece in the mailing and must be applied using CASS-certified software and the current USPS Carrier Route File scheme, hard copyCarrier Route Files, or another AIS product containing carrier route information, subject to A930 and A950. Carrier route information must be updated within 90 days before the mailing date.

d. All pieces in the mailing must meet the specific sortation and preparation standards in M660.

e. Pieces are subject to the rate eligibility specified in E660.

1.2 Postage

CMM is subject to the same options of postage payment (precanceled stamps, metered postage, or permit imprint) for Standard Mail as permitted under P600.

1.3 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile with the residual shape surcharge, must accompany each mailing. Mailings of nonidentical-weight pieces or mailings using more than three different types of containers must also be supported by standardized documentation meeting the standards in P012. Documentation for nonidentical-weight pieces is not required if the correct rate is affixed to each piece.

2.0 PREPARATION

2.1 Packaging

Two or more pieces to the same 5-digit destination must be packaged under M020 in any container to maintain the integrity and stability of the pieces throughout transit and handling. The maximum weight for any package is 20 pounds. Pieces of irregular thickness must also be counterstacked as provided in M020. At the mailer's option, CMM may be prepared in carrier route packages, subject to the applicable standards in M050 and E630.

2.2 Containers

If more than three types of containers are used, the mailing must be prepared using an approved manifest mailing system (MMS) under P910, unless the Business Mailer Support (BMS) manager approves another postage payment system. Each mailing presented in mailer-supplied containers must be accompanied by sample containers for tare weight calculations. The size of the containers must be appropriate to the dimensions of the pieces, and the number of containers must be appropriate to the volume of pieces in the mailing. If Express Mail or Priority Mail drop shipment is used, containers are subject to the standards in M072.

2.3 Containerizing and Labeling

Mail must be prepared in 5-digit, 5-digit scheme using L606, or 5-digit carrier route containers, with no minimum volume (piece or weight) required for an individual container. In addition to the required labeling, mailer-supplied containers must be marked "DELIVERY UNIT—OPEN AND DISTRIBUTE" on the container label or on the address side of the container. Containers are prepared and labeled as follows:

a. PVDS drop shipments must be prepared in 5-digit or 5-digit carrier route letter trays or in mailer-supplied containers and labeled as follows:

(1) Line 1: City, state, and 5-digit ZIP Code on mail.

(2) Line 2: "DELIVERY UNIT—STD CMM."

(3) Line 3: Office of mailing or mailer information (see M031).

b. Express Mail and Priority Mail drop shipments must be prepared in USPS-provided Express Mail or Priority Mail containers (i.e., pouches, sacks, cartons, or envelopes) or in mailer-supplied containers and must be labeled under M072.

* * * * *

P Postage and Payment Methods

P000 Basic Information

* * * * *

P040 Permit Imprints

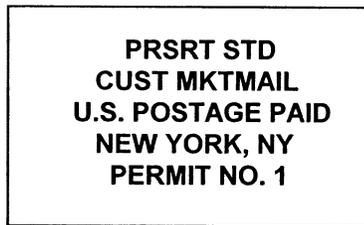
* * * * *

4.0 INDICIA FORMAT

4.1 Basic Standard

Exhibit 4.1b Indicia Formats

[Revise Exhibit 4.1b, Standard Mail by adding an example of "CustomizedMarketMail," "Cust MktMail," or "CMM" marking.]



* * * * *

R Rates and Fees

* * * * *

R600 Standard Mail

1.0 REGULAR STANDARD MAIL

* * * * *

1.2 Nonletters—3.3 oz. or Less

* * * * *

[Add footnote 2 to "Presorted" to read as follows:]

2. Customized MarketMail pieces are subject to the Basic nondestination entry nonletter rate, plus the residual shape surcharge.

* * * * *

3.0 NONPROFIT STANDARD MAIL

* * * * *

3.2 Nonletters—3.3 oz. or Less

* * * * *

[Add footnote 2 to "Presorted" to read as follows:]

2. Customized MarketMail pieces are subject to the Basic nondestination entry nonletter rate, plus the residual shape surcharge.

* * * * *

S Special Services

S000 Miscellaneous Services

* * * * *

S070 Mixed Classes

1.0 BASIC INFORMATION

[Revise 1.0 to read as follows:]

For a Priority Mail drop shipment, no special services may be added to the

Priority Mail segment, and the mail enclosed may receive only the following services:

a. First-Class Mail may be sent with certified, special handling, or, for First-Class Mail parcels only, electronic option Delivery Confirmation or electronic option Signature Confirmation.

b. Standard Mail subject to the residual shape surcharge (except Customized MarketMail) may be sent with electronic option Delivery Confirmation.

c. Package Services mail may be sent with special handling or, for Package Services parcels only, electronic option Delivery Confirmation or electronic option Signature Confirmation.

* * * * *

S500 Special Services for Express Mail

* * * * *

2.0 EXPRESS MAIL DROP SHIPMENT

[Revise 2.0 to read as follows:]

For an Express Mail drop shipment, the content of each Express Mail pouch is considered one mailpiece for indemnity coverage, and the mail enclosed may receive only the following services:

a. First-Class Mail may be sent with certified, special handling, or, for First-Class Mail parcels only, electronic option Delivery Confirmation or electronic option Signature Confirmation.

b. Priority Mail may be sent with certified, special handling, electronic option Delivery Confirmation, or electronic option Signature Confirmation.

c. Standard Mail subject to the residual shape surcharge (except Customized MarketMail) may be sent with electronic option Delivery Confirmation.

d. Package Services mail may be sent with special handling or, for Package Services parcels only, electronic option Delivery Confirmation or electronic option Signature Confirmation.

* * * * *

I Index Information

I000 Information

* * * * *

I020 References

* * * * *

I022 Subject Index

* * * * *

[Add the following two entries to read as follows:]

Customized MarketMail, C600, E660, M660

* * * * *

Standard Mail

* * * * *

mail preparation

* * * * *

Customized MarketMail, M660

* * * * *

An appropriate amendment to 39 CFR 111 to reflect these changes will be published if the proposal is adopted.

Neva R. Watson,

Attorney, Legislative.

[FR Doc. 03-12719 Filed 5-20-03; 8:45 am]

BILLING CODE 7710-12-P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[DA 03-1545, MB Docket No. 03-118, RM-10585]

Digital Television Broadcast Service; Butte, MT

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: The Commission requests comments on a petition filed by KXLF Communications, Inc., licensee of KXLF-TV, NSTC channel 4, Butte, Montana, requesting the substitution of DTV channel 5 for DTV channel 15. DTV Channel 5 can be allotted to Butte, Montana, at reference coordinates 46-00-27 N. and 112-26-30 W. with a power of 10.7, a height above average terrain HAAT of 588 meters. Since the community of Butte is located within 400 kilometers of the U.S.-Canadian border, concurrence from the Canadian must be obtained for this allotment.

DATES: Comments must be filed on or before July 7, 2003, and reply comments on or before July 22, 2003.

ADDRESSES: The Commission permits the electronic filing of all pleadings and comments in proceeding involving petitions for rule making (*except in broadcast allotment proceedings*). See *Electronic Filing of Documents in Rule Making Proceedings*, GC Docket No. 97-113 (rel. April 6, 1998). Filings by paper can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Vistrionix, Inc., will receive hand-delivered or