Postal reform

Union Calendar No. 456

91ST CONGRESS
2D SESSION

H. R. 4

[Report No. 91–988]

IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 1969

Mr. DULSKI introduced the following bill; which was referred to the Committee on Post Office and Civil Service

APRIL 8, 1970

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To modernize the United States postal establishment, to provide for efficient and economical postal service to the public, to improve postal employee-management relations, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, ~~That this Act may be cited as the "Postal Reform Act of 1969".~~

~~TITLE I—CONGRESSIONAL FINDINGS WITH RESPECT TO POSTAL REFORM~~

~~SEC. 101. (a) The Congress hereby finds that—~~

~~(1) the United States postal establishment, as now constituted, has not been given the means, and can-~~

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not be expected, to continue to provide—and certainly not to extend—the present quality and scope of postal service in the face of the tremendous increases in mail volume expected in the future;

(2) serious handicaps are imposed on the postal establishment by certain legislative, budgetary, financial, and personnel policies that are outmoded, unnecessary, and inconsistent with the modern management and businses practices which should be available to a Postmaster General as aids in the performance of his heavy responsibility to provide efficient and economical postal service to the American public;

(3) the existing limitations imposed by various laws on the authority of the Postmaster General to procure transportation for mail are so rigid as to frequently prevent the most expeditious and economic movement of mail, and, therefore, a revision of such laws, in order to provide greater flexibility to the Postmaster General in this regard, will facilitate more rapid and less expensive delivery of the mail, permit more economic utilization of the Nation's transportation resources, and encourage more rapid and imaginative development of new transportation facilities;

(4) the working environment of the majority of postal employees, which has been described as no less

than disgraceful in many instances, seldom approaches those desirable standards long observed in modern progressive industrial organizations;

(5) the public interest demands, and it is the responsibility of the Congress to provide, prompt and effective measures to remove these handicaps and limitations on the postal establishment, to give postal management the means to improve the value and the scope of postal service at lowest possible rates and fees, and to create a lasting foundation for a modern, dynamic, and viable postal institution that is both equipped and empowered at all times to satisfy the postal requirements of the future economic, cultural, and social growth of the Nation;

(6) the major areas to which corrective measures should be first directed are—

(A) the strengthening of top-level postal management authority—consistent with the level of responsibility;

(B) the provision of critically needed capital funds, with a necessary measure of access and control by top management, and a program for the systematic review and adjustment of postal revenues coupled with an effective authorization for the use of revenues for payment of current expenses;

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(C) the clarification of postal transportation policy;

(D) the modernization of postal employee-management relations and employees' working environment; and

(E) the establishment and maintenance of an orderly, effective system for the fixing of fair and reasonable postal rates and fees; and

(7) the needed postal reforms can best be accomplished, and should be accomplished within the framework of the historic philosophy and the fundamental principles upon which the Government is founded without radically changing the traditional character of the postal service as a direct duty of the Government, effectuated through the delegation of authority and responsibility to the executive departments and agencies in a manner that will be most consistent with the general welfare and fully responsive to the interests and the needs of the public.

(b) It is, therefore, the purpose of this Act to provide a means for—

(1) the accomplishment of the modernization of the postal establishment;

(2) the provision of rapid, efficient, and economical postal service to the public;

(3) the improvement of postal employee-management relations; and

(4) the achievement of postal reform generally.

TITLE II—APPOINTMENT OF POSTMASTERS

SEC. 201. (a) Section 3311 (relating to method of appointment of postmasters) of title 39, United States Code, is amended to read as follows:

"§ 3311. **Method of appointment**

"(a) The Postmaster General shall appoint postmasters at post offices of the first, second, and third classes in the competitive civil service without term. He shall make the appointments in accordance with the civil service laws and rules by—

"(1) competitive examinations; and

"(2) promotions from within the postal service.

"(b) The Postmaster General shall appoint postmasters at post offices of the fourth class without term.

"(c) Notwithstanding any other provision of law but subject to subsection (g) of this section, the Postmaster General shall make each appointment to a position of postmaster at a post office of any class without regard to any recommendation or statement, oral or written, with respect to any person who requests, or is under consideration for, appointment to a position of postmaster of any class, made by—

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"(1) any Member of the Senate or House of Representatives (including the Resident Commissioner from Puerto Rico);

"(2) any elected official of the government of any State (including the Commonwealth of Puerto Rico) or of any county, city, or other political subdivision of such State or Commonwealth;

"(3) any official of a national, State, county, or municipal, or other local political party; or

"(4) any other individual or organization.

"(d) Notwithstanding any other provision of law but subject to subsection (g) of this section, a person or organization referred to in subparagraph (1), (2), (3), or (4) of subsection (c) of this section is hereby prohibited from making or transmitting to the Postmaster General, or to any other officer or employee of the Federal Government, any recommendation or statement, oral or written, with respect to any person who requests, or is under consideration for, appointment to a position of postmaster at a post office of any class. The Postmaster General and any other officer or employee of the Federal Government, subject to subsection (g) of this section—

"(1) shall not solicit, request, consider, or accept any such recommendation or statement; and

"(2) shall return any such recommendation or

statement, if written, received by him, appropriately marked as in violation of this section, to the person or organization making or transmitting the same.

"(e) A person who requests, or is under consideration for, appointment to a position of postmaster at a post office of any class is hereby prohibited from requesting or soliciting any such recommendation or statement from any person or organization within the purview of subparagraph (1), (2), (3), or (4) of subsection (c) of this section. Any person making such solicitation or request, knowing the same to be in violation of this subsection, is disqualified for appointment to the position of postmaster concerned.

"(f) Each application or informational form of the Federal Government used in connection with an application for appointment to a position of postmaster at a post office of any class shall contain appropriate language, in conspicuous and legible type in contrast by typography, layout, or color with other printing in the application or informational form, informing the applicant of the provisions of this section.

"(g) This section shall not be held or considered to prohibit—

"(1) the solicitation, acceptance, and consideration by the Postmaster General or other authorized officer or employee of the Federal Government, or

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"(2) the furnishing and transmission to the Postmaster General or such authorized officer or employee by any other individual or organization,

of any statement with respect to a person who requests, or is under consideration for, appointment to a position of postmaster, if—

"(A) the statement is furnished pursuant to a request or requirement of the Postmaster General and consists solely of an evaluation of the work performance, ability, aptitude, and general qualifications of an employee in the postal service who is under consideration for promotion to a position of postmaster in accordance with subparagraph (2) of subsection (a) of this section;

"(B) the statement is furnished by an individual or organization referred to in subparagraph (4) of subsection (c) of this section pursuant to a request made by an authorized representative of the Federal Government solely in order to determine whether the person who requests, or is under consideration for, appointment to a position of postmaster meets—

"(i) the loyalty, suitability, and character requirements for employment with the Federal Government;

"(ii) the residence requirements for postmasters imposed by section 3312 of this title; or

"(iii) both; or

"(C) the statement is funished by a former employer of the person who requests, or is under consideration for, appointment to a position of postmaster, pursuant to a request of the Postmaster General, and consists solely of an evaluation of the work performance, ability, aptitude, and general qualifications of such person during his employment with such former employer.".

(b) Section 3315 (relating to the filling of vacancies in positions of postmaster) of title 39, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) The prohibitions, restrictions, exceptions, and related provisions of section 3311 of this title governing the appointment of postmasters also shall apply with respect to the interim appointment, assignment, or designation of any person in accordance with subparagraphs (1) to (4), inclusive, of subsection (a) of this section.".

(c) The amendments made by subsections (a) and (b) of this section shall not affect the status or tenure, on the effective date of this section, of—

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(1) postmasters in office; and

(2) persons appointed, assigned, or designated in accordance with subparagraphs (1) to (4), inclusive, of section 3315(a) of title 39, United States Code.

TITLE III—POSTAL TRANSPORTATION

REVISION OF CHAPTER 95 OF TITLE 39, UNITED STATES CODE

SEC. 301. Chapter 95 of title 39, United States Code, is amended to read as follows:

"Chapter 95.—TRANSPORTATION OF MAIL BY RAILROAD, MOTOR CARRIER, AND FREIGHT FORWARDER

"Sec.
"6201. Definitions.
"6202. Service by carriers.
"6203. Authorization of service by carriers.
"6204. Facilities provided by carriers.
"6205. Changes in service.
"6206. Evidence of service.
"6207. Fines and deductions.
"6208. Interstate Commerce Commission to fix rates.
"6209. Procedures.
"6210. Special rates.
"6211. Authority to distinguish between classes of mail.
"6212. Transportation by motor vehicle.
"6213. Statistical studies.
"6214. Special contracts.
"6215. Railroad operations, receipts, and expenditures.

"§ 6201. Definitions

"As used in this chapter—

"(1) 'carrier' means a railroad, a freight forwarder, and a motor carrier;

"(2) 'railroad' means a railway common carrier,

including an electric urban and interurban railway common carrier;

"(3) 'motor carrier' means any common carrier of property by motor vehicle as defined in section 303(a)(14) of title 49 (section 203(a)(14) of the Interstate Commerce Act) which holds a certificate of public convenience and necessity issued by the Interstate Commerce Commission, except that the Postmaster General, as he deems necessary in the public interest, may utilize motor carriers holding a permit or a certificate of registration from the Commission upon the filing of a notice in the Federal Register specifying the types and classes of such carriers eligible to transport mail;

"(4) 'freight forwarder' means any regulated freight forwarder which holds itself out to the general public as a common carrier to transport or provide transportation of property as authorized by a permit issued by the Commission; and

"(5) 'Commission' means the Interstate Commerce Commission.

"§ 6202. Service by carriers

"This chapter applies to mail transportation performed by—

"(1) a railroad by means of rail, by means of a

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combination of rail and vessel, or by means of motor vehicle as provided by section 6212 of this title; or

"(2) a carrier other than a railroad by means other than those described in subparagraph (1) of this section.

"§ 6203. **Authorization of service by carriers**

"(a) The Postmaster General may establish carrier mail routes and authorize mail transportation service thereon. He may transport equipment and supplies of the Department as mail thereon.

"(b) A carrier shall transport mail, including equipment and supplies of the Department, offered by the United States for transportation, in the manner, under the conditions, and with the type of service prescribed by the Postmaster General. The carrier is entitled to receive fair and reasonable compensation for the transportation and service connected therewith.

"(c) The Postmaster General shall determine the railroad trains and the motor vehicles upon which mail shall be transported.

"(d) A carrier shall transport with due speed, on any train or motor vehicle it operates, such mail, including equipment and supplies of the Department, as the Postmaster General directs.

"(e) A carrier engaged in the transportation of mail

shall transport on any train or motor vehicle operated by that carrier, upon the exhibition of their credentials and without extra charge therefor—

"(1) persons in charge of the mail when on duty and traveling to and from duty; and

"(2) accredited agents and officers, including postal inspectors, of the Department while traveling on official business.

"(f) At any time after the effective date of this chapter, the Postmaster General may issue a statement or statements of service, which shall be published in the Federal Register, describing the services required of carriers for mail transportation. Each statement of service shall set forth—

"(1) the Postmaster General's requirements for mail transportation;

"(2) the units of service with respect to which compensation (as determined by the Postmaster General to be fair and reasonable for the service required) will be paid; and

"(3) such other information as may be material to such mail transportation and the establishment of rates of compensation therefor.

"§ 6204. **Facilities provided by carriers**

"(a) A carrier engaged in the transportation of mail shall provide the following equipment and facilities—

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"(1) cars or motor vehicles or parts thereof used in the transportation and distribution of mail;

"(2) facilities for protecting and handling mail in its custody;

"(3) station space and rooms for handling, storing, and transfer of mail in transit, including the separation thereof by packages for connecting lines, and for distribution of registered or certified mail in transit; and

"(4) when required by the Postmaster General, offices for employees of the postal service engaged in station work, in which mail from station boxes may be distributed if additional space is not required therefor.

"(b) Carrier post office cars or vehicles, or parts thereof, used for mail transportation and distribution, must be of such construction, style, length, and character, and must be equipped in such manner as the Postmaster General requires. Such cars or vehicles, or parts thereof, must be constructed, equipped, maintained, heated, lighted, and cleaned by and at the expense of the carrier. The Postmaster General may not pay for full and apartment carrier post office service unless the car or vehicle furnished therefor is sound in material and construction, is equipped with sanitary drinking water containers and toilet facilities, and is regularly and thoroughly cleaned. He may not accept or pay for service by a full carrier post office car or vehicle unless it is constructed of steel, steel underframe, or equally indestructible material.

"(c) A carrier shall place cars or vehicles used for full or apartment carrier post office service in position at such times before departure as the Postmaster General directs.

"§ 6205. Changes in service

"The Postmaster General—

"(1) may authorize, according to the need therefor, new or additional mail transportation service by carriers at the rates of compensation fixed pursuant to this chapter; and

"(2) may reduce or discontinue service with pro rata reductions in compensation; but

"(3) may not pay for additional service which he has not specifically authorized.

"§ 6206. Evidence of service

"A carrier shall submit evidence of its performance of mail transportation service, signed by an authorized official of that carrier, in such form and at such times as the Postmaster General requires. Mail transportation service is considered that of the carrier performing the service regardless of the ownership of the property used by the carrier.

"§ 6207. Fines and deductions

"(a) The Postmaster General may fine any carrier in

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an amount not to exceed $500 for each day the carrier refuses to perform mail transportation service required by the Postmaster General at rates of compensation established under this chapter.

"(b) the Postmaster General shall fine a carrier engaged in the transportation of mail such amount as he deems reasonable for—

"(1) failure or refusal by that carrier, when required by the Postmaster General, to transport mail, equipment, and supplies on any train or motor vehicle operated by that carrier;

"(2) failure or refusal by that carrier, when required by the Postmaster General, to furnish cars or motor vehicles, or apartments in cars or motor vehicles, for distribution purposes;

"(3) failure or refusal by that carrier to construct, equip, maintain, heat, light, and clean cars or motor vehicles or apartments in cars or motor vehicles for distribution purposes;

"(4) failure or refusal by that carrier to furnish appliances for use in case of accident, as required by the Postmaster General, in cars or motor vehicles, or apartments in cars or motor vehicles, used for distribution purposes; or

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"(5) other delinquencies in mail transportation and the service connected therewith.

"(c) The Postmaster General may make deductions from the compensation of a carrier for failure of that carrier to perform mail transportation service as required. If the failure to perform is due to the fault of the carrier, the Postmaster General may deduct a sum not exceeding three times the compensation applicable to such service.

"§ 6208. **Interstate Commerce Commission to fix rates**

"(a) The Commission shall determine, and fix from time to time, the fair and reasonable rates of compensation for the transportation of mail by carrier and the service connected therewith, and shall prescribe the method for computing such rates of compensation. The Commission shall publish its orders stating its determinations under this section which shall remain in force until changed by it after notice and hearing.

"(b) For the purpose of determining and fixing rates of compensation under this section, the Commission may make just and reasonable classifications of carriers and, where just and equitable, fix general rates applicable to carriers in the same classification.

"(c) In determining and fixing fair and reasonable

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rates under this section, the Commission shall consider the relation between carriers, as public corporations, and the Government, and the nature of the public service as distinguished, if there is a distinction, from the ordinary transportation business of the carriers.

"§ 6209. Procedures

"(a) The initial rates of compensation at which mail shall be transported by carriers pursuant to the provisions of this chapter shall be the rates of compensation described in the statement or statements of service issued by the Postmaster General under section 6203 of this chapter.

"(b) At any time after six months from the issuance by the Postmaster General of a statement of service and initial rates, or at any time after six months from the entry of an order by the Commission fixing rates of compensation for the transportation of mail as provided in subsection (c) of this section, the Postmaster General, any carrier, or a group of such carriers may file with the Commission a petition requesting an investigation of the initial rates of compensation or of the rates of compensation fixed by the Commission.

"(c) Upon the filing of a petition under subsection (b) of this section, and for good cause shown, the Commission shall promptly institute an investigation to determine and fix fair and reasonable rates of compensation for

the transportation of mail by common carriers, and the services in connection therewith, and shall prescribe the method for computing such rates of compensation. Rates of compensation fixed by the Commission pursuant to this subsection shall have effect prospectively from the date the Commission's order fixing such rates of compensation is issued or such later date as the Commission shall prescribe in its order.

"(d) Except as authorized by sections 6210 and 6214 of this title, or the applicable provisions of any other law, the Postmaster General shall pay a carrier the rates of compensation so determined and fixed for application at such stated times as named in the order.

"(e) The Postmaster General may file with the Commission a comprehensive plan, stating—

"(1) his requirements for the transportation of mail by carrier;

"(2) the number, equipment, size, and construction of the cars or motor vehicles necessary for the transportation of mail;

"(3) the character and speed of the trains or motor vehicles which are to carry the various kinds of mail;

"(4) the service, both terminal and en route, which carriers are to render;

"(5) the rates of compensation for the service

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required which he believes to be fair and reasonable; and

"(6) all other information which may be material to any inquiry pursuant to subsection (f) of this section; but such other information may be filed at any time during the inquiry in the discretion of the Commission.

"(f) When a comprehensive plan is filed, the Commission shall give notice thereof of not less than thirty days to each carrier required by the Postmaster General to transport mail. A carrier may file its answer to the plan at the time fixed by the Commission, but not later than thirty days after the expiration date for the answer to be filed fixed by the Commission in the notice, and the Commission shall proceed with the hearing.

"§ 6210. Special rates

"Upon petition by the Postmaster General the Commission shall determine and fix carrier carload or less-than-carrier-carload rates for the transportation of fourth-class and periodical mail. A carrier shall perform the service at the rates so determined when requested to do so and under the conditions prescribed by the Postmaster General.

"§ 6211. Authority to distinguish between classes of mail

"The Postmaster General may distinguish between the several classes of mail and arrange for less frequent dispatches of mail other than first-class mail than he arranges

for first class mail when lower transportation rates or other economies may be secured without material detriment of the service.

"§ 6212. Transportation by motor vehicle

"The Postmaster General may permit a railroad to perform mail transportation by motor vehicle over highways in lieu of service by rail at rates of compensation not exceeding those allowable for similar service by rail.

"§ 6213. Statistical studies

"The Postmaster General may arrange for weighing and measuring mail transported on carrier mail routes and make other computations for statistical and administrative purposes to carry out the purposes of this chapter and pay the expenses thereof out of funds available to the Department.

"§ 6214. Special contracts

"The Postmaster General may enter into special contracts with carriers for terms not to exceed four years for the transportation of mail, and for the service connected therewith, without advertising for bids. He may contract to pay lower rates of compensation, or, if in his judgment conditions warrant, higher rates of compensation, than those determined and fixed by the Commission.

"§ 6215. Railroad operations, receipts, and expenditures

"The Postmaster General shall request all railroad companies transporting the mails to furnish, under seal, such

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data relating to the operations, receipts, and expenditures of such railroads as may, in his judgment, be necessary to enable him to ascertain the cost of mail transportation and the proper compensation to be paid for the same. He shall, in his annual report to Congress, make such recommendations, founded on the information obtained under this section, as shall, in his opinion, be just and equitable."

SEC. 302. The table of contents of part VI of title 39, United States Code, is amended by striking out

"95 Transportation of Mail by Railroad.,,

and inserting in lieu thereof

"95 Transportation of Mail by Railroad."
warder."

PROCUREMENT OF AIR TRANSPORTATION BY NEGOTIATED CONTRACT

SEC. 303. Chapter 97 of title 39, United States Code, is amended by inserting immediately after section 6301, the following new section;

"§ 6301a. Contracting for transportation of mail by air

"Notwithstanding any other provision of law and, whenever he shall find it in the public interest, the Postmaster General may, without advertising for bids, contract for the transportation of mail by aircraft with any certified air carrier between any of the points between which such air carrier is authorized by the Civil Aeronautics Board to engage in

the transportation of mail. He may provide in any such contract for the payment of rates of compensation which are higher or lower than those prescribed pursuant to section 1376 of title 49 for the transportation of mail between the points to be served under the contract."

SEC. 304. The table of contents for chapter 97 of title, 39, United States Code, is amended by inserting therein immediately following:

"6201. Rules and regulations."

the following:

"6301a. Contracting for transportation of mail by air."

MISCELLANEOUS PROVISIONS

SEC. 305. Section 6402 of title 39, United States Code, is amended to read as follows:

"§ 6402. Authority to contract for mail transportation

"The Postmaster General may contract for necessary domestic or foreign transportation of mail, except that—

"(1) transportation of mail by railroad shall be obtained in accordance with chapter 95 of this title and as otherwise provided by law;

"(2) transportation of mail by air shall be obtained in accordance with chapter 97 of this title;

"(3) highway post office service shall be obtained in accordance with chapter 99 of this title;

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"(4) delivery and collection service may not be established or extended under any star route contract on a rural route other than a vacant rural route which does not meet the minimum standards established by the Postmaster General;

"(5) transportation of mail by regulated motor carrier or freight forwarder, as defined in section 6201 of this title, shall be obtained in accordance with chapter 95 of this title, or as provided in this chapter; and

"(6) transportation of mail, in passenger-carrying motor vehicles, by passenger common carriers shall be obtained in accordance with section 6402a of this title."

SEC. 306. Chapter 101 of title 39, United States Code, is amended by inserting immediately following section 6410 a new section 6410a, to read as follows:

"§ 6410a. Through service by intermodal transportation

"The Postmaster General may make contracts, without advertising for bids, for the transportation of mail by contract motor vehicle service when such service is a part of a through service with rail, air, or vessel transportation."

SEC. 307. The table of contents of chapter 101 of title 39, United States Code, is amended by inserting immediately following:

"6410. Transportation of mail by vessel as freight or express."

the following:

"6410a. Through service by intermodal transportation."

SEC. 308. (a) The heading for chapter 101 of title 39, United States Code, is amended to read as follows:

"Chapter 101.—TRANSPORTATION OF MAIL OTHER THAN BY RAIL, AIR, HIGHWAY POST OFFICE, REGULATED MOTOR CARRIER OR FREIGHT FORWARDER".

(b) The table of contents of part VI of title 39, United States Code, is amended by striking out

"101. Transportation of Mail Other Than by Rail, Air, or Highway Post Office."

and inserting in lieu thereof

"101. Transportation of Mail Other Than by Rail, Air, Highway Post Office, Regulated Motor Carrier or Freight Forwarder."

SEC. 309. (a) Subsection (a) of section 6420 of title 39, United States Code, is repealed.

(b) Subsection (b) of such section is amended by striking out "(b)" at the beginning thereof.

SEC. 310. This title does not—

(1) impair the authority of the Postmaster General to enter into star route contracts under provisions of law other than those contained in this title;

(2) impair or suspend contracts for the transportation of mail which are in effect on the effective date of this title; or

(3) modify or change any rate of compensation for the transportation of mail under chapter 95 of title

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39, United States Code, as in effect immediately prior to the effective date of this title, until appropriate action is taken in accordance with such chapter as amended by this title.

SEC. 311. Section 6405 of title 39, United States Code, is amended to read as follows:

"§ 6405. Duration of contracts

"(a) The Postmaster General may make contracts for the transportation of mail for terms not in excess of four years.

"(b) This section does not apply to mail messenger service or to any contract for which the maximum term is provided by any other provision of this title."

TITLE IV—MODERNIZATION OF POSTAL FACILITIES

SEC. 401. (a) Chapter 23 of title 39, United States Code, is amended to read as follows:

"Chapter 23.—PROPERTY AND POSTAL MODERNIZATION

"GENERAL PROVISIONS

"Sec.
"2101. Gifts, donations of services and property.
"2117. Sublease of property.

"POSTAL MODERNIZATION AUTHORITY

"Sec.
"2121. Definitions.
"2122. Establishment and purposes.
"2123. Administrator.
"2124. Executive Director.
"2125. Appointment, duties, and pay of officers and employees.
"2126. Powers.
"2127. Transfers of property.
"2128. Leases.
"2129. Bonds.
"2130. Accounts.
"2131. Protection of public moneys and property.

"GENERAL PROVISIONS

"§ 2101. Gifts, donations of services and property

"The Postmaster General and the Postal Modernization Authority may accept gifts and donations of services and property in aid of the activities of the Department or the Authority.

"§ 2117. Sublease of property

"The Postmaster General may sublease real property, and any interest therein, acquired for use or used for postal purposes on such terms as he deems appropriate to the best interests of the United States.

"POSTAL MODERNIZATION AUTHORITY

"§ 2121. Definitions

"As used in this chapter—

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"(1) 'Administrator' means the Administrator of the Postal Modernization Authority;

"(2) 'Authority' means the Postal Modernization Authority established by section 2122 of this chapter;

"(3) 'bonds' means negotiable and nonnegotiable bonds, notes, and other evidences of indebtedness or other obligations issued by the Authority; and

"(4) 'equipment' includes machinery and vehicles.

"§ 2122. Establishment and purposes

"(a) There is established the Postal Modernization Authority, a body corporate, as an instrumentality of the United States, whose principal office shall be in Washington, District of Columbia. The Administrator of the Authority shall be deemed the incorporator.

"(b) The Authority is established for the purposes of—

"(1) financing, acquiring, improving, replacing, modernizing, and holding title to property, facilities, systems, and equipment necessary for the administration and operation of the postal service, together with planning related thereto;

"(2) leasing such property, facilities, systems, and equipment to the Department; and

"(3) performing other functions and activities related to matters within the purview of subparagraphs (1) and (2) of this subsection.

"§ 2123. Administrator

"The Postmaster General shall be the Administrator of the Authority. If there is no Postmaster General, the person acting as Postmaster General shall serve as acting Administrator of the Authority. The Administrator or the acting Administrator, as the case may be, of the Authority shall exercise the powers and duties of the Authority.

"§ 2124. Executive Director

"There shall be an Executive Director of the Authority, appointed by the Administrator, who shall discharge such administrative and executive functions of the Authority as the Administrator may direct. The term of office of the Executive Director shall be for five years unless he is sooner removed by the Administrator for cause.

"§ 2125. Appointment, duties, and pay of officers and employees

"Subject to the prohibitions, restrictions, exceptions, and related provisions of section 3311 of this title (governing the appointment of postmasters), the Administrator shall—

"(1) appoint, in accordance with the provisions of title 5 governing appointments in the competitive service, and define the duties of, such officers and employees as may be necessary to carry out the powers, functions, and duties of the Authority; and

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"(2) fix the rates of basic pay of such officers and employees in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5, relating to classification and General Schedule pay rates.

"§ 2126. Powers

"Except as otherwise specifically provided in this chapter, the Authority—

"(1) shall have succession in its corporate name;

"(2) may sue and be sued in its corporate name in the manner provided by section 507 of title 28;

"(3) may adopt and use a corporate seal, which shall be judicially noticed;

"(4) may adopt, amend, and repeal bylaws;

"(5) may acquire, hold, and use any property, real, personal, or mixed, tangible or intangible, or any interest therein, which it finds necessary for carrying out its purposes;

"(6) may lease, sell, or encumber any property of the Authority as it may find necessary in order to carry out the purposes of the Authority;

"(7) may obtain services of experts and consultants in accordance with section 3109 of title 5 at rates of compensation not in excess of the per diem equivalent of the rate prescribed for level V of the Executive Schedule;

"(8) shall have power, subject to the limitations of section 868 of title 31, or as otherwise specifically provided in this chapter—

"(A) to borrow money, and to make and issue bonds, to carry out the purposes of this chapter, in an aggregate amount not exceeding $20,000,000,000 outstanding at any one time;

"(B) to make and issue such bonds as the Authority may from time to time determine to issue for the purpose of refunding bonds previously issued by the Authority;

"(C) to secure the payment of all bonds or any part thereof, and the rights of the holders thereof, by pledge, mortgage or deed of trust of any property, revenues, rentals, or receipts; and

"(D) to make such agreements with the purchasers or holders of such bonds or with others in connection with any such bonds, whether issued or to be issued, as the Authority shall deem advisable;

"(9) may make contracts in its corporate name and execute all instruments necessary or advisable for the carrying on of its business;

"(10) may enter into such agreements, contracts, leases, or other arrangements with the United States or

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any agency thereof, as may be appropriate in carrying out the purposes of this chapter;

"(11) may convey or dispose of property of the Authority, by deed, lease, or otherwise, and encumber the same, for the purposes of this chapter; and

"(12) shall have such other powers and may perform such other acts as it deems necessary or appropriate to carry out the purposes of the Authority.

"§ 2127. Transfers of property

"(a) Within one year after the Authority is established, or at such other time as may be approved by the Authority, the Postmaster General, on behalf of the United States, shall transfer to the Authority the following property:

"(1) the mail equipment shops located in Washington, District of Columbia;

"(2) all equipment of the Department;

"(3) the unobligated balance of appropriations in the site acquisition account of the Department;

"(4) all real property, and all interests therein, whose ownership was acquired by the Postmaster General pursuant to section 2103 (prior to repeal of such section) of this title or which is under the administration of the Department for the purpose of constructing a postal building from funds appropriated or transferred

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to the Department, together with all funds appropriated or allocated therefor;

(5) all leases, contracts therefor, and rental agreements made by the Department; and

"(6) all real property under the administration of the Department, substantially all of which is used by the Department and which the Postmaster General determines to be in excess of the needs of the Department.

"(b) All real property and equipment, and all interests therein, acquired by the Department after the establishment of the Authority shall be transferred to the Authority as of the date of acquisition. All real property of the United States under the administration of the Postmaster General which is being improved or renovated by the Department at the time of the establishment of the Authority shall be transferred to the Authority upon completion of the improvement or renovation.

"(c) There may be excluded from transfer under this section such property, or interests therein, and such funds, as the Administrator shall determine would not be useful to the carrying out of the functions of the Authority.

"§ 2128. Leases

"The Authority shall lease to the Department such real

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and personal property owned by the Authority as may be needed by the Department at rentals which shall be established, with respect to each item of property so leased, in an amount equal to the aggregate of—

"(1) the amount necessary to amortize the adjusted cost of the leased property over the estimated period of useful life of the property; and

"(2) the amount necessary to reimburse the Authority for the cost of the interest on its bonds, and for its other expenses, which are allocable to such property,

as shown on the books of the Authority.

"§ 2129. **Bonds**

"(a) Bonds issued by the Authority under this chapter shall be negotiable instruments unless otherwise specified therein. Such bonds shall pledge the full faith and credit of the Authority, but shall not be obligations of, nor shall payment of the principal thereof or interest thereon be guaranteed by, the United States. The proceeds realized by the Authority from issuance of bonds and from other sources shall not be subject to apportionment under the provisions of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665).

"(b) Bonds issued by the Authority under this chapter—

"(1) shall be in such forms and denominations;

"(2) shall be sold at such times and in such amounts;

"(3) shall mature at such time or times not more than fifty years from their respective dates;

"(4) shall be sold at such prices;

"(5) shall bear such rates of interest;

"(6) may be redeemable before maturity at the option of the Authority in such manner and at such times and redemption premiums as the Authority shall determine;

"(7) may be entitled to such relative priorities of claim on the assets of the Authority with respect to principal and interest payments as the Authority shall determine; and

"(8) shall be subject to such other terms and conditions,

as the Authority may determine.

"(c)(1) At least fifteen days before selling each issue of bonds hereunder the Authority shall advise the Secretary of the Treasury as to the amount, proposed date of sale, maturities, terms, and conditions, and expected rates of interest of the proposed issue in the maximum possible detail and, upon request of the Secretary, shall consult with him or his designee thereon. The Authority is not required to obtain the approval of the Secretary or his designee with respect to

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any of the above matters other than the time of issuance of the bonds and the maximum rates of interest thereon.

"(2) If the Secretary does not approve the time of issuance and the maximum rates of interest for a proposed issue of bonds within seven working days following the date on which he is advised of the proposed sale, the Authority may issue to the Secretary interim obligations in the amount of the proposed issue, which the Secretary is directed to purchase.

"(3) If the Authority determines that a proposed issue of bonds hereunder cannot be sold on reasonable terms, the Authority may issue to the Secretary interim obligations which the Secretary is authorized to purchase.

"(4) Notwithstanding the foregoing provisions of this subsection, not more than $500,000,000 in obligations issued by the Authority to the Secretary shall be outstanding at any one time. The obligations shall mature on or before one year from date of issue, and shall bear interest equal to the average rate (rounded to the nearest one-eighth of a percent) on outstanding marketable obligations of the United States with maturities from dates of issue of one year or less as of the close of the month preceding the issuance of the obligations of the Authority.

"(5) If agreement is not reached within eight months concerning the issuance of any bonds which the Secretary has

failed to approve, the Authority may nevertheless proceed to sell such bonds on any date thereafter without approval by the Secretary in amount sufficient to retire the interim obligations issued to him and such interim obligations shall be retired from the proceeds of such bonds.

"(6) For the purpose of any purchase of the Authority's obligations the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the applicable provisions of chapter 12 of title 31, and the purposes for which securities may be issued under such chapter are extended to include any purchase of the obligations of the Authority hereunder.

"(d) The Authority may—

"(1) sell bonds by negotiation or on the basis of competitive bids, subject to the right, if reserved, to reject all bids;

"(2) designate trustees, registrars, and paying agents in connection with said bonds and the issuance thereof;

"(3) arrange, with the consent of the Comptroller General of the United States, for audits of its accounts and for reports concerning its financial condition and operations by certified public accounting firms (which audits and reports shall be in addition to those required by sections 850 and 851 of title 31); and

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"(4) subject to any covenants contained in any agreements entered into with the purchasers or holders of its bonds, invest the proceeds from the sale of bonds and other funds under its control in any securities approved for investment of national bank funds and deposit said proceeds and other funds, subject to withdrawal by check or otherwise, in accordance with section 867 of title 31.

"(c) Bonds issued by the Authority hereunder shall contain a recital that they are issued pursuant to this chapter, and such recital shall be conclusive evidence of the regularity of the issuance and sale of such bonds and of their validity.

"(f) Bonds issued by the Authority hereunder shall be lawful investments and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of any officer or agency of the United States. The Secretary of the Treasury or any other officer or agency having authority over or control of any such fiduciary, trust, or public funds, may at any time sell any of the bonds of the Authority acquired by them under this section. Bonds issued by the Authority hereunder shall be exempt both as to principal and interest from all taxation now or hereafter imposed by any State or local taxing authority except estate, inheritance, and gift taxes.

"§ 2130. Accounts

"The General Accounting Office, in the settlement of the accounts of the accountable officer or employee of the Authority, shall not disallow credit for, nor withhold funds because of, any expenditure in any case in which the Authority determines the expenditure is necessary to honor the pledge of its full faith and credit in any bonds, or is necessary to maintain their marketability.

"§ 2131. Protection of public moneys and property

"General statutes for the protection of public moneys or property of the United States shall apply to the moneys and property of the Authority and to moneys and properties of the United States entrusted to the Authority.".

(b) The table of contents of part II of title 39, United States Code, is amended by striking out—

"23. Property ..... 2101"

and inserting in lieu thereof—

"23. Property and Postal Modernization ..... 2101".

SEC. 402. Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new clause:

"(90) Executive Director of the Postal Modernization Authority.".

SEC. 403. (a) Section 101 of the Government Corporation Control Act (31 U.S.C. 846) is amended by inserting

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"Postal Modernization Authority;" immediately after "Panama Canal Company;".

(b) Section 105 of such Act (31 U.S.C. 850) is amended by inserting before the period at the end of the first sentence the following phrase: "or the powers reserved to the Postal Modernization Authority under section 2130 of title 39, United States Code."

SEC. 404. (a) There are hereby transferred to the Postal Modernization Authority established under section 2122 of title 39, United States Code, as added by section 401 of this title, the following functions of the Postmaster General:

(1) the acquisition, modernization, improvement, and disposition of real property and equipment;

(2) the conduct of research, engineering, and development studies and programs; and

(3) the making of studies for and the developing of long-range plans for improved postal service.

(b) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with functions transferred by this section as the Administrator shall determine shall be transferred to the Authority at such time or times, in such manner, and

with such further measures and dispositions as the Administrator shall direct in order to effectuate the transfers referred to in this section and to carry out the purposes of this title. Personnel transferred in accordance with this subsection shall be employed by the Authority without break in service or loss of, or reduction in, status, tenure, seniority, pay, leave, or any other employee benefits incident to their employment immediately prior to such transfer.

(c) The incorporation of the Postal Modernization Authority established by section 2122 of title 39 United States Code, shall be held to have been effected on the effective date of this title.

SEC. 405. If any provision of this title, or the application of such provision, shall be held invalid, the remainder of this title, or the application of such provision in any connection other than that as to which it is held invalid, shall not be affected thereby.

TITLE V—COMMISSION ON POSTAL FINANCE

ESTABLISHMENT OF COMMISSION

SEC. 501. Part II of title 39, United States Code, is amended by adding at the end thereof the following new chapter:

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"Chapter 33.—COMMISSION ON POSTAL FINANCE

"Sec.
"2601. Establishment of Commission on Postal Finance.
"2602. Membership of Commission.
"2603. Personnel of Commission.
"2604. Use of United States mails by Commission.
"2605. Administrative support services for Commission.
"2606. Function of Commission.
"2607. Report of Commission to the President.
"2608. Recommendations of the President.
"2609. Effective dates of recommendations of the President.
"2610. Effect of recommendations of the President on existing law and prior Presidential recommendations.
"2611. Publication of recommendations of the President.
"2612. Effect of this chapter on other laws.

"§ 2601. Establishment of Commission on Postal Finance

"There is established a Commission on Postal Finance, referred to in this chapter as the 'Commission'.

"§ 2602. Membership of Commission

"(a) The Commission shall be composed of eleven members, who shall be appointed from private life as follows:

"(1) five appointed by the President of the United States;

"(2) three appointed by the Speaker of the House of Representatives; and

"(3) three appointed by the President pro tempore of the Senate.

One of the members shall be designated as Chairman by the President.

"(b) The terms of office of persons first appointed as members of the Commission shall be for the period of eighteen months beginning July 1, 1969, and ending at the

close of December 31, 1970, except that, if any appointment to membership on the Commission is made after the beginning and before the close of such period, the term of office based on such appointment shall be for the remainder of such period.

"(c) After December 31, 1970, persons shall be appointed as members of the Commission with respect to each period of eighteen months which commences on the first day of the thirty-first month following the immediately preceding period of eighteen months for which persons were appointed as members of the Commission. The terms of office of persons so appointed shall be for the eighteen-month period with respect to which the appointment is made, except that, if any appointment is made after the beginning and before the close of any such period, the term of office based on such appointment shall be for the remainder of such period.

"(d) A vacancy in the membership of the Commission shall be filled in the manner in which the original appointment was made.

"(e) Each member of the Commission who is not an officer or employee of the Federal Government shall be paid at the rate of $200 for each day such member is engaged upon the work of the Commission, and shall be allowed travel expenses, including a per diem allowance, in

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accordance with section 5703(b) of title 5, United States Code, when engaged in the performance of services for the Commission.

"§ 2603. Personnel of Commission

"(a) Without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, and on a temporary basis for periods covering all or part of any period of eighteen months referred to in subsection (b) or (c) of section 2602 of this title—

"(1) the Commission is authorized to appoint an Executive Director and fix his basic pay at the rate provided for level IV of the Executive Schedule; and

"(2) with the approval of the Commission, the Executive Director is authorized to appoint and fix the basic pay (at respective rates not in excess of the maximum rate paid under the General Schedule) of such additional personnel as may be necessary to carry out the function of the Commission.

"(b) Upon the request of the Commission, the head of any department, agency, or establishment of any branch of the Federal Government is authorized to detail, or a reimbursable basis, for periods covering all or part of any period

of eighteen months referred to in subsection (b) or (c) of section 2602 of this title, any of the personnel of such department, agency, or establishment to assist the Commission in carrying out its function.

"§ 2604. Use of United States mails by Commission

"The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

"§ 2605. Administrative support services for Commission

"The Administrator of General Services shall provide administrative support services for the Commission on a reimbursable basis.

"§ 2606. Function of Commission

"The Commission shall conduct, in each of the respective periods of eighteen months referred to in subsection (b) and (c) of section 2702 of this title, a review of—

"(1) all postage rates, charges, and fees on all classes, types, and kinds of mail matter, classifications of articles mailable, postal zone structures and methods used in establishing such structures, and other conditions of mailability, provided for by this title;

"(2) all other charges and fees established by the Department;

"(3) the postal policy contained in chapter 27 of

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this title, including, among other matters, the identification of public services, the determination of the costs thereof, and the extent to which such policy, identification of services, and determination of costs are consistent with the public interest;

"(4) the cost ascertainment system of the Department including, among other matters, the methods used to determine costs and to allocate such costs among the various classes and categories of mail and the services performed by the Department; and

"(5) the authority, function, operation, and administration of the Postal Modernization Authority established by chapter 23 of this title including, among other matters, the adequacy of capital funds available for modernization of postal facilities and the effectiveness of the Authority in providing the modern and efficient buildings, machinery, and equipment required to serve the postal needs of the public.

Such review by the Commission shall be made for the purpose of providing—

"(A) a comprehensive system of rates, charges, and fees for services performed by the postal establishment that is consistent with the economic, cultural, and social interests of the Nation and the general public welfare and recovers total costs incurred in the performance of such services after excluding the public service costs in accordance with chapter 27 of this title;

"(B) a system of cost ascertainment, and of allocation or apportionment of costs among the various classes and categories of mail and the services performed by the Department, that is consistent with the best business accounting practices, is fully responsive to the needs of management, and is the basis for a sound and equitable postal rate structure;

"(C) identification of public services and the determination of costs thereof on a current basis, in the light of the responsibility of the Department to furnish postal service to the public, the value of such service to both mailers and addressees, and the relationship of postal revenues and expenses; and

"(D) such changes in the authority, functions, management, and operation of the Postal Modernization Authority established by chapter 33 of this title as will facilitate the achievement of its purpose to supply and maintain, for the postal establishment, the modern buildings, machinery, and equipment needed for efficient and economical service to the public.

"§ 2607. Report of Commission to the President

"The Commission shall submit to the President a report of the results of each review conducted by the Commission,

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together with its recommendations. Each such report shall be submitted not later than the close of the period of eighteen months with respect to which the then incumbent members of the Commission were appointed.

"§ 2608. Recommendations of the President

"The President shall transmit to the Congress, not later than the ninetieth day following the close of each period of eighteen months referred to in section 2607 of this title, his recommendations with respect to matters within the purview of subparagraphs (1), (3), and (5) of section 2606 of this title. The President may transmit to the Postmaster General such directions as the President deems appropriate with respect to matters within the purview of subparagraphs (2) and (4) of section 2606 of this title, and such recommendations shall be placed in effect by the Postmaster General as directed by the President.

"§ 2609. Effective dates of recommendations of the President

"The recommendations of the President transmitted to the Congress in accordance with section 2608 of this title shall become effective on such date or dates as the President may prescribe in the recommendations, but such recommendations shall become effective only if, within the period of one hundred and twenty days immediately following the

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date of transmittal of such recommendations by the President to the Congress—

"(1) there has not been enacted into law a statute which modifies, supersedes, or otherwise renders inapplicable all or part of such recommendations;

"(2) neither House of the Congress has, by bill or resolution, disapproved such recommendations; or

"(3) both.

"§ 2610. Effect of recommendations of the President on existing law and prior Presidential recommendations

"The recommendations of the President which become effective under this chapter shall be held and considered to modify, supersede, or render inapplicable, as the case may be, to the extent inconsistent therewith—

"(1) all provisions of law enacted prior to the date the President transmitted such recommendations to the Congress pursuant to section 2708 of this title; and

"(2) any prior recommendations of the President which shall have taken effect under this chapter.

"§ 2611. Publication of recommendations of the President

"The recommendations of the President which take effect pursuant to section 2609 of this title shall be printed

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in the Statutes at Large in the same volume as public laws and shall be printed in the Federal Register and included in the Code of Federal Regulations.

"§ 2612. **Effect of this chapter on other laws**

"This chapter does not preclude changes in postal rates, charges, and fees by, or pursuant to, laws (other than this chapter) in force on, or enacted after, the effective date of this chapter."

TITLE VI—POST OFFICE DEPARTMENT OPERATING FUND

SEC. 601. (a) Chapter 25 of title 39, United States Code, is amended by inserting after section 2212 the following:

"POST OFFICE DEPARTMENT OPERATING FUND

"§ 2221. **Definition**

"As used in this chapter, 'Fund' means the Post Office Department Operating Fund established by section 2222 of this title.

"§ 2222. **Establishment**

"The Post Office Department Operating Fund is established in the Treasury of the United States as a separate fund subject to withdrawal by check by the Postmaster General. There shall be deposited in the Fund the following items, except to the extent all or any part thereof is transferred to

the Postal Modernization Authority established by chapter 23 of this title:

"(1) the unexpended balances of all appropriations made to the Post Office Department;

"(2) any other unexpended balance of the Post Office Department Fund established under former section 2202 of this title;

"(3) all revenue of the Department;

"(4) payments received by the Department from the following sources:

"(A) payments for damage to Government-owned vehicles operated by the Department,

"(B) payments for the sale of leather, metal, canvas cuttings, and old canvas resulting from the manufacture and repair of mail bags and locks,

"(C) payments for damage to Government-owned personal property under custody and control of the Department,

"(D) payments made by contractors for services performed for them by postal personnel, and

"(E) payments of fines, penalties, and refunds resulting from nonperformance or inadequate performance of carriers and contractors;

"(5) payments and reimbursements made by other

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departments and agencies of the Government for services performed by the Department for such other departments and agencies;

"(6) funds appropriated to the Department in accordance with law;

"(7) receipts from subleases of property under section 2117 of this chapter; and

"(8) any funds which, except for the provisions of this chapter and chapter 23 of this title, would be credited to appropriations made to the Department.

"§ 2223. Use of Fund

"(a) The Postmaster General shall use the moneys in the Fund to pay all of the expenses and costs of the administration and operation of the Department, including, but not limited to—

"(1) as they become due and payable, all obligations chargeable to balances of appropriations deposited in the Fund;

"(2) salaries, wages, and related retirement and other employee benefit contributions;

"(3) rentals in accordance with section 2128 of this title;

"(4) indemnities for the loss or damage to registered, insured, and collect-on-delivery mail, and the

expense of manufacturing embossed stamped envelopes, printed or unprinted;

"(5) the face value of money orders issued; and

"(6) expenditures which, except for the provisions of this chapter, would be paid out of the postal revenue or the revenue of the Department.

"(b) Moneys deposited in the Fund shall remain available for expenditure without limitation as to time and are not subject to apportionment under section 665 of title 31 (Rev. Stat. 3679, as amended).

"(c) From time to time the Postmaster General shall deposit in the general fund of the Treasury of the United States as miscellaneous receipts those balances in the Fund which he determines to be in excess of the amount required for the operation and administration of the Department.

"§ 2224. Authorization of appropriations to Fund

"There are hereby authorized to be appropriated to the Fund—

"(1) amounts equal to the amounts of the costs of public services determined in accordance with the postal policy contained in chapter 27 of this title, and

"(2) amounts equal to the amounts by which the expenses of the operation and administration of the departmental service and the postal field service exceed

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the amounts available in the Fund for the payment of such expenses.".

(b) Chapter 25 of title 39, United States Code, is amended—

(1) by repealing sections 2201 through 2204, sections 2231 through 2234, and the center heading "Postal Modernization Fund" appearing immediately before section 2231, and

(2) by amending the table of contents to read as follows:

"Chapter 25.—FUNDS AND ACCOUNTING

"GENERAL

"Sec.
"2205. Date of orders, entries, contracts.
"2206. Audit by General Accounting Office.
"2207. Administrative accounting.
"2208. System of accounting and control.
"2209. Responsibility of postmasters.
"2210. Withholding compensation of postmasters.
"2211. Administrative examination of accounts.
"2212. Continuance of disbursing officers' accounts and issuance of checks.

"POST OFFICE DEPARTMENT OPERATING FUND

"2221. Definition.
"2222. Establishment.
"2223. Use of Fund.
"2224. Authorization of appropriations to Fund.".

TITLE VII—EMPLOYEE MANAGEMENT RELATIONS

SEC. 701. Part III of title 39, United States Code, is amended by adding at the end thereof the following new chapters:

"Chapter 47.—EMPLOYEE-LABOR MANAGEMENT RELATIONS

"Sec.
"3701. Declaration of policy.
"3702. Definitions.
"3703. Recognition of labor organizations.
"3704. Saving provision—prior agreements.
"3705. Dues checkoff.
"3706. Standards of conduct for labor organizations.
"3707. Code of Fair Labor Practices.
"3708. Labor-management disputes.
"3709. Creation of Postal Labor Management Relations Panel.
"3710. Powers and duties of Panel.
"3711. Settlement of grievances.
"3712. Violations and enforcement.
"3713. Separability of provisions.

"§ 3701. Declaration of policy

"(a) Participation of postal employees, through labor organizations, with management in decisions which affect them contributes to the effective conduct of the business of the Post Office Department. Therefore, strong, democratically administered labor organizations are in the public interest and their development should be encouraged.

"(b) The right of labor organizations to organize employees of the Department, and to bargain collectively, and to present grievances on their behalf without restraint, coercion, interference, intimidation, or reprisal is recognized and encouraged.

"§ 3702. Definitions

"As used in this chapter—

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"'employee' means any employee in the postal field service;

"'labor organization' means any national union of postal employees and its affiliates, composed of employees of the Department, in which employees participate and pay dues, and which has, as one of its basic and central purposes, dealing with management of the Department concerning terms and conditions of employment, but shall not include (1) any organization whose basic purpose is purely social, fraternal, or limited to special interest objectives which are only incidentally related to terms and conditions of employment, (2) any organization which by ritualistic practice, constitution, or bylaws proscription, by tacit agreement among its members or otherwise, denies membership because of race, color, religion, national origin, sex, age, or preferential or nonpreferential civil service status, or (3) any organization sponsored by the Department or by any agency, activity, or organization of the Federal Government;

"'representative' means any representative of a labor organization, whether an employee or nonemployee of the Department;

"'agreement' means any collective bargaining agreement negotiated pursuant to the provisions of this chapter;

"'dispute' includes any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representative of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment, regardless of whether the disputants stand in the proximate relation of employer and employee;

"'grievance' means any cause for dissatisfaction outside an employee's control if the matter arises out of employment in the postal field service and the remedy sought is within the authority of the Department, including, but not limited to, adverse actions, complaints of discrimination, any other complaint by any employee against the Department concerning the effect, interpretation, or application of a collective bargaining agreement, and any violation of any law, rule, or regulation governing conditions of employment which the Department has the authority to correct;

"'adverse action' means any action which results in (1) any suspension for any reason of an employee from his job, (2) any discharge from employment, (3) any furlough without pay, (4) any reduction in rank or compensation, including those which are taken at the election of the Department after a classification decision by either the United States Civil Service Commission or

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the Department, and (5) any withholding of a salary step increase;

"'conditions of employment' includes, but is not limited to, such factors as seniority, working conditions and environment, work schedules, work procedures, automation, safety, transfers, job classifications, details, promotion procedures, demotions, assignments and reassignments, job security, disciplinary actions and appeals, in-service training, labor-management relationship, methods of adjusting grievances, granting of leave, and such other matters as may be specified by law, rule, regulation, or agreement negotiated pursuant to this chapter;

"'consultation' means the obtaining and/or entertaining by management of views from designated representatives of the labor organizations relative to formulating, changing, or implementing policies, practices, and working conditions and considering those views, including objections or suggestions, before final action is taken. Such consultation shall permit sufficient time for the representatives of the labor organizations to present formal agreement or objection to management and the reasons for such agreement or objection. If any objections are made, they must receive full consideration before final action is taken;

"'unit' means craft of postal employees for the purposes of recognition and representation; and

"'craft' means each of the following groups of employees:

"(1) postal clerks.

"(2) city letter carriers.

"(3) mail handlers.

"(4) motor vehicle and motor vehicle maintenance employees.

"(5) rural letter carriers.

"(6) special delivery messengers.

"(7) maintenance employees.

"§ 3703. Recognition of labor organizations

"(a) Any labor organization shall be granted exclusive recognition within a unit by submitting to the Department a verifiable certified membership list of more than 50 per centum of the total number of employees within the unit. However, if one or more labor organizations submit a verifiable certified membership list of not more than 50 per centum and not less than 30 per centum of the total number of employees within the craft, a secret national ballot election shall be scheduled within a period of sixty days from date of submission.

"(b) The right of a labor organization to selection as the exclusive craft representative on a national basis where

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an election is necessary shall be decided by a national secret ballot election with the right of such selection being awarded to the labor organization receiving a majority of valid votes cast in the election. If no labor organization secures a majority of all valid votes cast but a majority of all votes cast are for representation by some labor organization, then a run-off election shall be held within sixty days thereafter, between the two labor organizations securing the largest numbers of votes, to determine the labor organization which has achieved exclusive recognition. The election shall be conducted by the Department of Labor under rules and regulations promulgated by the Secretary of Labor. Any dispute or disagreement as to eligibility of a labor organization or an employee to participate in the selection of an exclusive craft representative shall be resolved by the Department of Labor pursuant to regulations established by the Secretary of Labor. Such regulations shall include provision for binding arbitration of any such dispute or disagreement.

"(c) The Department shall accord exclusive recognition on a national craft basis to a labor organization which has been selected under subsection (b) of this section. Such national exclusive recognition shall be accorded to such labor organization and the affiliates thereof at installation, regional, and other levels within the Department.

"(d) Recognition of a labor organization shall continue unless withdrawn pursuant to the provisions of this chapter. The Department shall not determine whether a labor organization shall become or continue to be recognized as exclusive representative of the employees in any unit within twenty-four months after a determination of exclusive status, or while an agreement is in effect with respect to such unit.

"(e) No unit shall be established for purposes of exclusive recognition which includes any Department official who has primarily executive, managerial, or policymaking responsibilities or any supervisor who officially and regularly evaluates the performance of employees.

"(f) When a labor organization has been recognized as the exclusive craft representative of employees of an appropriate unit, it shall be entitled to act for and to negotiate agreements covering all employees in the unit at the national and local installation levels and it shall be responsible for representing the interests of all such employees. Such a labor organization shall have the right to participate with management in the formulation, implementation, and modification of personnel policies and practices, and all other matters affecting the conditions of employment of employees in the unit. The Department and such labor organization through appropriate officials and representatives, shall meet

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at reasonable times for the purposes of consultation as defined in this chapter. The Department and the recognized labor organization shall be required to negotiate in good faith for the purpose of arriving at an agreement at any level. Such obligation to bargain shall include the determination of appropriate bargaining techniques and the inclusion of any understanding reached by the parties in a written agreement. In exercising authority to make rules and regulations relating to personnel policies and practices or to working conditions, the Department may not make rules or regulations which are in conflict with any agreements negotiated under this chapter.

"§ 3704. Saving provision—prior agreements

"Nothing in this chapter shall nullify any provisions of any agreement in effect on the effective date of this Act between the Department and any labor organization, except as hereafter may be agreed to by the parties thereto, until superseded by an agreement made pursuant to this chapter.

"§ 3705. Dues check-off

"Where the Department has received from any employee a written assignment which authorizes the Department to deduct from the wages of such employee money for the payment of membership dues in a labor organization, such assignment shall be honored, except that any such assignment shall not be irrevocable for a period of more

than one year or beyond the termination date of the applicable collective agreement, whichever occurs sooner.

"§ 3706. Standards of conduct for labor organizations

"The Department will not accord exclusive recognition to any labor organization unless the labor organization is subject to governing requirements adopted by the labor organization containing explicit and detailed provisions to which it subscribes, providing for—

"(1) the maintenance of democratic procedures and practices, including provisions for periodic elections to be conducted subject to recognized safeguards and provisions defining and securing the right of individual members to participation in the affairs of the labor organization, to fair and equal treatment under the governing rules of the organization, and to fair process in disciplinary proceedings;

"(2) the exclusion from office in the labor organization of persons affiliated with Communist or other totalitarian movements;

"(3) the prohibition of business or financial interests on the part of labor organization officers and agents which conflict with their duty to the organization and its members; and

"(4) the maintenance of fiscal integrity in the

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conduct of the affairs of the labor organization, including provision for accounting and financial controls and regular financial reports or summaries to be made available to members.

"§ 3707. Code of Fair Labor Practices

"(a) The Department is prohibited from—

"(1) interfering with, restraining, or coercing any employee in the exercise of the rights assured by this chapter;

"(2) encouraging or discouraging membership in any labor organization by discrimination in regard to hiring, tenure, promotion, or other conditions of employment;

"(3) sponsoring, controlling, or otherwise assisting any employee organization, except that the Department may furnish customary and routine services and facilities;

"(4) disciplining or otherwise discriminating against any employee because he has filed a complaint or given testimony under this chapter or under the Standards of Conduct for Labor Organizations or the Code of Fair Labor Practices;

"(5) refusing to accord exclusive recognition to a labor organization qualified for such recognition; and

"(6) refusing to hear, consult, confer, or negotiate

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in good faith with a labor organization as required by this chapter.

"(b) The labor organization is prohibited from—

"(1) interfering with, restraining, or coercing any employee in the exercise of the rights assured by this chapter;

"(2) attempting to induce postal management to coerce any employee in the enjoyment of his rights under this chapter;

"(3) coercing or attempting to coerce, or disciplining any member of the organization as punishment or reprisal for, or for the purpose of hindering or impeding his discharge of his duties owed as an officer or employee of the Department; and

"(4) discriminating against any employee with regard to the terms or conditions of membership because of race, color, creed, sex, age, or national origin.

"(c) A labor organization granted exclusive recognition shall, upon request, admit to membership in the organization without discrimination any employee in the unit represented who meets reasonable occupational standards and pays the required fee and dues. Nothing in this chapter shall preclude a labor organization from suspending or expelling a member, who is an employee in the unit repre-

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sented, from the organization, if such action is taken for just cause and in accordance with procedures under the constitution or bylaws of their labor organization.

"§ 3708. Labor-management disputes

"(a) The Department and any recognized labor organization shall have the right to invoke the provisions of section 3710 in respect to any dispute concerning—

"(1) the application or interpretation of provisions of this chapter;

"(2) the terms to be incorporated in an agreement;

"(3) the interpretation, application, and enforcement of the Standards of Conduct for Labor Organizations and the Code of Fair Labor Practices; and

"(4) alleged violations of any agreement.

"(b) In resolving disputes set forth in subsection (a) of this section, the following procedures shall be applicable:

"(1) Either party may invoke the services of the Federal Mediation and Conciliation Service, which shall immediately assign one or more of its mediators to work with the parties, using every effort to bring the parties to an agreement.

"(2) If such efforts to bring about a settlement through mediation and conciliation are unsuccessful, then either party to the controversy is authorized to invoke

the services of the Postal Labor-Management Relations Panel hereinafter provided for.

"§ 3709. Creation of Postal Labor-Management Relations Panel

"(a) There is created a Postal Labor-Management Relations Panel (referred to in this chapter as the 'Panel').

"(b) The Panel shall be composed of a Chairman and two additional members. The Chairman and the members of the Panel shall be appointed by the President of the United States by and with the advice and consent of the Senate, and shall not be otherwise employed by the Government of the United States.

"(c) One of the original members of the Panel shall be appointed for a term of one year, one for a term of three years, and one for a term of five years, but their successors shall be appointed for terms of five years each, excepting that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall replace. The President shall designate one member to serve as Chairman of the Panel. Any member of the Panel may be removed by the President, upon notice and hearing, for neglect of duty or malfeasance in office, but for no other cause.

"(d) There shall be an Executive Secretary of the Panel who shall be appointed by the Panel for a term of

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five years. Each member of the Panel and the Executive Secretary shall receive a salary equal to level II of the Executive Schedule and shall be eligible for reappointment and shall not engage in any other business, vocation, or employment. The Panel shall have the authority to employ staff, including counsel, it deems necessary for the proper performance of its duties and to fix their compensation and expenses.

"§ 3710. Powers and duties of Panel

"(a) The Panel shall have authority from time to time to make, amend, and rescind, in the manner prescribed by the Administrative Procedure Act, such rules and regulations as may be necessary to carry out the provisions of this chapter.

"(b) The Panel shall have authority to investigate and resolve any dispute arising under section 3708 of this chapter, and to afford prompt and full relief with respect to the issues involved in such dispute. Such relief shall include, among other matters, reinstatement to a position, restitution of monetary loss, and such other compensatory measures as the Panel deems appropriate, with respect to any employee involved in such dispute. The Panel, upon its determination that there has been an arbitrary, capricious, or otherwise knowing violation of this chapter, may recommend that the Postmaster General discipline the offending party by demotion, suspension, removal, or such other remedial action as the Panel deems advisable. The Postmaster General shall consider any such recommendation of the Panel and take such action thereon as he determines to be proper in the light of all of the pertinent facts and circumstances, subject to the exercise by any officer or employee of the Department of the right to appeal any determination of the Postmaster General in accordance with laws, rules, and regulations governing appeals of postal employees from adverse personnel actions.

"(c) For the purpose of any hearings or investigation provided for in this chapter, the provisions of sections 49 and 50 of title 15, United States Code (relating to the attendance of witnesses and the production of books, papers, and documents) are made applicable to the jurisdiction, powers, and duties of the Panel.

"(d) Any person who shall wilfully resist, prevent, impede, or interfere with any member of the Panel or any of its agents or agencies or any arbitrator selected pursuant to this chapter in the performance of duties pursuant to this chapter shall be punished by a fine of not more than $5,000 or by imprisonment for not more than one year, or both.

"(e) After its services have been invoked, the Panel or its designee shall assist the parties in arriving at a settlement through whatever voluntary methods and procedures it may consider to be appropriate.

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"(f) If the Panel is unable to assist the parties in arriving at a settlement through other means, the Panel or its designee shall promptly hold hearings at which both parties shall be given a full opportunity to present their respective cases.

"(g) At the conclusion of the hearings, the Panel shall, with due dispatch, render its decision in writing on the matters in dispute. This decision shall be promptly served upon the parties to the proceedings and shall be final and binding upon all parties.

"(h) Employees of the Department called upon by either party to participate in any phase of the Panel proceedings shall be free to do so without suffering any loss of pay, and all such employees shall be free from restraint, coercion, interference, intimidation, or reprisal as a consequence of their participation.

"§ 3711. Settlement of grievances

"(a) Grievances filed under this chapter shall be processed as provided in subsections (b), (c), (d), and (e) of this section.

"(b) Any employee, or a labor organization which has achieved exclusive recognition for the craft in which the employee is employed, shall have the right to present and process grievances and to submit to arbitration unresolved grievances: *Provided, however,* That any employee desiring arbitration of a grievance shall notify the labor organization

which has exclusive recognition for the employee's craft in writing and must receive the written consent of said labor organization in order to have the grievance submitted to arbitration: *Provided further,* That the labor organization may initiate grievances and arbitration proceedings on its own behalf.

"(c) Grievance procedures shall be established in negotiations between representatives of labor organizations which have achieved exclusive recognition and representatives of the Department. Such procedures shall include, but shall not be restricted to, procedures assuring employees—

"(1) the right to be represented by their labor organization;

"(2) fixed and reasonable time limits for a decision at each grievance step; and

"(3) the right to call, question, and cross-examine witnesses.

"(d) The arbitration procedure shall be as follows:

"(1) Any grievance not satisfactorily settled in the grievance process shall be subject to arbitration upon the written request of the labor organization which has achieved exclusive recognition for the craft of the employee or employees involved. Such written request shall be directed to the principal administrative officer of the Department.

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"(2) The Department shall within five working days after receipt of the request for arbitration request the Secretary of Labor to furnish a panel of names of five arbitrators from which the labor organization and the Department shall select an arbitrator, by alternately striking off four names. The name of the person remaining on the list shall be arbitrator in that case.

"(3) The decision of the arbitrator shall be final and binding. The fee and expenses of the arbitrator and the general expenses incident to the arbitration shall be paid by the Secretary of Labor from an arbitration fund created for such purpose. No employee of the Department involved in the arbitration shall suffer any loss in pay because of his participation in the proceedings, either as a witness, aggrieved employee, or employee representative.

"(c) Department employees called upon by either party to participate in any phase of the grievance procedure, including arbitration, shall be free to do so without suffering any loss of pay, and all such employees shall be free from restraint, coercion, interference, intimidation, or reprisal as a consequence of their participation.

"§ 3712. **Violations and enforcement**

"(a) It shall be unlawful for anyone to violate or refuse to comply with a decision or order of the Panel rendered

pursuant to sections 3708 or 3710 of this chapter or of an arbitrator rendered pursuant to section 3711 of this chapter.

"(b) The district courts of the United States, upon petition of an aggrieved party, shall have jurisdiction for cause shown to restrain any violation of subsection (a) of this section, to require compliance with any decision or order issued under section 3708, 3710, or 3711 of this chapter, and to afford interim relief.

"§ 3713. **Separability of provisions**

"If any provision of this chapter, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this chapter or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby."

"Chapter 49.—POSTAL SUPERVISOR-MANAGEMENT RELATIONS

"Sec.
"3901. Declaration of policy.
"3902. Definitions.
"3903. Recognition of supervisors' organizations.
"3904. Saving provision—prior agreements.
"3905. Dues checkoff.
"3906. Standards of conduct for supervisors' organizations.
"3907. Code of Fair Labor Practices.
"3908. Labor-management disputes.
"3909. Authority of Postal Labor-Management Relations Panel.
"3910. Settlement of grievances.
"3911. Violations and enforcement.
"3912. Separability of provisions.

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"§ 3901. Declaration of policy

"The declaration of policy contained in section 3701 of this title, with respect to the value of employee participation, through organizations, in management decisions affecting them, and to their right to organize, applies with equal force and effect with respect to supervisors and supervisors' organizations provided for in this chapter.

"§ 3902. Definitions

"As used in this chapter—

"'supervisor' means any supervisor, and any other officer or employee whose position is classified as executive, administrative, professional, or technical, in the postal field service, but does not include any postmaster;

"'supervisors' organization' means any national organization and its affiliates, composed of supervisors of the Department, in which supervisors participate and pay dues, and which has, as one of its basic and central purposes, dealing with management of the Department concerning terms and conditions of employment, but shall not include (1) any organization whose basic purpose is purely social, fraternal, or limited to special interest objectives which are only incidentally related to terms and conditions of employment, (2) any organization which by ritualistic practice, constitution, or bylaws proscription, by tacit agreement among its members or

otherwise, denies membership because of race, color, religion, national origin, sex, age, or preferential or nonpreferential civil service status, or (3) any organization sponsored by the Department or by any agency, activity, or organization of the Federal Government;

"'representative' means any representative of a supervisors' organization, whether an employee or nonemployee of the Department;

"'agreement' means any collective-bargaining agreement negotiated pursuant to the provisions of this chapter;

"'dispute' includes any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representative of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment, regardless of whether the disputants stand in the proximate relation of employer and employee;

"'grievance' means any cause of dissatisfaction outside a supervisor's control if the matter arises out of employment in the postal field service and the remedy sought is within the authority of the Department, including, but not limited to, adverse actions, complaints of discrimination, any other complaint by any supervisor against the Department concerning the effect, inter-

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pretation, or application of a collective bargaining agreement, and any violation of any law, rule, or regulation governing conditions of employment which the Department has the authority to correct;

"'adverse action' means any action which results in (1) any suspension for any reason of a supervisor from his job, (2) any discharge from employment, (3) any furlough without pay, (4) any reduction in rank or compensation, including those which are taken at the election of the Department after a classification decision by either the United States Civil Service Commission or the Department, and (5) any withholding of a salary step increase;

"'conditions of employment' includes, but is not limited to, such factors as seniority, working conditions and environment, work schedules, work procedures, automation, safety, transfers, job classifications, details, promotion procedures, demotions, assignments and reassignments, job security, disciplinary actions and appeals, in-service training, general labor-management relationship, methods or adjusting grievances, granting of leave, and such other matters as may be specified by law, rule, regulation, or agreement negotiated pursuant to this chapter;

"'consultation' means the obtaining and/or entertaining by management of views from designated representatives of a supervisors' organization relative to formulating, changing, or implementing policies, practices, and working conditions and considering those views, including objections or suggestions, before final action is taken. Such consultation shall permit sufficient time for the representatives of the supervisors' organization to present formal agreement or objection to management and the reasons for such agreement or objection. If any objections are made, they must receive full consideration before final action is taken;

"'unit' means all supervisors in an installation of the postal field service.

"§ 3903. Recognition of supervisors' organizations

"(a) Any supervisors' organization shall be granted exclusive recognition within a unit by submitting to the Department a verifiable certified membership list of more than 50 per centum of the total number of supervisors within the unit. However, if one or more supervisors' organizations submit a verifiable certified membership list of not more than 50 per centum and not less than 30 per centum of the total number of employees within the craft, a secret national ballot election shall be scheduled within a period of sixty days from the date of submission.

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"(b) The right of a supervisors' organization to selection as exclusive representative on a national basis where an election is necessary shall be decided by a national secret ballot election with the right of such selection being awarded to the supervisors' organization receiving a majority of valid votes case in the election. If no supervisors' organization secures a majority of all valid votes case but a majority of all votes case are for representation by some supervisors' organization, then a runoff election shall be held within sixty days thereafter, between the two supervisors' organizations securing the largest number of votes, to determine the supervisors' organization which has achieved exclusive recognition. The election shall be conducted by the Department of Labor under rules and regulations promulgated by the Secretary of Labor. Any dispute or disagreement as to eligibility of a supervisors' organization or an employee to participate in the selection of an exclusive representative shall be resolved by the Department of Labor pursuant to regulations established by the Secretary of Labor. Such regulations shall include provision for binding arbitration of any such dispute or disagreement.

"(c) The Department shall accord exclusive recognition on a national basis to a supervisors' organization which has been selected under subsection (b) of this section. Such national exclusive recognition shall be accorded to such

organization and the affiliates thereof at installation, regional, and other levels within the Department.

"(d) Recognition of a supervisors' organization shall continue unless withdrawn pursuant to the provisions of this chapter. The Department shall not determine whether a supervisors' organization shall become or continue to be recognized as exclusive representative of the supervisors in any unit within twenty-four months after a determination of exclusive status, or while an agreement is in effect with respect to such unit.

"(e) When a supervisors' organization has been recognized as the exclusive representative of supervisors of an appropriate unit, it shall be entitled to act for and to negotiate agreements covering all supervisors in the unit at the national and local installation levels and it shall be responsible for representing the interests of all such supervisors. Such a supervisors' organization shall have the right to participate with management in the formulation, implementation, and modification of personnel policies and practices, and all other matters, affecting the conditions of employment of supervisors in the unit. The Department and such supervisors' organization, through appropriate officials and representatives, shall meet at reasonable times for the purposes of consultation as defined in this chapter. The Department and the recognized supervisors' organization shall be required to

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negotiate in good faith for the purpose of arriving at an agreement at any level. Such obligation to bargain shall include the determination of appropriate bargaining techniques and the inclusion of any understanding reached by the parties in a written agreement. In exercising authority to make rules and regulations relating to personnel policies and practices or to working conditions, the Department may not make rules or regulations which are in conflict with any agreements negotiated under this chapter.

"§ 3904. Saving provision—prior agreements

"Nothing in this chapter shall nullify any provision of any agreement in effect on the effective date of this Act between the Department and any supervisors' organization, except as hereafter may be agreed to by the parties thereto, until superseded by an agreement made pursuant to this chapter.

"§ 3905. Dues checkoff

"Where the Department has received from any supervisor a written assignment which authorizes the Department to deduct from the wages of such supervisor money for the payment of membership dues in a supervisors' organization, such assignment shall be honored, except that any such assignment shall not be irrevocable for a period of more than one year or beyond the termination date of the applicable collective agreement, whichever occurs sooner.

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"§ 3906. Standards of conduct for supervisors' organizations

"The Department will not accord exclusive recognition to any supervisors' organization unless the supervisors' organization is subject to governing requirements adopted by the supervisors' organization containing explicit and detailed provisions to which it subscribes, providing for—

"(1) the maintenance of democratic procedures and practices, including provisions for periodic elections to be conducted subject to recognized safeguards and provisions defining and securing the right of individual members to participation in the affairs of the supervisors' organization, to fair and equal treatment under the governing rules of the organization, and to fair process in disciplinary proceedings;

"(2) the exclusion from office in the supervisors' organization of persons affiliated with Communist or other totalitarian movements;

"(3) the prohibition of business or financial interests on the part of supervisors' organization officers and agents which conflict with their duty to the organization and its members; and

"(4) the maintenance of fiscal integrity in the conduct of the affairs of the supervisors' organization,

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including provision for accounting and financial controls and regular financial reports or summaries to be made available to members.

"§ 2907. Code of Fair Labor Practices

"(a) The Department is prohibited from—

"(1) interfering with, restraining, or coercing any supervisor in the exercise of the rights assured by this chapter;

"(2) encouraging or discouraging membership in any supervisors' organization by discrimination in regard to hiring, tenure, promotion, or other conditions of employment;

"(3) sponsoring, controlling, or otherwise assisting any supervisors' organization, except that the Department may furnish customary and routine services and facilities;

"(4) disciplining or otherwise discriminating against any supervisor because he has filed a complaint or given testimony under this chapter or under the Standards of Conduct for Supervisors' Organizations or the Code of Fair Labor Practices;

"(5) refusing to accord exclusive recognition to a supervisors' organization qualified for such recognition; and

"(6) refusing to hear, consult, confer, or negotiate

in good faith with a supervisors' organization as required by this chapter.

"(b) The supervisors' organization is prohibited from—

"(1) interfering with, restraining, or coercing any supervisor in the exercise of the rights assured by this chapter;

"(2) attempting to induce postal management to coerce any supervisor in the enjoyment of his rights under this chapter;

"(3) coercing or attempting to coerce, or disciplining any member of the organization as punishment or reprisal for, or for the purpose of hindering or impeding, his discharge of his duties owed as an officer or employee of the Department; and

"(4) discriminating against any supervisor with regard to the terms or conditions of membership because of race, color, creed, sex, age, or national origin.

"(c) A supervisors' organization granted exclusive recognition shall, upon request, admit to membership in the organization without discrimination any supervisor in the unit represented who meets reasonable occupational standards and pays the required fee and dues. Nothing in this chapter shall preclude an organization from suspending or expelling a member, who is a supervisor in the unit represented, from the organization, if such action is taken for just cause and

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in accordance with procedures under the constitution or by-laws of the supervisors' organization.

"§ 3908. Labor-management disputes

"(a) The Department and any recognized supervisors' organization shall have the right to invoke the provisions of section 3910 in respect to any dispute concerning—

"(1) the application or interpretation of provisions of this chapter;

"(2) the terms to be incorporated in an agreement;

"(3) the interpretation, application, and enforcement of the Standards of Conduct for Supervisors' Organizations and the Code of Fair Labor Practices; and

"(4) the alleged violation of any agreement.

"(b) In resolving disputes set forth in subsection (a) of this section, the following procedures shall be applicable:

"(1) Either party may invoke the services of the Federal Mediation and Conciliation Service, which shall immediately assign one or more of its mediators to work with the parties, using every effort to bring the parties to an agreement.

"(2) If such efforts to bring about a settlement through mediation and conciliation are unsuccessful, then either party to the controversy is authorized to invoke the services of the Postal Labor-Management Relations Panel provided for by section 3709 of this title.

"§ 3909. Authority of Postal Labor-Management Relations Panel

"(a) The Postal Labor-Management Relations Panel created by section 3709 of this title shall have authority to investigate and resolve any dispute arising under section 3908 of this chapter, and to afford prompt and full relief with respect to the issues involved in such dispute. Such relief shall include, among other matters, reinstatement to a position, restitution of monetary loss, and such other compensatory measures as the Panel deems appropriate, with respect to any supervisor involved in such dispute. The Panel, upon its determination that there has been an arbitrary, capricious, or otherwise knowing violation of this chapter, may recommend that the Postmaster General discipline the offending party by demotion, suspension, removal, or such other remedial action as the Panel deems advisable. The Postmaster General shall consider any such recommendation of the Panel and take action thereon as he determines to be proper in the light of all of the pertinent facts and circumstances, subject to the exercise by any officer or employee of the Department of the right to appeal any determination of the Postmaster General in accordance with laws, rules, and regulations governing appeals of postal employees from adverse personnel action.

"(b) All of the additional powers, duties, practices, and

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procedures of the Panel, and all of the related rights and remedies, provided for by chapter 47 of this title shall apply, with equal force and effect, to the operation of the Postal Supervisor-Management Relations Program established by this chapter.

"(c) Supervisors of the Department called upon by either party to participate in any phase of the Panel proceedings shall be free to do so without suffering any loss of pay, and all such employees shall be free from restraint, coercion, interference, intimidation, or reprisal as a consequence of their participation.

"§ 3910. Settlement of grievances

"(a) Grievances filed under this chapter shall be processed as provided in subsections (b), (c), (d), and (e) of section 3711 of this title.

"(b) Any supervisor, or a supervisors' organization which has achieved exclusive recognition for the unit in which the supervisor is employed, shall have the right to present and process grievances and to submit to arbitration unresolved grievances: *Provided, however,* That any supervisor desiring arbitration of a grievance shall notify the supervisors' organization which has exclusive recognition for the supervisors' unit in writing and must receive the written consent of said supervisors' organization in order to have the grievance submitted to arbitration: *Provided, further,* That

the supervisors' organization may initiate grievances and arbitration proceedings on its own behalf.

"(c) Grievance procedures shall be established in negotiations between representatives of supervisors' organizations which have achieved exclusive recognition and representatives of the Department. Such procedures shall include, but shall not be restricted to, procedures assuring supervisors—

"(1) the right to be represented by their supervisors' organization;

"(2) fixed and reasonable time limits for a decision at each grievance step; and

"(3) the right to call, question, and cross-examine witnesses.

"(d) The arbitration procedure shall be as follows:

"(1) Any grievance not satisfactorily settled in the grievance process shall be subject to arbitration upon the written request of the supervisors' organization which has achieved exclusive recognition for the unit of the supervisor or supervisors involved. Such written request shall be directed to the principal administrative officer of the Department.

"(2) The Department shall within five working days after receipt of the request for arbitration request the Secretary of Labor to furnish a panel of names of five arbitrators from which the supervisors' organization and

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the Department shall select an arbitrator, by alternately striking off four names. The name of the person remaining on the list shall be arbitrator in that case.

"(3) The decision of the arbitrator shall be final and binding. The fee and expenses of the arbitrator and the general expenses incident to the arbitration shall be paid by the Secretary of Labor from an arbitration fund created for such purpose. No supervisor of the Department involved in the arbitration shall suffer any loss in pay because of this participation in the proceedings, either as a witness, aggrieved supervisor, or supervisor representative.

"(c) Supervisors called upon by either party to participate in any phase of the grievance procedure, including arbitration, shall be free to do so without suffering any loss of pay, and all such supervisors shall be free from restraint, coercion, interference, intimidation, or reprisal as a consequence of their participation.

"§ 3911. **Violations and enforcement**

"(a) It shall be unlawful for anyone to violate or refuse to comply with a decision or order of the Panel rendered pursuant to sections 3908 or 3909 of this chapter or of an arbitrator rendered pursuant to section 3910 of this chapter.

"(b) The district courts of the United States, upon petition of an aggrieved party, shall have jurisdiction for cause

shown to restrain any violation of subsection (a) of this section, to require compliance with any decision or order issued under section 3908, 3909, or 3910 of this chapter, and to afford interim relief.

"§ 3912. **Separability of provisions**

"If any provision of this chapter, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this chapter or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby."

TITLE VIII—MISCELLANEOUS PROVISIONS

MAIL INPUT FROM BUSINESS AND INDUSTRY

SEC. 801. (a) Chapter 5 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 511. **Scheduling mail input**

"The Postmaster General shall make full use of his authority to operate the Department to obtain, from mailers in private business and industry, agreements that matter to be transmitted in the mails by such mailers be presented for mailing at such times and places, and in such manner, as in the judgment of the Postmaster General will contribute most effectively to the orderly, expeditious, and efficient handling, transportation, and delivery of the mails.".

(b) The table of contents of chapter 5 of title 39,

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United States Code, is amended by adding at the end thereof—

"511. Scheduling mail input.".

POSTAL EMPLOYEE RELATIONS ASSISTANT

SEC. 802. (a) Chapter 3 of title 39, United States Code is amended by adding at the end thereof the following new section:

"§ 310. Executive Assistant for Employee Relations

"An Executive Assistant for Employee Relations, appointed by the Postmaster General, shall act as confidential personal adviser to the Postmaster General on matters pertaining to employee relations and perform such other related duties as the Postmaster General may designate.".

(b) The table of contents of chapter 3 of title 39, United States Code, is amended by adding at the end thereof:

"310. Executive Assistant for Employee Relations.".

(c) Section 5109 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) The position of Executive Assistant for Employee Relations in the Post Office Department established by section 310 of title 39 is classified at GS–18 and is in addition to the number of positions authorized by section 5108(a) of this title.".

EFFECTIVE DATES

SEC. 803. This Act shall take effect as follows:

(1) Titles I, IV, V, and VIII on date of enactment of this Act;

(2) Titles II and VII on the first day of the third month which begins after date of enactment of this Act;

(3) Title III on the first day of the sixth month which begins after date of enactment of this Act; and

(4) Title VI on the first day of the first fiscal year which begins after the date of enactment of this Act.

That this Act may be cited as the "Postal Reform and Salary Adjustment Act of 1970".

TITLE I—POSTAL REFORM

CONGRESSIONAL FINDINGS

SEC. 101. (a) The Congress hereby finds that—

(1) the United States Postal Service, as now constituted, has not been given the means, and cannot be expected, to continue to provide—and certainly not to extend—the present quality and scope of postal service in the face of the tremendous increases in mail volume expected in the future;

(2) serious handicaps are imposed on the Postal Service by certain legislative, budgetary, financial, and

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personnel policies that are outmoded, unnecessary, and inconsistent with the modern management and business practices which should be available to a Postmaster General as aids in the performance of his heavy responsibility to provide efficient and economical postal service to the American public;

(3) the existing limitations imposed by various laws on the authority of the Postmaster General to procure transportation for mail are so rigid as to frequently prevent the most expeditious and economic movement of mail, and, therefore, a revision of such laws, in order to provide greater flexibility to postal management in this regard, will facilitate more rapid and less expensive delivery of the mail, permit more economic utilization of the Nation's transportation resources, and encourage more rapid and imaginative development of new transportation facilities;

(4) the working environment of the majority of postal employees, which has been described as no less than disgraceful in many instances, seldom approaches those desirable standards long observed in modern progressive industrial organizations;

(5) the public interest demands, and it is the responsibility of the Congress to provide, prompt and effective measures to remove these handicaps and limi-

tions on the Postal Service, to give postal management the means to improve the value and the scope of postal service at lowest possible rates and fees, and to create a lasting foundation for a modern, dynamic, and viable postal institution that is both equipped and empowered at all times to satisfy the postal requirements of the future economic, cultural, and social growth of the Nation;

(6) the major areas to which corrective measures should be first directed are—

(A) the strengthening of top-level postal management authority—consistent with the level of responsibility;

(B) the provision of critically needed capital funds, with a necessary measure of access and control by top management, and a program for the systematic review and adjustment of postal revenues coupled with an effective authorization for the use of revenues for payment of current expenses;

(C) the clarification of postal transportation policy;

(D) the modernization of postal employee-management relations and employees' working environment; and

(E) the establishment and maintenance of an

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orderly, effective system for the fixing of fair and reasonable postal rates and fees; and

(7) the needed postal reforms can best be accomplished, and should be accomplished—within the framework of the historic philosophy and the fundamental principles upon which the Government is founded—without radically changing the traditional character of the postal service as a direct duty of the Government, effectuated through the delegation of authority and responsibility to the executive departments and agencies in a manner that will be most consistent with the general welfare and fully responsive to the interests and the needs of the public.

(b) It is, therefore, the purpose of this Act to provide a means for—

(1) the accomplishment of the modernization of the Postal Establishment;

(2) the provision of rapid, efficient, and economical postal service to the public;

(3) the improvement of postal employee-management relations; and

(4) the achievement of postal reform generally.

REVISION OF TITLE 39, UNITED STATES CODE

SEC. 102. Title 39, United States Code, is revised and reenacted and the sections thereof may be cited as "39 U.S.C., § —", as follows:

"TITLE 39.—THE POSTAL SERVICE

"Chapter	*Sec.*
"1. General Provisions	*101*
"2. Establishment of the United States Postal Service Authority	*201*
"4. Services	*401*
"6. Mail Matter	*601*
"8. Personnel	*801*
"10. Finance	*1001*
"12. Rates and Ratemaking	*1201*
"14. Private Carriage of Letters	*1401*
"16. Transportation of Mails	*1601*
"18. Miscellaneous	*1801*

"Chapter 1.—GENERAL PROVISIONS

"Sec.
"101. Definitions.

"§ 101. Definitions

"As used in this title—

" 'Postal Service' and 'Authority' mean the United States Postal Service Authority established by section 202 of this title.

" 'Council' and 'Executive Council' mean the Executive Council of the United States Postal Service Authority.

"Chapter 2.—ESTABLISHMENT OF THE UNITED STATES POSTAL SERVICE AUTHORITY

"Sec.
"201. Definitions.
"202. The United States Postal Service Authority.
"203. The Executive Council.
"204. Procedures of the Executive Council.
"205. General powers.
"206. Judicial Officer.
"207. Cooperation with other Government agencies.
"208. Suits by and against the Postal Service.
"209. Application of other laws.
"210. Annual reports.
"211. Reservation of powers.
"212. Advisory Board.

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"§ *201. Definitions*

"As used in this title—

" 'Presidentially appointed councilors' means the members of the Executive Council appointed pursuant to section 203(b)(1) of this title.

" 'Director General' means a member of the Executive Council appointed pursuant to section 203(c)(1) of this title.

" 'Deputy Director General' means the member of the Executive Council appointed pursuant to section 203(c)(2) of this title.

" 'Congressional councilors' means the members of the Executive Council appointed pursuant to section 203(d) of this title.

"§ ***202. The United States Postal Service Authority***

"The United States Postal Service Authority is established as an instrumentality of the United States for the purpose of owning and operating the postal system of the United States. The Authority shall commence operations within one year after the enactment of this section and upon the date fixed by a resolution of the Executive Council. The Authority shall maintain such offices in such places as it may deem appropriate to conduct its affairs.

"§ ***203. The Executive Council***

"(a) The Executive Council of the Authority shall

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consist of thirteen members as provided for in this section. Except as otherwise provided in this title, the Executive Council shall direct the exercise of the powers of the Authority.

"(b)(1) The President, by and with the advice and consent of the Senate, shall appoint seven voting members of the Executive Council. Not more than four presidentially appointed Councilors shall be from the same political party. The President may remove Councilors appointed under this paragraph only for inefficiency, neglect of duty, or malfeasance in office. The Councilors shall be chosen to represent the public interest generally and not as representatives of specific interests connected with the Postal Service.

"(2) The terms of the presidentially appointed Councilors shall be seven years except that—

"(A) the terms of the seven Councilors first taking office shall expire as designated by the President at the time of the appointment, one at the end of the year, one at the end of two years, one at the end of three years, one at the end of four years, one at the end of five years, one at the end of six years, and one at the end of seven years following the appointment of the first of them; and

"(B) any Councilor appointed to fill a vacancy

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before the expiration of the term for which his predecessor was appointed shall serve for the remainder of such term.

"(c)(1) The presidentially appointed councilors shall appoint and have discretionary power to remove an eighth member of the Executive Council who shall serve as Director General of the Authority. The Director General, who shall have such term as may be fixed by the presidentially appointed Councilors, shall be the Chief Executive Officer of the Authority. He shall be a voting member of the Executive Council except as otherwise provided in this title.

"(2) The presidentially appointed councilors and the Director General shall appoint and shall have discretionary power to remove an additional member of the Council who shall serve as Deputy Director General of the Authority for such term as the presidentially appointed councilors and the Director General may fix. The Deputy Director General shall be a voting member of the Executive Council except as otherwise provided in this title.

"(d) Four nonvoting members of the Executive Council shall be appointed as follows:

"(1) two from the United States House of Representatives, one of whom shall be appointed by the Speaker of the House and the other by the Minority Leader of the House;

"(2) two from the United States Senate, one of whom shall be appointed by the President pro tempore of the Senate and the other by the Minority Leader of the Senate; and

"(3) the congressional Councilors so appointed shall participate fully in the deliberations of the Executive Council, and shall take whatever action they consider appropriate to insure that—

"(i) the other members of the Council are apprised of congressional attitudes on the various matters before the Council, and

"(ii) Congress is apprised of the progress of the Authority, and of problems that might exist in the Postal Service,

to the ends that congressional oversight of the Nation's postal system shall be fully preserved, as shall the service characteristics of the postal system.

"(e) Except as otherwise provided in this section, each presidentially appointed Councilor shall receive compensation at the rate of $10,000 per annum and $300 for each meeting of the Council he attends. Their compensation shall be subject to adjustment under the provisions of chapter 11, title 2. In addition they shall be reimbursed for necessary travel and subsistence expense incurred in attending the meeting of the Council.

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"(f) The presidentially appointed Councilors shall fix the rates of compensation of the Director General and Deputy Director General consistent with section 806 of this title.

"(g) Vacancies in the Council, as long as there are sufficient members to form a quorum, shall not impair the powers of the Council under this title.

"(h) The Council shall act upon majority vote of those voting members who are present, and any five voting members present shall constitute a quorum for the transaction of business by the Council, except—

"(1) in the appointment or removal of the Director General, and in setting the compensation of the Director General and Deputy Director General a favorable vote of an absolute majority of the presidentially appointed councils in office shall be required;

"(2) in the appointment or removal of the Deputy Director General a favorable vote of an absolute majority of the members in office from among the members serving as Director General and the presidentially appointed councilors shall be required; and

"(3) as otherwise provided in this title.

"(i) Except for the four congressional members, no officer or employee of the United States may concurrently serve as a member of the Executive Council but the presidentially appointed Councilors may hold any other non-Federal office or employment not inconsistent with their

duties to the Authority. Except as provided in chapter 12 of this title all other officials, agents, and employees shall be designated and selected by the Council.

"§ 204. **Procedures of the Executive Council**

"The Executive Council may delegate any of its powers to officers and employees of the Authority in accordance with the Authority bylaws. The Council may establish such committees of the Council, and delegate such powers to any committee, as the Council deems appropriate to carry out its functions and duties. Delegations to officers, employees, or committees shall not be inconsistent with other provisions of this title; such delegations shall not relieve the Council of full responsibility for the Authority operations; and any such delegations shall be revocable by the Council in its exclusive judgment.

"§ 205. **General Powers**

"The Authority shall have the following general powers:

"(1) To have perpetual duration and succession in its official name;

"(2) To sue and be sued in its official name;

"(3) To adopt, alter, and use an official seal, which shall be judicially noticed;

"(4) To adopt, amend, and repeal such bylaws, rules and regulations as it deems necessary to accomplish the objective of this title;

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"(5) To enter into and perform contracts, execute instruments, and determine the character of, and necessity for, its expenditures;

"(6) To determine and keep its own system of accounts and the forms and contents of its contracts and other business documents, except as otherwise provided in this title;

"(7) To have the priority of the United States with respect to the payment of debts out of bankrupt, insolvent, and decedents' estates;

"(8) To acquire in any lawful manner such personal or real property, or any interest therein, as it deems necessary or convenient in the transaction of its business, and to hold, maintain, sell, lease or otherwise dispose of such property or any interest therein; and to provide services in connection therewith and charge therefor;

"(9) To construct, operate, lease and maintain buildings, facilities, equipment and other improvements on any property owned, or controlled by it, including without limitations, any property or interest therein transferred to it under section 1002 of this title:

"(10) To accept gifts or donations of services or property, real or personal, as it deems necessary or convenient in the transaction of its business;

"(11) To settle and compromise claims by or against it;

"(12) To exercise, in the name of the United States, the right of eminent domain for the furtherance of its official purposes; and

"(13) To have all other powers incidental, necessary, or appropriate to the carrying on of its functions or the exercise of its specific powers.

"§ *206.* ***Judicial Officer***

"A Judicial Officer, appointed by the Authority, shall perform such quasi-judicial duties, not inconsistent with chapter 12 of this title, as the Authority may designate. He shall be the agency for the purposes of the requirements of chapter 5 of title 5, to the extent that functions are delegated to him by the Authority.

"§ *207.* ***Cooperation with other Government agencies***

"Executive agencies and independent establishments within the meaning of sections 104 and 105 of title 5 and the Government Printing Office are authorized to furnish goods, property both real and personal, and personal and nonpersonal services to the Authority and the Authority is authorized to furnish such goods, property, and services to them. The furnishing of goods, property, and services pursuant to this section shall be under such terms and conditions,

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including reimbursability, as the Council and the head of the agency or establishment concerned shall deem appropriate.

"§ 208. Suits by and against the Authority

"(a) The United States district courts shall have original but not exclusive jurisdiction over all actions brought by or against the Authority. Any action brought in a State court to which the Authority is a party may be removed to the United States District Court under the provisions of chapter 89 of title 28.

"(b) The provisions of title 28 relating to service of process, venue, and limitations of time for bringing action in suits in which the United States, its officers or employees are parties, and the rules of procedure under title 28 for suits in which the United States, its officers or employees are parties, shall apply in like manner to suits in which the Authority, its officers, or employees are parties.

"(c) The provisions of chapter 171 and all other provisions of title 28 relating to tort claims shall apply to tort claims arising out of activities of the Authority.

"(d) The Department of Justice shall furnish the Authority such legal representation as it may require pursuant to section 207 of this title, but with the prior consent of the Attorney General the Authority may employ attorneys by contract or otherwise to conduct litigation brought by or against the Authority or its officers or employees in matters affecting the Authority.

"§ 209. Application of other laws

"No Federal law dealing with public, United States or Federal contracts, property, works, officers, employees, or funds, including the provisions of chapters 5 and 7 of title 5, shall apply to the exercise of the powers of the Authority except as otherwise provided in this title and except insofar as such laws remain in force as bylaws or regulations of the Authority, but the following provisions of law shall apply to the Authority:

"(1) section 3333 and chapters 71 (Employee Policies) and 73 (Suitability, Security, and Conduct of Employees) of title 5 except that no regulation issued pursuant to such chapters shall apply to the Authority unless expressly made so applicable;

"(2) all provisions of title 18 dealing with the Postal Service, the mails and Government officers or employees;

"(3) chapter 14 of title 31, the Government Corporation Control Act, except as otherwise expressly provided in this title;

"(4) the following provisions of title 40—

sections 258a–258e (condemnation proceedings); sections 270a–270e (known as the Miller Act);

sections 276a–276a–7 (known as the Davis-Bacon Act);

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section 276c (wage payments of certain contractors);

chapter 5, the Contract Work Hours Standards Act; and Chapter 15, the Government Losses in Shipment Act;

chapter 15, the Government Losses in Shipment Act;

"(5) the following provisions of title 41—

sections 35–45, the Walsh-Healey Act;

chapter 6, the Service Contract Act of 1965; and

"(6) sections 2000d, 2000d–1—2000d–4 of title 42 (title VI, the Civil Rights Act of 1964).

"§ 210. Annual reports

"The Council shall render an annual report to the President and the Congress concerning the operations of the Postal Service under this title.

"§ 211. Reservation of powers

"Congress reserves the power to alter, amend or repeal any or all of the sections of this title, but no such alteration, amendment or repeal shall operate to impair the obligation of any contract made by the Postal Service under any power conferred by this title.

"§ 212. Advisory Board

"(a) There shall be a Postal Service Advisory Board, of which the Director General shall be the Chairman and the Deputy Director General shall be the Vice Chairman. The Advisory Board shall have eleven additional members appointed by the President. He shall appoint as such members (1) four persons from among persons nominated by those labor organizations recognized as collective bargaining representatives for employees of the Authority in one or more collective bargaining units, (2) four persons as representatives of major mail users, and (3) three persons as representatives of the public at large. All such members shall be appointed for terms of two years except that, of those first appointed, two of the members represenative of labor organizations and two of the members representative of major postal users and one member representing the public at large shall be appointed for one year terms. Any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall serve for the remainder of such term.

"(b) The Executive Council shall consult with and receive the advice of the Advisory Board regarding postal rates and services and compensation of employees.

"(c) The members of the Board representative of the public at large shall receive for each meeting of the Board compensation at the daily equivalent of the salary provided by law for Level V of the Executive Schedule. All members of the Board shall be reimbursed for necessary travel and subsistence expense in attending meetings of the Board.

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"Chapter 4.—SERVICES

"Sec.
"401. General duties.
"402. Specific powers.
"403. Service classifications and mailable matter.
"404. Postal services at Armed Forces installations.
"405. International postal arrangements.
"406. Small Post Office closings.

"§ 401. General duties

"(a) The Postal Service shall plan, develop, promote, and provide adequate and efficient postal service at fair and reasonable rates and fees. Except as provided in the Canal Zone Code, the Postal Service shall receive, transmit, and deliver throughout the United States, its territories and possessions, and, pursuant to arrangements entered into under sections 207 and 404 of this title, throughout the world, written and printed matter, parcels, and like materials and provide such other services incidental thereto as it finds appropriate to its functions and in the public interest. It shall serve as nearly as practicable the entire population of the United States.

"(b) It shall be the responsibility of the Authority—

"(1) to maintain an efficient system of collection, sorting, and delivery of the mail nationwide;

"(2) to provide types of mail services to meet the needs of different categories of mail and mail users; and

"(3) to establish and maintain postal facilities of such character and in such locations that postal patrons throughout the Nation will, consistent with reasonable

economies of postal operations, have ready access to essential postal services.

"(c) In providing services and in establishing classifications, rates, and fees pursuant to this title, the Postal Service shall not, except as specifically authorized in this title, make any undue or unreasonable discrimination among users of the mails, nor shall it grant any undue or unreasonable preferences to any such user.

"§ 402. Specific powers

"In order to carry out its duties and responsibilities the Authority shall have the following specific powers:

"(1) to provide for the collection, handling, transportation, delivery, forwarding, returning, and holding of mail, and for the disposition of undeliverable mail;

"(2) to prescribe, in accordance with this title, the amount of postage and the manner in which it is to be paid;

"(3) to determine the need for post offices, postal and training facilities and equipment, and to provide such offices, facilities, and equipment as it determines are needed;

"(4) to provide and sell postage stamps and other stamped paper, cards, and envelopes and to provide such other evidences of payment of postage and fees as may be necessary or desirable;

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"(5) to provide philatelic services;

"(6) to provide, establish, change, or abolish special, nonpostal, or similar services; and

"(7) to investigate postal offenses and civil and administrative matters related to the Postal Service and Authority, and to pay rewards in connection therewith.

"§ 403. Service classifications and mailable matter

"(a) Subject to chapter 12 of this title, the Postal Service may establish classifications of service and promulgate reasonable rules and regulations concerning the preparation of matter for mailing and the mailing thereof. The Postal Service shall not, except during emergencies, refuse to accept for mailing any matter weighing less than forty pounds, having a size not in excess of eighty-four inches in girth and length combined, unless it is nonmailable under the provisions of chapter 6 of this title or other law; but it may levy a charge therefor, established under the provisions of chapter 12 of this title, which reflects the failure of the mailer to conform to the regulations established under this title.

"(b)(1) Except as provided in paragraph (2) of this subsection, the maximum weight of any parcel shall not exceed forty pounds, and the maximum size of any parcel shall not exceed—

"(i) seventy-eight inches in girth and length combined on parcels mailed before July 1, 1971; and

"(ii) eighty-four inches in girth and length combined on parcels mailed on or after July 1, 1971.

"(2) The maximum size on parcels is one hundred inches in girth and length combined, and the maximum weight is seventy pounds for parcels—

"(i) mailed at, or addressed for delivery at, a second-, third-, or fourth-class post office or on a rural or star route;

"(ii) containing baby fowl, live plants, trees, shrubs, or agricultural commodities but not the manufactured products of those commodities;

"(iii) not mailed at zone rates of postage other than the zone rates which are applicable to correspondence and similar matter;

"(iv) addressed to or mailed at any Armed Forces post office outside the fifty States; and

"(v) addressed to or mailed in the Commonwealth of Puerto Rico, the States of Alaska and Hawaii, or a possession of the United States including the Canal Zone and the Trust Territory of the Pacific Islands.

"§ 404. Postal services at Armed Forces installations

"(a) The Postal Service may establish branch post offices at camps, posts, bases, or stations of the Armed Forces and at defense or other strategic installations.

"(b) The Secretaries of Defense and Transportation

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shall make arrangements with the Postal Service to perform postal services through personnel designated by them at or through branch post offices established under subsection (a) of this section.

"§ *405.* ***International postal arrangements***

"*(a) For the purpose of making better postal arrangements with other countries, the Postal Service, by and with the advice and consent of the President, may negotiate and conclude postal treaties or conventions, and may reduce or increase the rates of postage or other charges on mail matter conveyed between the United States and other countries. The decisions of the Executive Council construing or interpreting the provisions of any treaty or convention which has been or may be negotiated and concluded shall, if approved by the President, be final and conclusive upon all officers of the United States.*

"*(b) The Postal Service may make arrangements with other governments for the exchange of sums of money by means of postal orders. The Executive Council shall fix limitations on the amount which may be so exchanged and the rates of exchange.*

"§ *406.* ***Small post office closings***

"*No small post office shall be closed solely for operating at a deficit, it being the intent of the Congress that effective postal service be insured to residents of both urban and rural communities.*

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"Chapter 6.—MAIL MATTER

"NONMAILABLE MATTER

"Sec.
"601. Nonmailable matter.
"602. Nonmailable motor vehicle master keys.
"603. Mail bearing a fictitious name or address.
"604. Delivery of mail to persons not residents of the place of address.
"605. False representations; lotteries.
"606. 'Unlawful' matter.
"607. Detention of mail for temporary periods.
"608. Prohibition of pandering advertisements in the mails.

"Chapter 6.—MAIL MATTER—Continued

"PENALTY AND FRANKED MAIL

"Sec.
"651. Definitions.
"652. Penalty mail.
"653. Endorsements on penalty covers.
"654. Restrictions on use of penalty mail.
"655. Accounting for penalty covers.
"656. Reimbursement for penalty mail service.
"657. Limit of weight of penalty mail; postage on overweight matter.
"658. Shipment by most economical means.
"659. Executive departments to supply information.
"660. Official correspondence of Vice President and Members of Congress.
"661. Public documents.
"662. Congressional Record under frank of Members of Congress.
"663. Seeds and reports from Department of Agriculture.
"664. Mailing privilege of former Presidents.
"665. Lending or permitting use of frank unlawful.
"666. Reimbursement for franked mailings.
"667. Correspondence of members of diplomatic corps and consuls of countries of Postal Union of Americas and Spain.
"668. Mailing privilege of members of United States Armed Forces and of friendly foreign nations.
"669. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone.
"670. Franked mail for surviving spouses of Members of Congress.
"671. Armed Forces mailing privileges.

"NONMAILABLE MATTER

"§ 601. Nonmailable matter

"(a) Matter, the deposit of which in the mails is punishable under sections 1302, 1341, 1342, 1461, 1463, 1714, 1715, 1716, 1717, or 1718 of title 18, is nonmailable.

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"(b) Nonmailable matter which reaches the office of delivery, or which may be seized or detained for violation of law, shall be disposed of as the Postal Service directs.

"(c) Matter otherwise legally acceptable in the mails which—

"(1) is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due; but

"(2) constitutes, in fact, a solicitation for the order by the addressee of goods or services, or both;

is nonmailable matter, shall not be carried, or delivered by mail, and shall be disposed of as the Postal Service directs, unless such matter bears on its face, in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations which the Postal Service shall prescribe—

"(A) the following notice: 'This is a solicitation for the order of goods and/or services and not a bill, invoice, or statement of account due. You are under no obligation to make any payments on account of this offer unless you accept this offer'; or

"(B) in lieu thereof, a notice to the same effect in words which the Postal Service may prescribe.

"(d) Any matter is nonmailable which exceeds the prescribed size and weight limits or is of a character perishable within the period required for transportation and delivery.

"(e) Except as otherwise provided by law, proceedings concerning the mailability of matter under this chapter and chapters 71 and 83 of title 18 shall be conducted in accordance with chapters 5 and 7 of title 5.

"§ 602. Nonmailable motor vehicle master keys

"(a) Except as provided in subsection (b) of this section, any motor vehicle master key, any pattern, impression, or mold from which a motor vehicle master key may be made, and any advertisement for the sale of any such key, pattern, impression, or mold, is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postal Service directs.

"(b) The Postal Service is authorized to make such exemptions from the provisions of subsection (a) of this section as it deems necessary.

"(c) For the purposes of this section, 'motor vehicle master keys' means any key (other than the key furnished by the manufacturer with the motor vehicle, or the key furnished with a replacement lock, or an exact duplicate of such keys) designed to operate two or more motor vehicle ignition, door, or trunk locks of different combinations.

"§ 603. Mail bearing a fictitious name or address

"(a) Upon evidence satisfactory to the Postal Service

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that any person is using a fictitious, false, or assumed name, title, or address in conducting, promoting, or carrying on or assisting therein, by means of the postal service of the United States, an activity in violation of section 1302, 1341, or 1342 of title 18, the Postal Service may—

"(1) withhold mail so addressed from delivery; and

"(2) require the party claiming the mail to furnish proof to it of the claimant's identity and right to receive the mail.

"(b) The Postal Service may issue an order directing that mail, covered by subsection (a), be forwarded to a dead letter office as fictitious matter, or be returned to the sender when the—

"(1) party claiming the mails fails to furnish proof of his identity and right to receive the mail; or

"(2) the Postal Service is satisfied that the mail is addressed to a fictitious, false or assumed name, title or address.

"§ 604. Delivery of mail to persons not residents of the place of address

"Whenever the Postal Service is satisfied that letters or parcels sent in the mail are addressed to places not the residence or regular business address of the person for whom they are intended, to enable the person to escape identification,

it may deliver the mail only upon identification of the persons so addressed.

"§ 605. False representations; lotteries

"(a) Upon evidence satisfactory to the Postal Service that any person is engaged in conducting a scheme or device for obtaining money or property through the mails by means of false representations, or is engaged in conducting a lottery, gift enterprise, or scheme for the distribution of money or of real or personal property, by lottery, chance, or drawing of any kind, the Postal Service may issue an order which—

"(1) directs any postmaster at an office at which registered or certified letters or other letters or mail arrive, addressed to such a person or to his representative, to return such letters or mail to the sender appropriately marked as in violation of this section, if such person, or his representative, is first notified and given reasonable opportunity to be present at the receiving post office to survey such letters or mail before the postmaster returns such letters or mail to the sender; and

"(2) forbids the payment by a postmaster to such a person or his representative of any money order drawn to the order of either and provide for the return to the remitters of the sum named in the money order.

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"(b) The public advertisement by a person engaged in activities covered by subsection (a) of this section, that remittances may be made by mail to a person named in the advertisement, is prima facie evidence that the latter is the agent or representative of the advertiser for the receipt of remittances on behalf of the advertiser. The Postal Service is not precluded from ascertaining the existence of the agency in any other legal way satisfactory to it.

"(c) As used in this section and section 606 of this title the term 'representative' includes an agent or representative acting as an individual or as a firm, bank, corporation, or association of any kind.

"§ 606. 'Unlawful' matter

"Upon evidence satisfactory to the Postal Service that a person is obtaining or attempting to obtain remittances of money or property of any kind through the mail for an obscene, lewd, lascivious, indecent, filthy, or vile article, matter, thing, device, or substance, or is depositing or causing to be deposited in the United States mail information as to where, how, or from whom the same may be obtained, the Postal Service may—

"(1) direct postmasters at the office at which registered letters or other letters or mail arrive, addressed to such a person or to his representative, to return the

registered letters or other letters or mail to the sender marked 'Unlawful'; and

"(2) forbid the payment by a postmaster to such a person or his representative of any money order drawn to the order of either and provide for the return to the remitters of the sums named in the money orders.

"§ 607. Detention of mail for temporary periods

"(a) In preparation for or during the pendency of proceedings under sections 605 and 606 of this title, the United States district court in the district in which the defendant receives his mail shall, upon application therefor by the Postal Service and upon a showing of probable cause to believe the statute is being violated, enter a temporary restraining order and preliminary injunction pursuant to rule 65 of the Federal Rules of Civil Procedure directing the detention of the defendant's incoming mail by the postmaster pending the conclusion of the statutory proceedings and any appeal therefrom. The district court may provide that the detained mail be open to examination by the defendant and such mail delivered as is clearly not connected with the alleged unlawful activity. An action taken by a court under this section does not affect or determine any fact at issue in the statutory proceedings.

"(b) This section does not apply to mail addressed to

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publishers of publications entered as second class matter, or to mail addressed to the agents of those publishers.

*"§ 603. **Prohibition of pandering advertisements in the mails***

"(a) Whoever for himself, or by his agents or assigns, mails or causes to be mailed any pandering advertisement which offers for sale matter which the addressee in his sole discretion believes to be erotically arousing or sexually provocative shall be subject to an order of the Postal Service to refrain from further mailings of such materials to designated addresses thereof.

"(b) Upon receipt of notice from an addressee that he has received such mail matter, determined by the addressee in his sole discretion to be of the character described in subsection (a) of this section, the Postal Service shall issue an order, if requested by the addressee, to the sender thereof, directing the sender and his agents or assigns to refrain from further mailings to the named addressees.

"(c) The order of the Postal Service shall expressly prohibit the sender and his agents or assigns from making any further mailings to the designated addressees, effective on the thirtieth calendar day after receipt of the order. The order of the Postal Service shall also direct the sender and his agents or assigns to delete immediately the names of the designated addressees from all mailing lists owned or controlled by the sender or his agents or assigns and, further, shall prohibit the sender and his agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists bearing the names of the designated addressees.

"(d) Whenever the Postal Service believes that the sender or anyone acting on his behalf has violated or is violating the order given under this section, it shall serve upon the sender, by registered or certified mail, a complaint stating the reasons for its belief and request that any response thereto be filed in writing with the Postal Service within fifteen days after the date of such service. If the Postal Service after appropriate hearing if requested by the sender, and without a hearing if such a hearing is not requested, thereafter determines that the order given has been or is being violated, it is authorized to request the Attorney General to make application, to a district court of the United States for make application, to a direct court of the United States for an order directing compliance with such notice.

"(e) Any district court of the United States within the jurisdiction of which any mail matter shall have been sent or received in violation of the order provided for by this section shall have jurisdiction, upon application by the Attorney General, to issue an order commanding compliance with such notice. Failure to observe such order may be punished by the court as contempt thereof.

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"(f) Receipt of mail matter thirty days or more after the effective date of the order provided for by this section shall create a rebuttable presumption that such mail was sent after such effective date.

"(g) Upon request of any addressee, the order of the Postal Service shall include the names of any of his minor children who have not attained their nineteenth birthday, and who reside with the addressee.

"(h) The provisions of subchapter II of chapter 5 (relating to administrative procedure) and chapter 7 (relating to judicial review) of part I of title 5, United States Code, shall not apply to any provisions of this section.

"(i) For the purposes of this section—

"(1) mail matter, directed to a specific address covered in the order of the Postal Service, without designation of a specific addressee thereon, shall be considered as addressed to the person named in the Postal Service's order; and

"(2) the term 'children' includes natural children, stepchildren, adopted children, and children who are wards of or in custody of the addressee or who are living with such addressee in a regular parent-child relationship.

"PENALTY AND FRANKED MAIL

"§ 651. Definitions

"As used in this chapter—

"'Penalty mail' means official mail, other than franked mail, which is authorized by law to be transmitted in the mail without prepayment of postage.

"'Penalty cover' means envelopes, wrappers, labels, or cards used to transmit penalty mail.

"'Frank' means the autographic or facsimile signature of persons authorized by sections 660–666 and 670 of this title to transmit matter through the mail without prepayment of postage or other indicia contemplated by sections 733 and 907 of title 44.

"'Franked mail' means mail which is transmitted in the mail under a frank.

"'Members of Congress' includes Senators, Representatives, Delegates, and Resident Commissioners.

"§ 652. Penalty mail

"(a) Subject to the limitations imposed by sections 654–657 of this title, there may be transmitted as penalty mail—

"(1) official mail of—

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"(A) officers of the United States Government other than Members of Congress;

"(B) the Smithsonian Institution;

"(C) the Pan American Union;

"(D) the Pan American Sanitary Bureau;

"(E) the United States Employment Service and the system of employment offices operated by it in conformity with the provisions of sections 49–49c, 49d, 49g–49k of title 29, and all State employment systems which receive funds appropriated under authority of those sections; and

"(F) any college officer or other person connected with the extension department of the college as the Secretary of Agriculture may designate to the Postal Service to the extent that the official mail consists of correspondence, bulletins, and reports for the furtherance of the purposes of sections 341–343, 344–348 of title 7;

"(2) mail relating to naturalization to be sent to the Immigration and Naturalization Service by clerks of courts addressed to the Department of Justice or the Immigration and Naturalization Service, or any official thereof;

"(3) mail relating to a collection of statistics, survey or census authorized by title 13 and addressed to

the Department of Commerce or a bureau or agency thereof;

"(4) mail of State Agriculture Experiment Stations pursuant to sections 325 and 361f of title 7; and

"(5) articles for copyright deposited with postmasters and addressed to the Register of Copyrights pursuant to section 15 of title 17.

"(b) A department or officer authorized to use penalty covers may enclose them with return address to any person from or through whom official information is desired. The penalty cover may be used only to transmit the official information and endorsements relating thereto.

"(c) This section does not apply to officers who receive a fixed allowance as compensation for their services, including expenses of postage.

"§ 653. **Endorsements on penalty covers**

"(a) Except as otherwise provided in this section, penalty covers shall bear, over the words 'Official Business' an endorsement showing the name of the department, bureau, or office from which, or officer from whom, it is transmitted. The penalty for the unlawful use of all penalty covers shall be printed thereon.

"(b) The Postal Service shall prescribe the endorsement to be placed on covers mailed under paragraphs (1)(E), (2), and (3) of section 652(a) of this title.

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"§ 654. Restrictions on use of penalty mail

"(a) Except as otherwise provided in this section, an officer, executive department or independent establishment of the Government of the United States may not mail, as penalty mail, any article or document unless—

"(1) a request therefore has been previously received by the department or establishment; or

"(2) its mailing is required by law.

"(b) Subsection (a) does not prohibit the mailing, as penalty mail, by an officer, executive department, or independent agency of—

"(1) enclosures reasonably related to the subject matter of official correspondence;

"(2) informational releases relating to the census of the United States and authorized by title 13;

"(3) matter concerning the sale of Government securities;

"(4) forms, blanks, and copies of statutes, rules, regulations, instructions, administrative orders, and interpretations necessary in the administration of the department or restablishment;

"(5) agricultural bulletins;

"(6) lists of public documents offered for sale by the Superintendent of Documents;

"(7) announcements of the publication of maps,

atlases, and statistical and other reports offered for sale by the Federal Power Commission as authorized by section 825k of title 16; or

"(8) articles or documents to educational institutions or public libraries, or to Federal, State, or other public authorities.

"§ 655. Accounting for penalty covers

"Executive departments and agencies, independent establishments of the Government, and organizations and persons authorized by law to use penalty mail, shall account for all penalty covers through the Postal Service as it prescribes.

"§ 656. Reimbursement for penalty mail service

"(a) Except as provided in subsections (b) and (c) of this section, executive departments and agencies, independent establishments of the Government and Government corporations concerned shall transfer to the Postal Service as postal revenue out of any appropriations or funds available to them as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, as determined by the Postal Service for matter sent in the mails by or to them as penalty mail under authority of section 652 of this title.

"(b) The Department of Agriculture shall transfer to the Postal Service as postal revenues out of any appropriation made to it for that purpose the equivalent amount of postage,

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as determined by the Postal Service for penalty mailings under paragraphs (1)(F) and (4) of subsection (a) of section 652 of this title.

"(c) The Library of Congress shall transfer to the Postal Service as postal revenues out of any appropriations made to it for that purpose the equivalent amount of postage, as determined by the Postal Service for penalty mailings under paragraph (5) of subsection (a) of section 652 of this title.

"§ 657. Limit of weight of penalty mail; postage on overweight matter

"(a) Penalty mail is restricted to articles not in excess of the weight and size prescribed for letter mail except—

"(1) stamped paper and supplies sold or used by the Postal Service; and

"(2) books and documents published or circulated by order of Congress when mailed by the Superintendent of Public Documents.

"(b) A penalty mail article which is—

"(1) over four pounds in weight,

"(2) not in excess of the weight and size prescribed for parcels, and

"(3) otherwise mailable,

is mailable at parcel rates even though it may include written matter and may be sealed. The postage on such an article is payable in the manner prescribed by the Postal Service.

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"§ *658. Shipment by most economical means*

"Shipments of official matter other than franked mail shall be sent by the most economical means of transportation practicable. The Postal Service may refuse to accept official matter for shipment by mail when in its judgment it may be shipped by other means at less expense, or the Postal Service may provide for its transportation by freight or express, whenever a saving to the Government will result therefrom without detriment to the public service.

"§ *659. Executive departments to supply information*

"Persons and governmental organizations authorized to use penalty mail shall supply all information requested by the Postal Service necessary to carry out the provisions of sections 651–658 of this title as soon as practicable after request therefor.

"§ *660. Official correspondence of Vice President and Members of Congress*

"The Vice President, Members and Members-elect of Congress, the Secretary of the Senate, and the Sergeant at Arms of the Senate until the thirtieth day of June following the expiration of their respective terms of office, may send as franked mail—

"(1) matter, not exceeding four pounds in weight, upon official or departmental business, to a Government official; and

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"(2) correspondence, not exceeding four ounces in weight, upon official business to any person.

In the event of a vacancy in the office of the Secretary of the Senate or Sergeant at Arms of the Senate, any authorized person may exercise this privilege in the officer's name during the period of the vacancy.

"§ 661. Public documents

"The Vice President, Members of Congress, the Secretary of the Senate, Sergeant at Arms of the Senate, and the Clerk of the House of Representatives, until the thirtieth day of June following the expiration of their respective terms of office, may send and receive as franked mail all public documents printed by order of Congress.

"§ 662. Congressional Record under frank of Members of Congress

"Members of Congress may send as franked mail the Congressional Record, or any part thereof, or speeches or reports therein contained.

"§ 663. Seeds and reports from Department of Agriculture

"Seeds and agricultural reports emanating from the Department of Agriculture may be mailed—

"(1) as penalty mail by the Secretary of Agriculture; and

"(2) until the thirtieth day of June following the

expiration of their terms of office as franked mail by Members of Congress.

"§ 664. Mailing privilege of former Presidents

"A former President may send all his mail within the United States and its territories and possessions as franked mail.

"§ 665. Lending or permitting use of frank unlawful

"A person entitled to use a frank may not lend it or permit its use by any committee, organization, or association, or permit its use by any person for the benefit or use of any committee, organization, or association. This section does not apply to any committee composed of Members of Congress.

"§ 666. Reimbursement for franked mailings

"(a) The postage on mail matter sent and received through the mails under the franking privilege by the Vice President, Members, and Members-elect of Congress, the Secretary of the Senate, Sergeant at Arms of the Senate, and the Clerk of the House of Representatives, including registry fees if registration is required and postage on correspondence sent by the surviving spouse of a Member under section 670 of this title, shall be paid by a lump-sum appropriation to the legislative branch for that purpose, and credited to the postal service as postal revenue.

"(b) The postage on mail matter sent through the

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mails under the franking privilege by former Presidents shall be paid by reimbursement of the postal revenues each fiscal year out of the general funds of the Treasury in amount equivalent to the postage which would otherwise be payable on the mail matter.

"§ *667. Correspondence of members of diplomatic corps and consuls of countries of Postal Union of Americas and Spain*

"*Correspondence of the members of the diplomatic corps of the countries of the Postal Union of the Americas and Spain stationed in the United States may be reciprocally transmitted in the domestic mails free of postage, and be entitled to free registration without right to indemnity in case of loss. The same privilege is accorded consuls and vice consuls when they are discharging the function of consuls of these countries stationed in the United States, or official correspondence among themselves, and with the Government of the United States.*

"§ *668. Mailing privilege of members of the United States Armed Forces and of friendly foreign nations*

"*(a) First-class letter mail, including postal cards and post cards, and sound-recorded communications having the character of personal correspondence shall be carried, at no cost to the sender, in the manner provided by section 671 of this title, when mailed by—*

"*(1) a member of the Armed Forces of the United States on active duty as defined in sections 101(4) and 101(22) of title 10, and addressed to a place within the delivery limits of a United States post office, if—*

"*(A) the letter or sound-recorded communication is mailed by the member at an Armed Forces post office established under section 404(a) of this title in an overseas area, as designated by the President, where the Armed Forces of the United States are engaged in action against an enemy of the United States, engaged in military operations involving armed conflict with a hostile foreign force, or serving with a friendly foreign force in an armed conflict in which the United States is not belligerent; or*

"*(B) the member is hospitalized in a facility under the jurisdiction of the Armed Forces of the United States as a result of disease or injury incurred as a result of service in an overseas area designated by the President under clause (A); or*

"*(2) a member of an armed force of a friendly foreign nation at an Armed Forces post office and addressed to a place within the delivery limits of a United States post office, or a post office of the nation in whose armed forces the sender is a member, if—*

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"(A) the member is accorded free mailing privileges by his own government;

"(B) the foreign nation extends similar free mailing privileges to a member of the Armed Forces of the United States serving with, or in, a unit under the control of a command of that foreign nation;

"(C) the member is serving with, or in, a unit under the operational control of a command of the Armed Forces of the United States;

"(D) The letter or sound-recorded communication is mailed by the member—

"(i) at an Armed Forces post office established under section 404(a) of this title in an overseas area, as designated by the President, where the Armed Forces of the United States are engaged in action against an enemy of the United States, engaged in military operations involving armed conflict with a hostile foreign force, or serving with a friendly foreign force in an armed conflict in which the United States is not a belligerent; or

"(ii) while hospitalized in a facility under the jurisdiction of the Armed Forces of the United States as a result of disease or injury

incurred as a result of services in an overseas area designated by the President under clause (D)(i); and

"(E) the nation in whose armed forces the sender is a member has agreed to assume all international postal transportation charges incurred.

"(b) The Department of Defense shall transfer to the Postal Service as postal revenue, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, as determined by the Board for matter sent in the mails under authority of subsection (a) of this section.

"(c) Subsections (a) and (b) of this section shall be administered under such conditions, and under such regulations, as the Postal Service and the Secretary of Defense jointly may prescribe.

"§ 669. Mailing privileges of members of United States Armed Forces and of friendly foreign nations in the Canal Zone

"(a) For the purposes of section 668, 671, and 1201 (c) of this title, each post office in the Canal Zone postal service, to the extent that it provides mail service for members of the United States Armed Forces and of friendly for-

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eign nations, shall be considered to be an Armed Forces post office established under section 404(a) of this title.

"(b) The Department of Defense shall reimburse the postal service of the Canal Zone, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service of the Canal Zone, as determined by the Governor of the Canal Zone, for matter sent in the mails, and in providing air transportation of mail, under such sections.

"§ 670. Franked mail for surviving spouses of Members of Congress

"Upon the death of a Member of Congress during his term of office, the surviving spouse of such Member may send, for a period not to exceed one hundred and eighty days after his death, as franked mail, correspondence relating to the death of the Member.

"§ 671. Armed Forces mailing privileges

"(a) There shall be transported by air, between Armed Forces post offices established under section 404(a) of this title which are located outside the forty-eight contiguous States of the United States, or between any such Armed Forces post office and the point of embarkation or debarkation within the fifty States of the United States, the territories and possessions of the United States in the Pacific area, the Commonwealth of Puerto Rico, the Virgin Islands, or the Canal Zone, on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 1376 of title 49 and as otherwise provided in this title, the following categories of mail matter:

"(1)(A) first-class letter mail (including postal cards and post cards),

"(B) sound-recorded communications having the character of personal correspondence, and

"(C) parcels of any class of mail not exceeding five pounds in weight and sixty inches in length and girth combined,

which are mailed at or addressed to any such Armed Forces post office;

"(2) second-class publications published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public which are mailed at or addressed to any such Armed Forces post office (A) in an overseas area designated by the President under section 668 of this title, or (B) in an isolated, hardship, or combat support area overseas, or where adequate surface transportation is not available; and

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"(3) parcels of any class of mail exceeding five pounds but not exceeding seventy pounds in weight and not exceeding one hundred inches in length and girth combined, including surface-type official mail, which are mailed at or addressed to any such Armed Forces post office where adequate surface transportation is not available.

Whenever adequate service by scheduled United States air carriers is not available to provide transportation of mail matter by air in accordance with the foregoing provisions of this paragraph, the transportation of such mail matter may be authorized by aircraft other than scheduled United States air carriers. This paragraph shall not affect the operation of section 668(a) of this title.

"(b) Subsection (a) of this section shall be administered under such conditions and regulations as the Civil Aeronautics Board and the Secretary of Defense severally may prescribe to carry out their respective functions thereunder.

"(c) The Department of Defense shall reimburse the Postal Service out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, sums equal to the expenses incurred by the Postal Service, as determined by the Postal Service, in providing air transportation for mail mailed at or addressed to Armed Forces post

offices established under section 404 of this title, but reimbursement under this subsection shall not include the expense of air transportation (1) for which the Postal Service collects a special charge to the extent the special charge covers the additional expense of air transportation; or (2) that is provided by the Postal Service at the same postage rate or charge for mail which is neither mailed at nor addressed to an Armed Forces post office.

"Chapter 8.—PERSONNEL

"Sec.
"801. Appointments and promotions.
"801a. Political influence; prohibition.
"802. Oath of office.
"803. Employees of the Post Office Department.
"804. Retirement rights.
"805. Policy on compensation and benefits.
"806. Terms of employment.
"807. Applicability of Labor-Management Relations Act of 1947.
"808. Provisions of collective bargaining agreements.
"809. Disputes.

"§ 801. Appointments and promotions

"(a) The Authority may appoint and promote such officers, attorneys, agents, and employees and vest them with such powers and duties as it deems necessary. Officers and employees of the Authority shall be in the postal career service, which shall be a part of the civil service. Such appointments and promotions shall be in accordance with procedures established by the Authority. The Authority shall establish procedures subject to sections 806–808 of this title, to assure its employees of meaningful opportunities for promotion and

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State (including the Commonwealth of Puerto Rico) or of any county, city, or other political subdivision of such State or Commonwealth;

"(3) any official of a national policial party or of a political party of any State (including the Commonwealth of Puerto Rico), county, city, or other subdivision of such State or Commonwealth; or

"(4) any other individual or organization.

"(b) Notwithstanding any other provision of law but subject to subsection (e) of this section, a person or organization referred to in subparagraph (1), (2), (3), or (4) of subsection (a) of this section is hereby prohibited from making or transmitting to the Authority, or to any other officer or employee of the Federal Government, any recommendation or statement, oral or written, with respect to any person who requests, or is under, consideration for any such appointment, promotion, assignment, transfer, or designation. The Authority and any officer or employee of the Federal Government, subject to subsection (e) of this section—

"(1) shall not solicit, request, consider, or accept any such recommendation or statement; and

"(2) shall return any such recommendation or statement, if written, received by him, appropriately marked as in violation of this section, to the person or organization making or transmitting the same.

"(c) A person who requests, or is under, consideration for any such appointment, promotion, assignment, transfer, or designation is hereby prohibited from requesting or soliciting any such recommendation or statement from any person or organization within the purview of subparagraph (1), (2), (3), or (4) of subsection (a) of this section. Any such person making such solicitation or request, knowing the same to be in violation of this subsection, is disqualified for the appointment, promotion, assignment, transfer or designation concerned.

"(d) Each employment form of the Authority used in connection with any such appointment, promotion, assignment, transfer, or designation shall contain appropriate language in boldface type informing all persons concerned of the provision of this section. During the time any such appointment, promotion, assignment, transfer, or designation is under consideration, appropriate notice of the provisions of this section printed in boldface type shall be posted in the post office concerned.

"(e) This section shall not be held or considered to prohibit—

"(1) the solicitation, acceptance, and consideration by the Authority or any authorized officer or employee of the Federal Government, or

"(2) the furnishing and transmission to the Au-

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thority or such authorized officer or employee by any other individual or organization

of any statement with respect to a person who requests, or is under consideration for, appointment, promotion, assignment, transfer, or designation, if—

"(A) the statement is furnished pursuant to a request or requirement of the Authority and consists solely of an evaluation of the work performance, ability, aptitude, and general qualifications of an employee in the postal field service who is under consideration for appointment, promotion, assignment, transfer, or designation;

"(B) the statement is furnished by an individual or organization referred to in subparagraph (4) of subsection (a) of this section pursuant to a request made by an authorized representative of the Federal Government solely in order to determine whether the person who requests, or is under consideration for, appointment, promotion, assignment, transfer, or designation meets the loyalty, suitability, and character requirements for employment with the Federal Government; or

"(C) the statement is furnished by a former employer of the person who requests, or is under consideration for, appointment, promotion, assignment, transfer, or designation, pursuant to a request of the

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Authority, and consists solely of an evaluation of the work performance, ability, aptitude, and general qualifications of such person during his employment with such former employer.

"(f) The provisions of this section shall not have any effect on the right of an employee to petition Congress as authorized by section 7102 of title 5.

"§ ***802. Oath of office***

"Before entering upon their duties and before receiving any salary, the members of the Council and all persons employed by the Authority shall take and subscribe the following oath or affimation:

"'I, _____, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter.'

A person authorized to administer oaths by the laws of the United States, including section 2903 of title 5, or of a State or territory, or an officer, civil or military, holding a commission under the United States or any officer or employee

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of the Authority designated by the Executive Council may administer and certify the oath or affirmation.

"§ *803. Employees of the Post Office Department*

"(a) Employees of the Post Office Department on the effective date of this section shall become employees of the Authority under the terms of this title. The provisions of this section shall be inapplicable to the Postmaster General, the Deputy Postmaster General, the Assistant Postmasters General and General Counsel of the Post Office Department.

"(b) Sick and annual leave, and compensatory time of such employees whether accrued prior to or after commencement of operations of the Authority, shall be obligations of the Authority, pursuant to the provisions of this chapter.

"(c) Compensation, benefits, and other terms and conditions of employment in effect immediately prior to the commencement of operations by the Authority, whether provided by statute or by rules and regulations of the Post Office Department or the executive branch of the Government, will continue to apply to employees of the Authority, until changed by the Authority: Provided, however, That any changes in compensation, benefits and other terms and conditions of employment shall be subject to the terms of sections 804–808 of this title. Subject to the provisions of section 806 of this title, the provisions of subchapter 1 of

chapter 81, subchapter 1 of chapter 85, and chapters 87 and 89 of title 5, shall apply to employees of the Authority, unless varied, added to, or substituted for pursuant to this subsection. No variation, addition, or substitution with respect to fringe benefits shall result in a program of fringe benefits which on the whole is less favorable to the employees than fringe benefits in effect on the date the Authority commences operation, and as to employees for whom there is a collective-bargaining representative no such variation, addition or substitution shall be made except by agreement between the collective-bargaining representative and the Authority.

"(d) Any employee of the United States Post Office Department on the effective date of this section shall be eligible to transfer, at the same or a higher grade, to any position within the United States Government which is open and for which such employee shall be qualified. The Authority shall cooperate with the Civil Service Commission in placing such employees.

"§ *804. Retirement rights*

"Employees of the Authority shall be covered by chapter 83 of title 5 relating to the civil service retirement program, as that chapter may from time to time be amended. The Authority shall withhold from pay and shall pay into the Civil Service Retirement and Disability Fund the amount

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specified in chapter 83 of title 5. The Authority upon request by the Civil Service Commission, but no less frequently than annually, shall pay to the Civil Service Commission the costs reasonably related to administration or fund activities for the Authority employees.

"§ 805. Policy on compensation and benefits

"It shall be the policy of the Authority to maintain compensation and benefits for all employees on a standard of comparability to the compensation and benefits paid for comparable levels of work in the non-Federal sectors of the economy.

"§ 806. Terms of employment

"(a) Compensation, benefits, and other terms and conditions of employment shall be determined by the Executive Council, consistent with sections 807 and 808 of this title, but no officer or employee shall be paid compensation at a rate in excess of the rate for Level I of the Executive Schedule.

"(b) The Authority shall have the right consistent with section 807 of this title and applicable laws, regulations, and collective-bargaining agreements—

"(1) to direct employees of the Authority in the performance of official duties;

"(2) to hire, promote, transfer, assign, and retain employees in positions within the Authority, and to sus-

pend, demote, discharge, or take other disciplinary action against employees;

"(3) to relieve employees from duties because of lack of work or for other legitimate reasons;

"(4) to maintain the efficiency of the operations entrusted to it;

"(5) to determine the methods, means, and personnel by which such operations are to be conducted; and

"(6) to take whatever actions may be necessary to carry out its mission in situations of emergency.

"§ 807. Applicability of Labor-Management Relations Act of 1947

"Labor-management relations shall, to the extent not inconsistent with provisions of this title, be subject to the provisions of chapter 7 (the Labor-Management Relations Act of 1947, as amended), and chapter 11 (the Labor-Management Reporting and Disclosure Act of 1959) of title 29: Provided, however, That with respect to those unions that enjoy national formal recognition by the Post Office Department on the date of enactment of this title, nothing in this title or in chapter 7 of title 29 shall be deemed to prevent the Authority from continuing to honor allotments for the payment of dues pursuant to written agreements with such employee organizations. Nothing in this title or in

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chapter 7 of title 29 shall be deemed to prevent any such employee organization from seeking broader representation or contesting representation elections.

"§ **808. Provisions of collective bargaining agreements**

"(a) Collective bargaining agreements between the Authority and bargaining representatives recognized pursuant to section 807 of this title shall be effective for not less than two years.

"(b) Collective bargaining agreements between the Authority and bargaining representatives recognized pursuant to section 807 of this title may include any procedures for resolution by the parties of grievances, including procedures culminating in binding third party arbitrations, or the parties may adopt any such procedures by mutual agreement in the event of a dispute.

"(c) The Authority and bargaining representative recognized pursuant to section 807 may by mutual agreement adopt any procedures for the resolution of disputes or impasses arising in the negotiation of a collective bargaining agreement. It is the intent of the Congress that the parties adopt such procedures and not rely on the procedures prescribed in section 809 of this title.

"(d) Unless otherwise agreed by collective bargaining, the pay scales or graduated schedules of compensation that are to be established for each employee of the Authority

who is in a collective bargaining unit shall provide, effective not later than the termination of the second collective bargaining agreement applicable to such unit, that the maximum period of continuous service thereafter required for an employee to reach the highest rate in whatever labor grade might have been established for him will not exceed eight years: Provided, however, That no such collective bargaining agreement may require a longer period of time for any employee to reach the top rate in his labor grade than would have been required under the law in effect immediately prior to the commencement of operations by the Authority.

"§ **809. Disputes**

"(a) Where there is in effect a collective bargaining agreement no party to such agreement shall terminate or modify such agreement unless the party desiring such termination or modification serves written notice upon the other party to the agreement of the proposed termination or modification not less than ninety days prior to the expiration date thereof, or not less than ninety days prior to the time it is proposed to make such termination or modification. The party serving such notice shall notify the Federal Mediation and Conciliation Service of the existence of a dispute within forty-five days of such notice, provided no agreement has been reached by that time.

"(b) In the event the parties fail to reach agreement or

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to adopt a procedure providing for a binding resolution of a dispute by the expiration date of the agreement in effect, or the date of the proposed termination or modification, the Federal Mediation and Conciliation Director shall direct the establishment of a factfinding panel. For this purpose he shall submit to the parties a list containing no less than fifteen names of neutral, impartial persons from which list each party, within two days, shall select one person. The two so selected shall then choose from the list a third person who shall serve as chairman of the factfinding panel. If either of the parties fail to select a person or if the two members are unable to agree on the third person within three days, the selection shall be made by the Federal Mediation and Conciliation Director. The factfinding panel shall after due investigation issue a report of its findings, with or without recommendations, to the parties no later than forty-five days from the date the list of names was submitted.

"(c)(1) In the event no agreement is reached within ninety days after the expiration or termination of the agreement or date on which the agreement became subject to modification pursuant to subsection (b) of this section, or if the parties decide upon arbitration but do not agree upon the procedures therefor, an arbitration board shall be established consisting of three members, not members of the fact-

finding panel, one of whom shall be selected by the Authority, one of the bargaining representatives of the employees, and the third by the two thus selected. If either of the parties fails to select a member, or if the members chosen by the parties fail to agree on the third person within five days after their first meeting, the selection shall be made by the Federal Mediation and Conciliation Director. In the event the parties do not agree on the framing of the issues to be submitted, the factfinding panel shall frame the issues and submit them to the arbitration board.

"(2) 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. Decisions of the arbitration board shall be conclusive and binding upon the parties.

"(d) Costs of the arbitration board shall be shared equally by the Authority and the bargaining representative.

"Chapter 10.—FINANCE

"Sec.
"1001. Definitions.
"1002. Capital of Authority.
"1003. The Postal Service Fund.
"1004. Transitional appropriations.
"1005. Obligations.
"1006. Relationship between the Treasury and the Postal Service Authority.
"1007. Public debt character of Postal Service's obligations.
"1008. Audit, and expenditures.

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"§ *1001. Definitions*

"*As used in this chapter—*

"*'Fund' means the Postal Service Fund established by section 1003 of this chapter.*

"*'Obligations' when referring to debt instruments issued by the Authority means notes, bonds, debentures, mortgages and any other evidence of indebtedness.*

"§ *1002. Capital of Authority*

"*(a) The initial capital of the Authority shall consist of equity of the United States in the present Post Office Department as reflected in the President's budget. The value of assets and the amount of liabilities transferred to the Authority upon the commencement of operations of the Authority shall be determined by the Executive Council subject to the approval of the Comptroller General, in accordance with the following guidelines:*

"*(1) Assets shall be valued on the basis of original cost, less depreciation, to the extent that this can be determined. The value recorded on the Post Office Department's books of account shall be prima facie evidence of asset value.*

"*(2) All liabilities attributable to operations of the Post Office Department shall remain liabilities of the United States, except that upon commencement of operations of the Authority, the unexpended balances of*

appropriations made to, held or used by, or available to the Post Office Department and all liabilities chargeable thereto shall become assets and liabilities, respectively, of the Authority.

"*(b) The capital of the Authority at any time shall consist of its assets, including the balance in the Fund, less its liabilities.*

"*(c) The Authority, and the Administrator of General Services where properties under the jurisdiction of the Administration are involved, with the approval of the Director of the Bureau of the Budget shall determine which Federal properties shall be transferred to the Authority and which shall remain in the United States upon the commencement of operations of the Authority. The transfer shall be accomplished at the time of or as near as possible to the commencement of operation of the Authority and the valuation of the assets and capital of the Authority shall be adjusted accordingly. The following properties shall be included in the transfer:*

"*(1) the mail equipment shops located in Washington, District of Columbia;*

"*(2) all machinery, equipment, and appurtenances of the Post Office Department;*

"*(3) all real property whose ownership was acquired by the Postmaster General pursuant to former*

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section 2103 of this title, as in effect immediately prior to the effective date of this section, or which, immediately prior to such effective date, is under the administration of the Post Office Department for the purpose of constructing a postal building from funds appropriated or transferred to the Department, together with all funds appropriated or allocated therefor;

"(4) all real property of which 55 per centum or more is occupied by and under control of the Post Office Department immediately prior to the effective date of this section;

"(5) all contracts, records, and documents relating to the operation of the departmental service and the postal field service of the Post Office Department; and

"(6) all other property and assets of the Post Office Department.

"(d) After the commencement of operations of the Authority the President is authorized to transfer to the Authority, and the Executive Council is authorized to transfer to other departments or agencies of the United States, with or without reimbursement, any property owned by the United States and the Authority, respectively, when the public interest would be served by such transfer.

"§ ***1003. The Postal Service Fund***

"(a) There is established in the Treasury of the United

States a revolving fund to be called the Postal Service Fund which shall be available to the Authority without fiscal year limitation to carry out the purposes, functions, and powers authorized by this title.

"(b) There shall be deposited in the Fund, subject to withdrawal by check by the Authority—

"(1) revenues from postal and nonpostal services;

"(2) amounts received from obligations issued by the Authority;

"(3) amounts appropriated for the use of the Authority;

"(4) interest which may be earned on investiments of the Fund;

"(5) any other receipts of the Authority; and

"(6) the balance in the Post Office Department Fund as of the commencement of operations of the Authority.

"(c) If the Authority determines that the moneys of the Fund are in excess of current needs, it may request the investment of such amounts as it deems advisable by the Secretary of the Treasury in obligations of, or obligations guaranteed by, the United States, and, with the approval of the Secretary, in such other obligations or securities as it deems appropriate.

"(d) With the approval of the Secretary of the Treasury, the Authority may deposit moneys of the Fund in

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any Federal Reserve Bank, any depository for public funds or in such other places and in such manner as the Authority and the Secretary may mutually agree.

"(e) The Fund shall be available for the payment of all expenses incurred by the Authority in carrying out its functions under this title without regard to section 849 of title 31. Neither the Fund nor any of the funds credited to it shall be subject to apportionment under the provisions of section 665 of title 31.

"§ 1004. Transitional appropriations

"Such sums as are necessary to insure a sound financial transition for the Authority and a rate policy consistent with section 1201 of this title are hereby authorized to be appropriated to the Fund pursuant to section 849 of title 31 without regard to fiscal year limitation.

"§ 1005. Obligations

"(a) The Authority is authorized to borrow money and to issue and sell such obligations as it determines necessary to carry out the purposes of this title. The aggregate amount of any such obligations outstanding at any one time shall not exceed $10,000,000,000. In any one fiscal year the net increase in the amount of obligations outstanding issued for the purpose of capital improvements shall not exceed $1,500,000,000, and the net increase in the amount of obligations outstanding issued for the purpose of defraying

operating expenses of the Authority shall not exceed $500,000,000.

"(b) The Authority may pledge its assets and pledge and use its revenues and receipts for the payment of the principal of or interest on said obligations, for the purchase or redemption thereof, and for other purposes incidental thereto, including creation of reserve, sinking, and other funds which may be similarly pledged and used, to such extent and in such manner as it may deem necessary or desirable. The Authority is authorized to enter into binding covenants with the holders of said obligations, and with the trustee, if any, under any agreement entered into in connection with the issuance thereof with respect to the establishment of reserve, sinking, and other funds, application and use of revenues and receipts of the Authority, stipulations concerning the subsequent issuance of obligations or the execution of leases or lease-purchases relating to properties of the Authority and such other matters, as the Authority may deem necessary or desirable to enhance the marketability of said obligations. The issuance of obligations by the Authority shall be subject to the requirements of sections 847–849 of title 31 and of no other law.

"(c) Obligations issued by the Authority under this section:

"(1) shall be in such forms and denominations;

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"(2) shall be sold at such times and in such amounts;

"(3) shall mature at such time or times;

"(4) shall be sold at such prices;

"(5) shall bear such rates of interest;

"(6) may be redeemable before maturity at the option of the Authority in such manner and at such times and redemption premiums;

"(7) may be entitled to such relative priorities of claim on the assets of the Authority with respect to principal and interest payments; and

"(8) shall be subject to such other terms and conditions;

as the Authority determines.

"(d) Obligations issued by the Authority under this section shall:

"(1) be negotiable or nonnegotiable and bearer or registered instruments, as specified therein and in any indenture or covenant relating thereto;

"(2) contain a recital that they are issued pursuant to this section, and such recital shall be conclusive evidence of the regularity of the issuance and sale of such obligations and of their validity;

"(3) be lawful investments and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the au-

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thority or control of any officer or agency of the United States, and the Secretary of the Treasury or any other officer or agency having authority over or control of any such fiduciary, trust, or public funds, may at any time sell any of the obligations of the Authority acquired by them under this section; and

"(4) be exempt both as to principal and interest from all taxation now or hereafter imposed by any State or local taxing authority except estate, inheritance, and gift taxes; and

"(5) not be obligations of, nor shall payment of the principal thereof or interest thereon be guaranteed by, the United States, except as provided in subsection (c) of section 1006 of this chapter.

"§ 1006. Relationship between the Treasury and the Postal Service Authority

"(a) At least fifteen days before selling any issue of obligations under section 1005 of this chapter the Authority shall advise the Secretary of the Treasury as to the amount, proposed date of sale, maturities, terms and conditions and expected maximum rates of interest of the proposed issue in appropriate detail and shall consult with him or his designee thereon. The Secretary may elect to purchase such obligations under such terms, including rates of interest,

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as he and the Council may agree, but at a rate of yield no less than the prevailing yield on outstanding marketable Treasury securities of comparable maturity, as determined by the Secretary. If the Secretary does not purchase such obligations, the Authority may proceed to issue and sell them to a party or parties other than the Secretary upon notice to the Secretary and upon consultation as to the date of issuance, maximum rates of interest, and other terms and conditions.

"(b) Subject to the conditions of subsection (a) of this section the Authority may require the Secretary of the Treasury to purchase obligations of the Authority in such amounts as will not cause the holding by the Secretary of the Treasury resulting from such required purchases to exceed $2,000,000,000 at any one time. This subsection shall not be construed as limiting the authority of the Secretary to purchase obligations of the Authority in excess of such amount.

"(c) Notwithstanding subsection (d)(5) of section 1005 of this chapter, obligations issued by the Authority shall be obligations of the United States, and payment of principal and interest thereon shall be fully guaranteed by the United States, such guaranty being expressed on the face thereof, if and to the extent that—

"(1) the Authority requests the Secretary of the Treasury to pledge the full faith and credit of the United States for the payment of principal and interest thereon; and

"(2) the Secretary, in his discretion, determines that it would be in the public interest to do so.

"§ 1007. Public debt character of Postal Service's obligations

"For the purpose of any purchase of the Postal Service's obligations, the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which securities may be issued under the Second Liberty Bond Act, as now or hereafter in force, are extended to include any purchases of the Postal Service's obligations under this chapter. The Secretary of the Treasury may, at any time, sell any of the obligations of the Postal Service acquired by him under this chapter. All redemptions, purchases, and sales by the Secretary of the obligations of the Postal Service shall be treated as public-debt transactions of the United States.

"§ 1008. Audit and expenditures

"(a) The accounts of the Authority shall be audited by the Comptroller General and reports thereon made to the Congress to the extent and at such times as he may determine.

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"(b) The Authority shall maintain an adequate internal audit of its financial transactions.

"(c) Subject only to the provisions of this chapter, the Authority is authorized to make such expenditures and to enter into such contracts, agreements, and arrangements, upon such terms and conditions and in such manner as it deems necessary, including the final settlements of all claims and litigation by or against the Authority.

"(d) Nothing in this section shall be construed as denying to the Authority the power to obtain audits of its accounts and reports concerning its financial condition and operations by certified public accounting firms. Such audits and reports shall be in addition to those required by this section.

"Chapter 12.—RATES AND RATEMAKING

"SUBCHAPTER I.—GENERAL PROVISIONS

"Sec.
"1201. Rate policy.
"1202. Free and reduced rate mail.
"1203. Parcel post rates.

"SUBCHAPTER II.—RATEMAKING

"1251. Rate commissioners and staff.
"1252. Proposed changes in rates and classification.
"1253. Proceedings and recommended decisions by commissioners.
"1254. Final decisions.
"1255. Service changes.
"1256. Rate and service complaints.
"1257. Judicial review.

"Subchapter I.—General Provisions

"§ 1201. Rate policy

"(a) The Postal Service shall develop and promote adequate and efficient postal services at reasonable and equitable

rates and fees. Such rates and fees shall be sufficient to enable the Postal Service under honest, efficient, and economical management to maintain and continue the development of postal services of the kind and quality adapted to the needs of the United States.

"(b) It is the intent of Congress that by January 1, 1978, rates and fees charged by the Authority provide, as a whole, revenue adequate, when added to the appropriations pursuant to section 1202 of this chapter, to meet its current and projected costs. For this purpose costs shall include (without limitation) operating expenses, depreciation on capital facilities and equipment, debt service (including interest, amortization of debt discount and expense, and provision for sinking funds or other retirements of obligations to the extent that such provision exceeds applicable depreciation charges), and a reasonable provision for contingencies.

"(c) Except as provided in section 1202 and as otherwise provided in this section, the Authority shall establish appropriate classes of postal service and establish rates and fees for each such class of postal service so that at least those costs demonstrably related to the class of service in question will be borne by each such class and not by other classes of users of postal services or by the mails generally.

"(d) Notwithstanding the other provisions of this section, in making changes in the structure of its rates, the

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Postal Service shall take into account the financial impact upon affected users of the various classes of the mail and, at its discretion, may achieve the policy goals of this section over a duration of time appropriate in view of such financial impact. The Council shall have the sole discretion to make such determinations. The President may request appropriations authorized by section 1004 of this title as a result of such determinations. Nothing in this subsection, however, shall relieve the Authority of its general policy obligation under subsection (b) of this section to make its revenues, as a whole, including appropriations contemplated by section 1202 of this title, equal its costs.

"(e)(1) Amounts computed as shown in paragraph (2) of this subsection (e) shall be considered public service costs of the Postal Service that should be borne by the public generally during the period prior to January 1, 1978. In addition to amounts otherwise authorized to be appropriated to the Postal Service, the amounts of such public service costs, as estimated by the Postal Service, are authorized to be appropriated for the use of the Postal Service.

"(2) The amounts authorized to be appropriated by paragraph (1) shall be computed as follows:

"(A) for the period from the commencement of operations of the Postal Service Authority through December 31, 1972, at an annual rate of 10 per centum

of the total costs of the Postal Service for fiscal year 1972;

"(B) for calendar year 1973, 9 per centum of such total costs for fiscal year 1973;

"(C) for calendar year 1974, 8 per centum of such total costs for fiscal year 1974;

"(D) for calendar year 1975, 6 per centum of such total costs for fiscal year 1975;

"(E) for calendar year 1976, 4 per centum of such total costs for fiscal year 1976; and

"(F) for calendar year 1977, 2 per centum of such total costs for fiscal year 1977.

"§ 1202. Free and reduced rate mail

"(a) The Congress by legislation shall determine which classes of postal users, if any, shall be entitled to send mail free of postage or at rates some specified percentage lower than those established by the Authority in accordance with the principles of section 1201(c) of this title. The rates of all users so entitled shall be established by the Authority so that the amount of postal revenues received from the appropriations provided for in subsection (b) of this section shall approximately equal the difference between the actual postal revenues from users allowed to mail free of charge or at reduced rates and the postal revenues that would have been

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received from such users if they had not been entitled to so mail.

"(b) The President may annually request the Congress to appropriate the Post Service Fund an amount necessary to recover the difference between the actual postal revenue from users allowed to mail free of charge or at reduced rates and the postal revenues that would have been received from such users if they had not been entitled to so mail.

"(c) If the Congress shall fail to appropriate the amount so requested or any part thereof, the Authority shall proportionately adjust the rates of the classes of users entitled to mail free or at reduced rates so that the anticipated difference between the actual postal revenues from users allowed to mail free of charge or at reduced rates and the postal revenues that would have been received from such users if they had not been entitled to so mail will be reduced to an amount equal to that appropriated by the Congress.

"(d) Within two years after the effective date of this section and at least every two years thereafter, the Council shall render to the Congress a report showing the volumes, rates, revenues, and costs, the last calculated in such ways or alternative ways as the Council may deem appropriate, of each category of free or reduced rate mail, and the percentage relationship which the rate for such category bears to the rates for users of the same category not entitled to so mail.

The Council may report on other matters related to each such category of mail, including recommendations as to whether the Congress should continue to afford it preferred treatment or to what extent it should be modified. In preparing the report the Council may cause the rate commissioners to conduct proceedings in the nature of rulemaking on matters relevant to the report and to render opinions to the Council as it deems appropriate.

"(e) Until changed by law, but subject to subsections (a) and (c) of this section, the following services shall be free or at the reduced rates in effect as of the effective date of this section:

"(1) penalty mailings of the Pan American Union and the Pan American Sanitary Bureau as provided by section 652(a)(1) of this title and free mailing privileges for consular officials and members of the diplomatic corps of the countries of the Postal Union of the Americas and Spain as provided by section 667 of this title;

"(2) reduced rates on books, films, and similar materials as described in former section 4554 of this title;

"(3) mailings at reduced rates for publication matter as described in former section 4358 of this title;

"(4) free postage on reading matter and other ar-

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ticles for the blind and other handicapped persons as described in former sections 4653–4655 of this title;

"(5) free mailing privileges granted to individuals by law, except where the Postal Service is entitled to reimbursement under chapter 6 of this title;

"(6) reduced third-class postage rates to certain organizations as described in former section 4452 of this title; and

"(7) free postage as provided by section 1472 of title 50, section 302 of the Federal Voting Assistance Act of 1955.

"Subchapter II—Ratemaking

"§ 1251. Rate Commissioners and Staff

"(a) There is hereby established within the Authority a panel of three rate commissioners appointed by the President from a roster of eight persons nominated as follows: two by the American Economic Association, two by the American Institute of Certified Public Accountants, two by the American Bar Association, and two by the Chairman of the Civil Service Commission. One of the commissioners shall be designated by the President as Chief Rate Commissioner. The commissioners shall be paid salaries at the rate provided for level IV of the Executive Schedule, except that the Chief Commissioner shall be paid an additional $500 higher than level IV. Appointments of succeeding commissioners shall be

made by the President as hereinbefore provided, except that each commissioner shall be appointed from a roster of four persons, one of whom shall be nominated by each of the entities described above.

"(b) The commissioners shall serve for terms of six years except that—

"(1) the terms of the commissioners first taking office shall expire as designated by the President at the time of appointment of the first commissioner, one at the end of two years, one at the end of four years, and one at the end of six years following their appointment; and

"(2) any such commissioner appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall serve for the remainder of such term.

For purposes of suspension and removal the commissioners shall be deemed to be in the competitive service, and they may be suspended or removed only in accord with the procedures established in section 7521 of title 5.

"(c) Upon request of the Chief Commissioner, the Council shall provide the commissioners with such professional and clerical staff selected by the Chief Commissioner and such facilities as may be appropriate and reasonable to carry out their functions under this chapter. The staff shall be responsible solely to the commissioners.

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"(d)(1) The commissioners shall promulgate rules and regulations and establish procedures to carry out their responsibilties under this chapter. Such rules, regulations, and procedures shall be subject to chapters 5 and 7 of title 5.

"(2) It is the intent of Congress that the commissioners conduct their proceedings with the utmost expedition consistent with procedural fairness to the parties. To this end the commissioners are specifically authorized (but without limitation) to adopt rules which provide for:

"(i) the advance submission of written direct testimony;

"(ii) the conduct of prehearing conferences to define issues, and for other purposes to insure orderly and expeditious proceedings;

"(iii) discovery both from the Postal Service and the parties to the proceeding;

"(iv) limitation of testimony; and

"(v) the conduct of entire proceedings off the record with the consent of the parties.

"(e) The Chief Commissioner shall have the administrative responsibility for assigning the business of the commissioners to the various commissioners and to members of the staff. The commissioners may conduct proceedings or otherwise exercise their functions singly or en banc as the Chief Commissioner, after consultation with the other commissioners, shall determine. All final acts of the panel shall be by a majority vote thereof.

"(f) The provisions of title 5 concerning hearing examiners shall apply to the commissioners and to the duties of the authority and the Civil Service Commission with respect to the commissioners except as inconsistent with this chapter.

"§ 1252. Proposed changes in rates and classifications

"(a) Except as provided in subsection (c) of this section, the Authority shall give general notice of proposed change in rates, charges, fees, the classification of mail matter or mail users, and the postal rate structure or design by publishing its proposals therefor in the Federal Register not less than thirty days prior to the date on which it is proposed to adopt such changes. It shall also file the proposed changes with the commissioners in such form and manner as the commissioners may prescribe. The notice published in the Federal Register shall state briefly—

"(1) the proposed change;

"(2) the reasons therefor;

"(3) the earliest date on which the Authority proposes to adopt the change;

"(4) that interested parties may file objections thereto or a request for a hearing thereon with the

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commissioners within thirty days after the date of publication of the notice in the Federaal Register or such longer period as the notice may prescribe; and

"(5) the place and manner which the commissioner have fixed for filings with it.

"(b) If no party at interest files a timely objection to a proposed change or a request for a hearing thereon, the commissioners shall forward the proposed change to the Executive Council without opinion, unless the presidentially appointed members of the Executive Council request to the contrary.

"(c) The provisions of this chapter do not apply to changes in the fees or rates of exchange for international money orders and similar instruments or to changes in international postal rates adopted pursuant to section 405 of this title.

"§ 1253. Proceedings and recommended decisions by commissioners

"(a) Pursuant to sections 556 and 557 of title 5, the commissioners shall conduct public hearings in all cases instituted under section 1252(a) of this title in which a party at interest files timely notice with the commissioners that he desires to be heard.

"(b) The commissioners shall compile a record consisting of:

"(1) the proposed change and supporting material submitted by the Authority;

"(2) the oral testimony, if any, on behalf of the Authority, and by or on behalf of any party at interest;

"(3) the written submissions, if any, on behalf of the Authority and by or on behalf of any party at interest; and

"(4) such other material as the commissioners deem appropriate.

"(c) After consideration of the record, the commissioners shall render an initial decision to the presidentially appointed members of the Executive Council stating whether in the opinion of the panel the proposed change conforms to the rate policies and other provisions of this title and giving their reasons therefor.

"(d) In the event the commissioners do not complete their proceedings within ninety days after the notice of proposed changes is filed with it, or in the event that judicial proceedings are instituted under section 1257 of this title, the Postal Service upon thirty days' notice in the Federal Register may put a proposed change in effect temporarily. The interim changes will be effective for a period of no longer than thirty days after the commissioners have rendered their initial decision to the presidentially appointed members of

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the Executive Council and the period the change may be before Congress pursuant to section 1254 of this title.

"§ 1254. Final decisions

"(a) The presidentially appointed members of the Executive Council acting on behalf of the Authority shall make and publish in the Federal Register a final decision on the proposed change in light of the recommended decision of the commissioners and the record of the proceedings. They may reject the proposed change or they may adopt it—

"(1) as published in the Federal Register pursuant to section 1252 of this title; or

"(2) as proposed in the recommended decision of the commissioners; or

"(3) with such modifications as they find are supported by the record of the proceedings.

"(b) The Executive Council, except as to changes enumerated in subsection (e) of this section, shall transmit to the Congress the final decision adopting a change in any proceeding instituted pursuant to section 1252(a) of this title. The Executive Council shall transmit the decision to both Houses of the Congress on the same day and to each House while it is in session and shall transmit with the final decision the recommended decision of the commissioners together with the record of the proceedings.

"(c) The change contained in a final decision trans-

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mitted to the Congress pursuant to subsection (b) of this section shall become final at the end of the first period of sixty calendar days of continuous session of the Congress after the date on which the decision is transmitted unless, between the date of transmittal and the end of the sixty-day period, two thirds of either House adopts a resolution disapproving the change. The continuity of a session is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the sixty-day period.

"(d) Subsections (e)–(k) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in the House in the case of resolutions described by this section; and they supersede other rules only to the extent that they are inconsistent therewith; 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

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manner, and to the same extent as in the case of any other rule of that House.

"(e) If the committee to which a resolution with respect to a recommendation has been referred has not reported it at the end of thirty calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the same recommendation which has been referred to the committee.

"(f) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same recommendation), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(g) If the motion to discharge is agreed to, or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same recommendation.

"(h) When the committee has reported, or has been

discharged from further consideration of, a resolution with respect to a recommendation, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(i) Debate on the resolution shall be limited to not more than four hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(j) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a recommendation, and motions to proceed to the consideration of other business, shall be decided without debate.

"(k) 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 with respect to a recommendation shall be decided without debate.

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"(l) The final decision may include a provision that the change shall become effective at a time later than the date on which the decision becomes final pursuant to the foregoing provisions of this section.

"(m) Rate changes required by section 1202(c) of this title and rate changes for such special services as the Authority may provide, including special delivery, collect on delivery, insurance, registered and certified mail, return receipts, stamped envelopes and box rents, and similar special or non-postal services shall become final as provided in the final decision of the Authority in accordance with subsections (a) and (d) of this section.

"§ 1255. Service changes

"(a) Except as provided in subsection (d) of this section the Executive Council shall give public notice of a proposed change in the type, quality, terms, or conditions of any services provided by the Authority which substantially affects a postal service provided to users on a nationwide or nearly nationwide basis and which does not involve a proposed change subject to sections 1252–1254 of this title. Public notice shall be given by publishing a notice of the proposed change in the Federal Register. The notice shall state briefly—

"(1) the proposed change;

"(2) the reasons therefor;

"(3) the earliest date on which the Authority proposes to adopt the change;

"(4) that interested parties may participate in the proceeding through submission of written material to the commissioners with opportunity for oral presentation as the commissioners may determine; and

"(5) the time, place, and manner which the commissioners have fixed for submissions to it.

"(b) Except as otherwise provided in this section, proposals for service changes shall be considered as proposed rules and the commissioners shall be considered 'the agency' for purposes of sections 551–559 of title 5. The commissioners shall compile a record consisting of—

"(1) the proposed change and supporting material submitted by the Authority;

"(2) the oral testimony, if any, on behalf of the Authority, and by or on behalf of any party at interest;

"(3) the written submissions, if any, on behalf of the Authority and by or on behalf of any party at interest; and

"(4) such other material as the commissioners deem appropriate.

"(c) After consideration of the record, the commissioners shall render an initial decision as to whether the proposed change, either in its original form or in a modified

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form, is consistent with the policies of this title. The initial decision shall become the final decision of the Authority unless within such time as the Executive Council establishes by general rule, the presidentially appointed members of the Executive Council modify the tentative decision in the light of record or revoke the proposal.

"(d) Whenever the Authority proposes a change in the type, quality, terms or conditions of service which substantially and adversely affects the users of such service but on less than a nationwide or nearly nationwide basis, the Authority shall—

"(i) comply with the provisions of subsections (a) through (c) of this section; or

"(ii) comply with rules, regulations or procedures established pursuant to subsections (a) through (c) of this section which shall include the publication of a notice designed to inform the affected users of the proposed changes and the opportunity for such users to present their objections.

"(e) Whenever the Authority finds that an emergency exists which does not permit sufficient time for the procedures prescribed in subsections (a) through (d) of this section, the Authority contemporaneously with, or subsequent to, publication in the Federal Register of the notice of a proposed change, may adopt and publish in the Federal Register a

temporary change which shall become effective upon publication in the Federal Register or such later date as may be prescribed therein. A change adopted in accordance with this subsection shall remain in effect until proceedings pursuant to subsections (a) through (d) of this section have been completed, or for such shorter period as the Authority may fix.

"§ 1256. Rate and service complaints

"Interested parties who believe the Authority is charging rates which do not conform to the policies set out in this title or who believe that they are not receiving postal service in accordance with the policies of this title may lodge a complaint with the commissioners in such form and in such manner as the Commissioners may prescribe. The commissioners may in their discretion hold hearings on such complaint. If, after such hearings, the commissioners determine the complaint to be justified, they shall, if a matter covered by section 1252 of this chapter is involved, recommend to the Executive Council that the Authority propose an appropriate change. The Authority shall propose such a change and such change shall proceed as if proposed initially by the Executive Council. If a matter not covered by section 1252 of this chapter is involved, and the commissioners after hearing find the complaint to be justified, they shall render a

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public report thereon to the presidentially appointed members of the Executive Council who shall take such action as they deem appropriate.

"§ 1257. ***Judicial review***

"(a) Any final decision of the Authority pursuant to section 1254 or 1255 of this title and any final decision of the commissioners pursuant to section 1256 of this title shall be subject to judicial review. Review shall be in the manner prescribed in chapter 7 of title 5 and chapter 158 and section 2112 of title 28 except as otherwise provided in this section. Such review shall be confined to holding unlawful and setting aside a final decision which the petitioner has shown to be:

"(i) contrary to constitutional right, power, privilege or immunity;

"(ii) in excess of statutory jurisdiction, authority or limitations; or

"(iii) without observance of procedure required by law or by the rules promulgated by the commissioners pursuant to this chapter.

The court shall not consider any objection which was not urged in the proceedings of the Authority unless there were reasonable grounds for failure to do so.

"(b) Review may be had only by a party to the proceedings who has—

"(i) participated in the proceedings in accordance with section 1253 of this title;

"(ii) participated in the proceedings in accordance with section 1255(a)(4) of this title; or

"(iii) filed a complaint pursuant to section 1256 of this title.

"(c) Petitions for review shall be filed within fifteen days after the publication of notice of the final decision. After the expiration of said fifteen days, a petition may be filed only by leave of court upon a showing of reasonable cause for failure to file such petition. The action shall be against the Authority and not against the United States.

"(d) Upon the filing of a petition for review of a final decision under section 1254(a) of this title, the Executive Council shall not transmit to the Congress its final decision pursuant to section 1254(b) until judicial proceedings under this section are completed. All judicial proceedings shall be made preferred causes and shall be expedited in every way.

"(e) Temporary changes under section 1253(d) and emergency changes under section 1255(c) of this title may not be affected in any way by a court. The thirty-day period after the commissioners' initial decision referred to in section 1253, shall be extended to include the entire period of judicial proceedings under this section. Final decisions under

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section 1255 of this title may not be stayed by any court pending review.

"(f) Except as provided under section 1251(d)(1) of this title, no court shall have jurisdiction to review a final decision made by the Authority pursuant to this chapter in any manner other than as provided in this section.

"Chapter 14.—PRIVATE CARRIAGE OF LETTERS

"Sec.
"1401. Letters carried out of the mail.
"1402. Foreign letters out of the mails.
"1403. Searches authorized.
"1404. Seizing and detaining letters.
"1405. Searching vessels for letters.
"1406. Disposition of seized mail.

"§ 1401. Letters carried out of the mail

"(a) A letter may be carried out of the mails when—

"(1) it is enclosed in an envelope;

"(2) the amount of postage which would have been charged on the letter if it had been sent by mail is paid by stamps, or postage meter stamps, on the envelope;

"(3) the envelope is properly addressed;

"(4) the envelope is so sealed that the letter cannot be taken from it without defacing the envelope;

"(5) any stamps on the envelope are canceled in ink by the sender; and

"(6) the date of the letter, or its transmission or receipt by the carrier is endorsed on the envelope in ink.

"(b) The Authority may suspend the operation of any part of this section upon any mail route where the public interest requires the suspension.

"§ 1402. Foreign letters out of the mails

"(a) Except as provided in section 1401 of this title the master of a vessel departing from the United States for foreign ports may not receive on board or transport any letter which originated in the United States that—

"(1) has not been regularly received from a United States post office; or

"(2) does not relate to the cargo of a vessel.

"(b) The officer of the port empowered to grant clearances shall require from the master of such a vesssel, as a condition of clearance, an oath that he does not have under his care or control, and will not receive or transport any letter contrary to the provisions of this section.

"(c) Except as provided in section 1699 of title 18, the master of a vessel arriving at a port of the United States carrying letters not regularly in the mails shall deposit them in the post office at the port of arrival.

"§ 1403. Searches authorized

"The Director General by letter of authority over his signature may authorize any postal inspector or other officer of the Authority to make searches for mailable matter transported in violation of law. When the authorized officer has

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reason to believe that mailable matter transported contrary to law may be found therein, he may open and search any—

"(1) vehicle passing, or having lately passed, from a place at which there is a post office of the United States;

"(2) article being, or having lately been, in the vehicle;

"(3) store or office, other than a dwelling house, used or occupied by a common carrier or transportation company, in which an article may be contained.

"§ 1404. Seizing and detaining letters

"A postal inspector, customs officer, or United States marshal or his deputy, may seize at any time, letters and bags, packets or parcels containing letters which are being carried contrary to law on board any vessel or on any post road. The officer who makes the seizure shall convey the articles seized to the nearest post office; or by direction of the Authority or the Secretary of the Treasury, he may detain them until two months after the final determination of all suits and proceedings which may be brought within six months after the seizure against any person for sending or carrying the letters.

"§ 1405. Searching vessels for letters

"A postal inspector when instructed by the Authority to make examinations and seizures and any customs officer without special instructions shall search vessels for letters which may be on board, or which may have been conveyed contrary to law.

"§ 1406. Disposition of seized mail

"Every package or parcel seized by a postal inspector, customs officer, or United States marshal or his deputies, in which a letter is unlawfully concealed, shall be forfeited to the United States. The same proceedings may be used to enforce forfeitures as are authorized in respect of goods, wares, and merchandise forfeited for violation of the revenue laws. Laws for the benefit and protection of customs officers making seizures for violating revenue laws apply to officers making seizures for violating the postal laws.

"Chapter 16.—TRANSPORTATION OF MAIL

"SUBCHAPTER I.—GENERAL

"Sec.
"1601. Provision for carrying mail.
"1602. Transportation of mail of adjoining countries through the United States.
"1603. Establishment of post roads.
"1604. Discontinuance of service on post roads.
"1605. Authority to contract for mail transportation.
"1606. Lien on compensation of contractor.
"1607. Free transportation of postal employees.

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"SUBCHAPTER II.—TRANSPORTATION OF MAIL BY REGULATED SURFACE CARRIER

"Sec.
"1625. Definitions.
"1626. Applicability.
"1627. Authorization of service by carrier.
"1628. Placement of equipment.
"1629. Changes in service.
"1630. Evidence of service.
"1631. Fines and deductions.
"1632. Interstate Commerce Commission to fix rates.
"1633. Procedures.
"1634. Special rates.
"1635. Intermodal transportation.
"1636. Statistical studies.
"1637. Special contracts.
"1638. Carrier operations, receipts, and expenditures.
"1639. Agreements with passenger common carriers by motor vehicle.

"SUBCHAPTER III.—TRANSPORTATION OF MAIL BY AIR

"1651. Rules and regulations.
"1652. Fines on air carriers transporting the mails.
"1653. Contracts for the transportation of mail by air.

"SUBCHAPTER IV.—TRANSPORTATION OF MAIL BY VESSEL

"1676. Sea post service.
"1677. Termination of contracts for foreign transportation.
"1678. Transportation of mail by vessel as freight or express.
"1679. Fines on ocean carriers.
"1680. Contracts for transportation of mail by vessel.

"Subchapter I.—General

"§ 1601. Provisions for carrying mail

"The Authority shall provide for the transportation of mail by land, air, or water as often as it deems proper under the circumstances subject to the provisions of this chapter.

"§ 1602. Transportation of mail of adjoining countries through United States

"The Authority by and with the advice and consent of the President, may make arrangements to allow the mail of countries adjoining the United States to be transported over the territory of the United States from one point in

that country to any other point therein, at the expense of the country to which the mail belongs, upon obtaining a like privilege for the transportation of United States mail through the country to which the privilege is granted. The President or the Congress may annul the privilege at any time. The privilege shall terminate one month succeeding the day on which notice of the act of the President or of the Congress is given to the chief executive or head of the post office of the country whose privilege is to be annulled.

"§ 1603. Establishment of post roads

"The following are post roads—

"(1) the waters of the United States, during the time the mail is carried thereon;

"(2) railroads or parts of railroads and air routes in operation;

"(3) canals, during the time the mail is carried thereon;

"(4) public roads, highways, and toll roads during the time the mail is carried thereon; and

"(5) letter-carrier routes established for the collection and delivery of mail.

"§ 1604. Discontinuance of service on post roads

"The Authority may discontinue service on a post road or part thereof when, in its opinion—

"(1) the postal service cannot safely be continued;

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"(2) the revenues cannot be collected;

"(3) the laws cannot be maintained; or

"(4) the public interest so requires.

"§ 1605. Authority to provide for mail transportation

"(a) The Authority is authorized to obtain mail transportation service—

"(1) from common carriers by rail and motor vehicle as provided in subchapter II of this chapter;

"(2) from air carriers as provided in subchapter III of this chapter;

"(3) from water carriers as provided in subchapter IV of this chapter; and

"(4) by contract under such terms and conditions as it deems appropriate, subject to the provisions of this section.

"(b) Except as otherwise specifically provided by this chapter, contracts for transportation of mail authorized by subsection (a)(4) of this section may be for periods not in excess of four years and may be entered into only after advertising a sufficient time previously for proposals except when the Authority determines that the waiver of such advertising requirements is in the public interest.

"(c) Contracts under subsection (a)(4) of this section may be renewed, by mutual agreement with the holder and

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the Authority, without advertising and for successive terms of not more than four years each.

"(d) The Authority, in determining whether to obtain transportation of mail by carrier under subsection (a)(1) of this section, by contract under subsection (a)(4) of this section, or by Government motor vehicle, shall use the mode of transportation which best serves the public interest, due consideration being given to the cost of the transportation service under each mode.

"§ 1606. Lien on compensation of contractor

"(a) A person who—

"(1) performs service for a contractor or subcontractor in the transportation of mail;

"(2) files his contract for service with the Postal Service; and

"(3) files satisfactory evidence of performance with the Authority

shall have a lien on money due the contractor or subcontractor for the service.

"(b) The Authority may pay the person establishing a lien under subsection (a) of this section the sum due him, when the contractor or subcontractor fails to pay the person the amount of his lien within two months after the expiration of the month in which the service was performed.

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It shall charge the amount so paid to the contract. The payments may not exceed the annual rate of pay of the contractor or subcontractor.

"§ 1607. Free transportation of postal employees

"Each person engaged in the transportation of mail shall carry on any vessel, train, motor vehicle, or aircraft he operates, upon exhibiting their credentials and without extra charge therefor, persons in charge of the mails when on duty and traveling to and from duty.

"Subchapter II.—Transportation of Mail by Regulated Surface Carrier

"§ 1625. Definitions

"As used in this subchapter—

"(1) 'carrier' and 'regulated surface carrier' mean a railroad, a freight forwarder, a motor carrier, or an express company;

"(2) 'railroad' means a railway common carrier, including an electric urban and interurban railway common carrier;

"(3) 'freight forwarder' means any regulated freight forwarder which holds itself out to the general public as a common carrier to transport or provide transportation of property as authorized by a permit issued by the Commission;

"(4) 'motor carrier' means any common carrier by

motor vehicle, except a passenger-carrying motor vehicle, within the meaning of section 303(a)(14) of title 49, which holds a certificate of public convenience and necessity issued by the Commission;

"(5) 'express company' means any express company engaged in transportation as a common carrier for hire under section 1(3) of title 49; and

"(6) 'Commission' means the Interstate Commerce Commission.

"§ 1626. Applicability

"This subchapter applies to mail transportation performed by any carrier or combination thereof regardless of the mode of transportation actually used to provide the service.

"§ 1627. Authorization of service by carrier

"(a) The Authority may establish carrier mail routes and authorize mail transportation service thereon. The term 'mail' as used in this subchapter includes equipment and supplies of the Authority.

"(b) A carrier shall transport mail offered for transportation by the Authority in the manner, under the conditions, and with the service prescribed by the Authority. A carrier is entitled to receive fair and reasonable compensation for the transportation and service connected therewith.

"(c) The Authority shall determine the trains or motor

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vehicles upon which mail shall be transported, except that no carrier shall be compelled to transport mail on any train or vehicle which is operated exclusively for the transportation of passengers and their baggage.

"(d) A carrier shall transport with due speed, on any train or motor vehicle it operates, such mail as the Authority directs under this section.

"(e) No carrier shall be required to serve territory it is not otherwise authorized to serve, or to provide service for the Authority at less than full cost, or to provide service at a detriment to the carrier or its other customers.

"(f) An order or determination of the Authority under this section shall be consistent with the orders of the Commission under sections 1632 and 1633 of this title.

"§ 1628. Placement of equipment

"A railroad shall place cars used for full or apartment post office service in position at such times before departure as the Authority directs.

"§ 1629. Changes in service

"The Authority may authorize, according to the need therefor, new or additional mail transportation service by carriers at the rate or compensation fixed pursuant to this subchapter. It may reduce or discontinue service with pro rata reductions in compensation. The Authority may not pay for additional service which it has not specifically authorized.

"§ 1630. Evidence of service

"A carrier shall submit evidence of its performance of mail transportation service, signed by an authorized official, in such form and at such times as the Authority requires. Mail transportation service is considered that of the carrier performing it regardless of the ownership of the property used by the carrier.

"§ 1631. Fines and deductions

"(a) The Authority may fine any carrier in an amount not to exceed $500 for each day the carrier refuses to perform mail transportation services required by it at rates or compensation established under this subchapter.

"(b) The Authority shall fine a carrier an amount it deems reasonable for failure or refusal by that carrier to transport mail as required by the Authority under section 1627 of this title.

"(c) The Authority may make deductions from the compensation of a carrier for failure to perform mail transportation service as required under section 1627 of this title. If the failure to perform is due to the fault of the carrier, it may deduct a sum not exceeding three times the compensation applying to such service. Such deductions shall not be made prior to the expiration of sixty days following service upon the carrier by the Authority of notice of intention of assessing a fine or making a deduction and of the basis therefor.

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"§ *1632. Interstate Commerce Commission to fix rates*

"(a) The Commission shall determine and fix, from time to time, the fair and reasonable rates or compensation for the transportation of mail by carrier and the service connected therewith, and shall prescribe the method of computing such rates or compensation. The Commission shall publish its orders stating its determination under this section which shall remain in force until changed by it after notice and hearing.

"(b) For the purpose of determining and fixing rates or compensation under this section, the Commission may make just and reasonable classifications of carriers and where just and equitable, fix general rates applicable to carriers in the same classification.

"(c) In determining and fixing fair and reasonable rates or compensation under this section, the Commission shall consider the relation between the Government and carriers as public service corporations, and the nature of public service as distinguished, if there is a distinction, from the ordinary transportation business of the carriers.

"(d) Initial rates or compensation for mail transportation service by any carrier or carriers shall be those agreed to by the Authority and the carrier or carriers, and such rates or compensation shall continue in effect until such time as the Commission fixes the rates or compensation under subsection (a) of this section.

"§ *1633. Procedures*

"(a) At any time after six months from the entry of an order stating the Commission's determination under section 1632 of this title, the Authority or an interested carrier may apply for a reexamination and substantially similar proceedings as have theretofore been had shall be followed with respect to the rates or compensation for services covered by the application. At the conclusion of the hearing the Commission shall enter an order stating its determination.

"(b) Except as authorized by sections 1632(d), 1634, 1635, and 1637 of this title, the Authority shall pay a carrier the rates or compensation so determined and fixed for application at such stated times as named in the order.

"(c) The Authority may file with the Commission a comprehensive plan, stating—

"(1) its requirements for the transportation of mail by carrier;

"(2) the character and speed of the trains or motor vehicles which are to carry the various kinds of mail;

"(3) the service, both terminal and en route, which carriers are to render;

"(4) what it believes to be the fair and reasonable rates or compensation for the services required; and

"(5) all other information which may be material

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to the inquiry, but such other information may be filed at any time in the discretion of the Commission.

"(d) When a comprehensive plan is filed, the Commission shall give notice of not less than thirty days to each carrier required by the Authority to transport mail pursuant to such plan. A carrier may file its answer at the time fixed by the Commission, but not later than thirty days after the expiration date fixed by the Commission in the notice, and the Commission shall proceed with the hearing.

"§ 1634. Special rates

"Upon petition by the Authority, the Commission shall determine and fix carload or truckload, or less than carload or truckload, rates for the transportation of mail not entitled to high priority in transportation. A carrier shall perform the service at the rates so determined when requested to do so and under the conditions prescribed by the Authority.

"§ 1635. Intermodal transportation

"The Authority may permit a carrier to perform mail transportation by any form of transportation it deems appropriate at rates or compensation not exceeding those allowable for similar service by the designated form of transportation.

"§ 1636. Statistical studies

"The Authority may arrange for weighing and measuring mail transported on carrier mail routes and make other computations for statistical and administrative purposes to carry out the purposes of this chapter.

"§ 1637. Special contracts

"The Authority may enter into special contracts with carriers, without advertising for bids and for periods not in excess of four years. It may contract to pay lower rates or compensation or, where in its judgment conditions warrant, higher rates or compensation than those determined or fixed by the Commission. The fact that the Commission has not prescribed rates or compensation for the carrier involved, pursuant to section 1632 of this title, shall not preclude execution of a contract under this section. A copy of each such contract shall be on file and open to inspection in the administrative offices of the Authority and the Commission.

"§ 1638. Carrier operations, receipts, and expenditures

"The Authority shall request any carrier transporting the mails to furnish, under seal, such data relating to the operations, receipts, and expenditures of such carrier as may, in its judgment, be deemed necessary to enable it to ascertain the cost of mail transportation and the proper compensation to be paid for such service.

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"§ *1639. Agreements with passenger common carriers by motor vehicle*

"The Postal Service may enter into contracts under such terms and conditions as it shall prescribe and without advertising for bids for the transportation of mail, in passenger-carrying motor vehicles, by passenger common carriers by motor vehicles over the regular routes on which the carrier is permitted by law to transport passengers.

"§ *1640. Star route certification*

"(a) Any person, business, firm, company, corporation, or successor in interest of any such person, business, firm, company, or corporation, who was a contractor under a star route, mail messenger, or contract motor vehicle service contract on the effective date of this title, shall, upon application to the Interstate Commerce Commission for the territory within which such contractor operated on or before the effective date of this Act be issued a certificate of public convenience and necessity as a motor carrier for the transportation of mail by the Commission without the Commission's requiring further proof that the public convenience and necessity will be served by such operation and without further proceedings.

"(b) Applications of persons who were not contractors on the effective date of this Act shall be decided in accordance with applicable Commission procedure."

"Subchapter III.—Transportation of Mail by Air

"§ *1651. Rules and regulations*

"The Authority may make such rules, regulations, and orders not inconsistent with sections 1301–1542 of title 49, or any order, rule, or regulation made by the Civil Aeronautics Board thereunder, as may be necessary for the safe and expeditious carriage of all classes of mail by aircraft.

"§ *1652. Fines on air carriers transporting mails*

"The Authority may impose fines on carriers transporting mail by air on routes extending beyond the borders of the United States for—

"(1) unreasonable or unnecessary delay to mail; and

"(2) other delinquencies in the transportation of mail.

"§ *1653. Contracts for transportation of mail by air*

"(a) The Authority may contract with any certificated air carrier, without advertising for bids, in such manner and under such terms and conditions as it deems appropriate, for the transportation of mail by aircraft between any of the points between which, or within or between the geographical area or areas for which, such air carrier is authorized by the Civil Aeronautics Board to engage in air transportation and such carrier is hereby authorized to transport such mail. The Authority may provide in any such contract for the payment

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of rates or compensation which are not higher than those prescribed pursuant to section 1376 of title 49 for the transportation of mail between the points to be served under the contract and, in the event the transportation under such contract is to be on a space available basis, it may provide for the payment of rates or compensation which are not higher than those contained in tariffs currently in effect and on file with the Civil Aeronautics Board for air transportation of property, other than transportation of mail, on a space available basis.

"(b) When the Authority deems that the transportation of mail by aircraft is required between points between which the Civil Aeronautics Board has not authorized an air carrier to engage in the transportation of mail the Authority may contract for such transportation, without advertising for bids, in such manner and under such terms and conditions as it may deem appropriate. The transportation of mail under contracts entered into under this subsection is not, except for purposes of section 1371(k) and 1386(b) of title 49, 'air transportation' as that term is used in sections 1301–1542 of title 49. The Authority shall cancel such a contract, in whole or in respect to certain points as the authorization shall require, upon the issuance by the Civil Aeronautics Board of an authorization under sections

1371–1386 of title 49 to any air carrier to engage in the transportation of mail by aircraft between any of the points named in the contract, and the inauguration of scheduled service by such carrier.

"(c) If the Authority determines that service by the certificated carrier or combination of carriers between any pair or pairs of points is not adequate for its purposes, it may contract, without advertising for bids, in such manner and under such terms and conditions as it may deem appropriate, with any air carrier or combination of carriers for such air transportation service as cannot adequately be provided by the certificated carrier or combination of carriers. Such contracts shall be filed with the Civil Aeronautics Board no less than ninety days prior to their effective date, except when the Civil Aeronautics Board allows a lesser period upon finding for good cause that ninety days' advance notice is impracticable, unnecessary, or contrary to the public interest. After such notice and hearing as it may deem appropriate, the Civil Aeronautics Board may disapprove any such contract prior to its effective date if it finds that such contract conflicts with the development of air transportation under sections 1301–1542 of title 49, incorporating this finding in an order containing a brief statement of its reasons therefor. Sections 1371–1376, 1380, 1381, and 1385

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of title 49 do not apply to the transportation of mail under any contract entered into under this subsection. The Authority shall cancel such a contract if the Civil Aeronautics Board authorizes an additional carrier or combination of carriers to provide service between any pair or pairs of points covered by the contract, and such carrier or carriers inaugurate schedules.

"(d) A copy of each contract entered into under this section shall be on file and open to inspection in the administrative offices of the Authority and the Civil Aeronautics Board.

"Subchapter IV.—Transportation of Mail by Vessel

"§ 1676. Sea post service

"The Authority may maintain sea post service on ocean vessels conveying mail to and from the United States.

"§ 1677. Termination of contracts for foreign transportation

"Contracts for the transportation of mail by vessel between the United States and a foreign port shall be made subject to cancellation by the Authority or the Congress.

"§ 1678. Transportation of mail by vessel as freight or express

"The Authority may require that mail be transported by freight or express when

"(1) there is no competition on a water route and the rate or compensation asked is excessive; or

"(2) no proposal is received.

A common carrier by water that refuses to transport the mail when required to do so under this section shall be fined not more than $500 for each day of refusal.

"§ 1679. Fines on ocean carriers

"The Authority may impose or limit fines on carriers transporting mail by vessel on routes extending beyond the borders of the United States for—

"(1) unreasonable or unnecessary delay to the mail; and

"(2) other delinquencies in the transportation of mail.

"§ 1680. Contracts for transportation of mail by vessel

"The Authority may contract for the transportation of mail by vessel without advertising for bids for periods not in excess of four years.

"Chapter 18.—MISCELLANEOUS

"Sec.
"1801. No postal material or supplies manufactured by convict labor.
"1802. Uniforms and badges.
"1803. Special delivery messengers as employees or carriers.
"1804. Collection of debts.
"1805. Transportation of international mail by air carriers of the United States.
"1806. Penalties and forfeitures imposed for violations.
"1807. Delivery of stolen money to owner.
"1808. Substitute checks.
"1809. Filing of information relating to publication of the second class.
"1810. Printing of illustrations of United States postage stamps.

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"§ *1801. No postal material or supplies manufactured by convict labor*

"Except as provided in chapter 307 of title 18, the Authority may not make a contract for the purchase of equipment or supplies to be manufactured by convict labor.

"§ *1802. Uniforms and badges*

"The Authority may prescribe a uniform dress to be worn by letter carriers and other designated employees.

"§ *1803. Special delivery messengers as employees or carriers*

"(a) A person temporarily employed to deliver special delivery mail is deemed an employee of the Authority, and is subject to the provisions of chapter 83 of title 18 to the same extent as other employees of the Authority.

"(b) Any person, when engaged in carrying special delivery mail under contract with the Authority, or employed by the Authority, is deemed a carrier or person entrusted with the mail and having custody thereof, within the meaning of sections 1701, 1708, and 2114 of title 18.

"§ *1804. Collection of debts*

"(a) The Authority shall—

"(1) collect debts due the Authority; and

"(2) collect and remit fines, penalties, and forfeitures arising out of matters affecting the Authority.

The Authority may refer any debt, which is uncollectible

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through administrative action, to the General Accounting Office for collection. This subsection does not affect the authority of the Attorney General in cases in which the judicial proceedings are instituted.

"(b) In all cases of disability or alleged liability to the Authority, by way of damages or otherwise, for any sum of money due the United States through accountability for public moneys, or otherwise, under any provision of law, the Authority shall determine whether its interests require the exercise of its powers over the same. Upon such determination the Authority, on such terms as it deems just and expedient, may—

"(1) remove the disability; or

"(2) compromise, release, or discharge the claim for such sum of money and damages.

"§ 1805. Transportation of international mail by air carriers of the United States

"(a) The Authority may offset against any balances due another country resulting from the transaction of international money order business, or otherwise, amounts due from that country to the United States, or to the United States for the account of air carriers of the United States transporting mail of that country, when—

"(1) the Authority puts into effect rates of compen-

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sation to be charged another country for transportation; and

"(2) the United States is required to collect from another country the amounts owed for transportation for the account of the air carriers.

"(b) When the Authority has proceeded under the authority of subsection (a), it shall—

"(1) give appropriate credit to the country involved;

"(2) pay to the air carrier the portion of the amount so credited which is owed to the air carrier for its services in transporting the mail of the other country; and

"(3) deposit in the Fund that portion of the amount so credited which is due the United States on its own account.

"(c) The Authority, from time to time, may advance to an air carrier, out of funds available for payment of balances due other countries, the amounts determined by it to be due from another country to an air carrier for the transportation of its mails when—

"(1) collections are to be made by the United States for the account of air carriers; and

"(2) the Authority determines that the balance of funds available is such that the advances may be made therefrom.

Collection from another country of the amount so advanced shall be made by offset, or otherwise, and the fund from which the advance is made shall be reimbursed by the collections made by the United States.

"(d) If the United States is unable to collect from the debtor country an amount paid or advanced to an air carrier within twelve months after payment or advance has been made, the United States may deduct the uncollected amount from any sums owed by it to the air carrier.

"(e) The Authority shall adopt such accounting procedures as may be necessary to conform to and effect the purposes of this section.

"§ 1806. Penalties and forfeitures imposed for violations

"Unless a different disposal is expressly prescribed, one-half of all penalties and forfeitures imposed for violations of law affecting the Authority, its revenues or property, shall be paid to the person informing and prosecuting for the same. The other one-half shall be paid into the postal revenues.

"§ 1807. Delivery of stolen money to owner

"When the Authority is satisfied that money or property in the possession of the Postal Service represents money or property stolen from the mails, or the proceeds thereof, it may deliver it to the person it finds to be the rightful owner.

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"§ *1808. Substitute checks*

"*(a) The Authority may authorize the issuance of a substitute check for a lost, stolen or destroyed check of the Postal Service. Substitute checks shall—*

"*(1) be marked 'duplicate'; and*

"*(2) show the number, date, and payee of the original.*

"*(b) The Authority may authorize the issuance of the substitute check (1) upon the execution of a bond agreeable to the Authority by the owner, or (2) without bond, upon affidavit of the payee or owner of the original check when the Authority is satisfied that the loss, theft, or destruction occurred without the fault of the owner or holder or while the check was in the custody or control of the Authority or in the mails.*

"*(c) Subsections (a), (b), (c), and (d) of section 528 of title 31 do not apply to checks of the Authority.*

"§ *1809. Filing of information relating to publications of the second class*

"*(a) Each owner of a publication having second-class mail privileges shall furnish to the Authority at least once a year, and shall publish in such publication once a year, information in such form and detail and at such time as the Authority may require respecting—*

"*(1) the identity of the editor, managing editor, publishers, and owners;*

"*(2) the identity of the corporation and stockholders thereof, if the publication is owned by a corporation;*

"*(3) the identity of known bondholders, mortgagees, and other security holders;*

"*(4) the extent and nature of the circulation of the publication, including, but not limited to, the number of copies distributed, the methods of distribution, and the extent to which such circulation is paid in whole or in part; and*

"*(5) such other information as the Authority may deem necessary to determine whether the publication meets the standards for second-class mail privileges. The Authority shall not require the names of persons owning less than 1 per centum of the total amount of stocks bonds, mortgages, or other securities.*

"*(b) Each publication having second-class mail privileges shall furnish to the Postal Service information in such form and detail, and at such times, as it requires to determine whether the publication continues to qualify thereunder. In addition, the Authority may require each publication which has second-class mail privileges to furnish information, in*

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such form and detail and at such times as it may require, to determine whether the publication continues to qualify thereunder.

"(c) The Authority shall make appropriate rules and regulations to carry out the purposes of this section, including provision for suspension or revocation of second-class mail privileges for failure to furnish the required information.

"§ 1810. Printing of illustrations of United States postage stamps

"(a) When requested by the Authority, the Public Printer shall print as a public document for sale by the Superintendent of Documents, illustrations of postage stamps of the United States, together with such descriptive, historical, and philatelic information with regard to the stamps as the Authority deems suitable.

"(b) Notwithstanding the provisions of section 505 of title 44, stereotype or electrotype plates, or duplicates thereof, used in the publications authorized to be printed by this section may not be sold or otherwise disposed of.".

LEGISLATIVE CONSTRUCTION

SEC. 103. An inference of a legislative construction is not to be drawn by reason of the chapter in title 39, United States Code, as set out in section 102 of this Act in which a section is placed nor by reason of the caption or catch line.

CROSS REFERENCE

SEC. 104. Whenever reference is made in another law to a law or part of law which was contained in title 39, United States Code, as it existed prior to the effective date of this section, it shall be considered to mean the appropriate section of title 39, United States Code, as revised by section 102 of this Act unless no such section is included therein, and whenever reference is made in any other law to the Postmaster General or Post Office Department, the reference shall be considered to mean the United States Postal Service Authority established by this Act.

EFFECT OF REPEAL OF LAWS

SEC. 105. Provisions of title 39, United States Code, in effect immediately prior to the effective date of this section, but not reenacted by this Act, shall remain in force as bylaws or regulations of the United States Postal Service Authority, to the extent it is authorized to adopt such provision as bylaws or regulations, until they are revoked, amended or revised by the United States Postal Service Authority.

OUTSTANDING ORDERS, RULES, AND REGULATIONS

SEC. 106. Orders, rules, and regulations in effect under provisions of law repealed, superseded or amended by this title shall, to the extent they would have been authorized under this title, remain in force and effect as the regulations and orders under the provisions of this title and shall be admin-

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istered and enforced under this title as nearly as may be until specifically repealed, amended or revised by the United States Postal Service Authority.

PRIVATE EXPRESS

SEC. 107. The Congress finds that the restrictions on the private carriage of letters and packets contained in chapter 14 of title 39, United States Code and sections 1694–1696 of title 18, United States Code, are generally in the public interest, but that these sections need further study and evaluation in the light of changes in modern communications. The Executive Council of the United States Postal Service Authority shall submit to the President and the Congress within two years of the enactment of this Act a report and recommendation for the modernization of these provisions of law. In preparing this report the Council is authorized to cause the rate commissioners to conduct a rulemaking proceeding on the topic and to render an opinion to the Council on whatever topics the Council deems appropriate.

AMENDMENTS TO TITLE 18, UNITED STATES CODE

SEC. 108. Title 18, United States Code, is amended—

(1) by changing section 12 thereof to read as follows:

"§ 12. Postal service defined

"The term 'Postal Service' and the term 'United States Postal Service', as used in this title, means the 'United States

Postal Service Authority' established by section 202 of title 39 and every employee thereof, whether or not he has taken the oath of office.";

(2) by striking out "Post Office Department" in section 441 and inserting in lieu thereof "United States Postal Service Authority";

(3) by amending the first two paragraphs of section 500 thereof to read as follows:

"Whoever, with intent to defraud, falsely makes, forges, counterfeits, engraves, or prints any order in imitation of or purporting to be a money order issued by the Post Office Department, or by the United States Postal Service, or by any postmaster or agent thereof; or

"Whoever forges or counterfeits the signature of any postmaster, assistant postmaster, chief clerk, or clerk, upon or to any money order, or postal note, or blank therefor provided or issued by or under the direction of the Post Office Department of the United States, or of the United States Postal Service, or of any foreign country, and payable in the United States, or any material signature or indorsement thereon, or any material signature to any receipt or certificate of identification thereof; or";

(4) by amending the last three paragraphs of section 501 thereof to read as follows:

"Whoever makes or prints, or authorizes to be made or

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printed, any postage stamp, stamped envelope, or postal card, of the kind authorized and provided by the Post Office Department, or by the United States Postal Service without the special authority and direction of said department or office; or

"Whoever after such postage stamp, stamped envelope, or postal card has been printed, with intent to defraud, delivers the same to any person not authorized by an instrument in writing, duly executed under the hand of the Postmaster General or the Director General of the United States Postal Service and the seal of the Post Office Department or the United States Postal Service, to receive it—

"Shall be fined not more than $500 or imprisoned not more than 5 years, or both.";

(5) by striking out "Post Office Department" in section 612, and inserting in lieu thereof "United States Postal Service";

(6) by striking out "Post Office Department" in section 876, wherever appearing therein and inserting in lieu thereof "United States Postal Service";

(7) by striking out "Post Office Department of the United States" wherever appearing in section 877, and inserting in lieu thereof "United States Postal Service Authority";

(8) by striking out "any postal inspector, any postmaster, officer, or employee in the field service of the Post Office Department," in section 1114, and inserting in lieu thereof "any postal inspector, any postmaster, officer, or employee in the field service of the United States Postal Service Authority";

(9) by striking out "Post Office Department" in section 1341, and inserting in lieu thereof "United States Postal Service Authority";

(10) by striking out "Post Office Department of the United States" in section 1342, and inserting in lieu thereof "United States Postal Service Authority";

(11) by striking out "Postmaster General" in section 1463 and inserting in lieu thereof "Executive Council of the United States Postal Service Authority";

(12) by striking out "section 500 of title 39" in section 1696 and inserting in lieu thereof "section 1401 of title 39";

(13) by striking out "Postmaster General" wherever appearing in section 1699 and inserting in lieu thereof "Director General of the United States Postal Service Authority";

(14) by amending subsection (a) of section 1703 thereof to read as follows:

"(a) Whoever, being a postmaster or Postal Service employee, unlawfully detains, delays, or opens any letter,

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postal card, package, bag or mail entrusted to him or which shall come into his possession, and which was intended to be conveyed by mail, or carried or delivered by any carrier or other employee of the Postal Service, or forwarded through or delivered from any post office or station thereof established by authority of the Postmaster General or the Executive Council of the United States Postal Service; or secretes, or destroys any such letter, postal card, package, bag, or mail, shall be fined not more than $500 or imprisoned not more than five years, or both.";

"(15) by amending section 1704 thereof to read as follows:

"§ 1704. Keys or locks stolen or reproduced

"Whoever steals, purloins, embezzles, or obtains by false pretense any key suited to any lock adopted by the Post Office Department or the United States Postal Service and in use on any of the mails or bags thereof, or any key to any lock box, lock drawer, or other authorized receptacle for the deposit or delivery of mail matter; or

"Whoever knowingly and unlawfully makes, forges, or counterfeits any such key, or possesses any such mail lock or key with the intent unlawfully or improperly to use, sell, or otherwise dispose of the same, or to cause the same to be unlawfully or improperly used, sold, or otherwise disposed of; or

"Whoever, being engaged as a contractor or otherwise in the manufacture of any such mail lock or key, delivers any finished or unfinished lock or the interior part thereof or key, used or designed for use by the Post Office Department or the United States Postal Service to any person not duly authorized under the hand of the Postmaster General or the Director General of the United States Postal Service and the seal of the Post Office Department or the United States Postal Service, to receive the same, unless the person receiving it is the contractor for furnishing the same or engaged in the manufacture thereof in the manner authorized by the contract, or the agent of such manufacturer—

"Shall be fined not more than $500 or imprisoned not more than ten years or both.":

(16) by amending section 1709 thereof to read as follows:

"§ 1709. Theft of mail matter by postmaster or employee

"Whoever, being a postmaster or Postal Service employee, embezzles any letter, postal card, package, bag, or mail or any article or thing contained therein entrusted to him or which comes into his possession intended to be conveyed by mail, or carried or delivered by any carrier, messenger, agent, or other person employed in any department of the Postal Service, or forwarded through or delivered from any post office or station thereof established by authority of

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the Postmaster General or the Executive Council of the United States Postal Service; or steals, abstracts, or removes from any such letter, package, bag, or mail, any article or thing contained therein, shall be fined not more than $2,000 or imprisoned not more than five years, or both.":

(17) by striking out "Post Office Department" in section 1711, and inserting in lieu thereof "United States Postal Service Authority";

(18) by striking out "Postmaster General" wherever appearing in section 1711, and inserting in lieu thereof "Executive Council of the United States Postal Service";

(19) by striking out "Post Office Department" in section 1712 and inserting in lieu thereof "United States Postal Service Authority";

(20) by striking out "Postmaster General" wherever appearing in section 1715 and inserting in lieu thereof "Executive Council of the United States Postal Service Authority";

(21)(A) by amending the second, third, and fourth paragraphs of section 1716 thereof to read as follows:

"The Executive Council of the United States Postal Service may permit the transmission in the mails, under such rules and regulations as it shall prescribe as to preparation and packing, of any such articles which are not outwardly or

of their own force, dangerous or injurious to life, health, or property.

"The Executive Council of the United States Postal Service is authorized and directed to permit the transmission in the mails, under regulations to be prescribed by it, of live scorpions, which are to be used for purposes of medical research or for the manufacture of antivenom. Such regulations shall include such provisions with respect to the packaging of such live scorpions for transmission in the mails as the Executive Council of the United States Postal Service deems necessary or desirable for the protection of United States Postal Service personnel and of the public generally and for ease of handling by such personnel and by any individual connected with such research or manufacture. Nothing contained in this paragraph shall be construed to authorize the transmission in the mails of live scorpions by means of aircraft engaged in the carriage of passengers for compensation or hire.

"The transmission in the mails of poisonous drugs and medicines may be limited by the Executive Council of the United States Postal Service to shipment of such articles from the manufacturer thereof or dealer therein to licensed physicians, surgeons, dentists, pharmacists, druggists, cosmetologists, barbers, and veterinarians under such rules and regulations as it shall prescribe.";

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mander of such steamship or vessel to accept the mail, when tendered by the Executive Council of the United States Postal Service Authority or its representative, the collector or other officer of the port empowered to grant clearance, on notice of the refusal aforesaid, shall withhold clearance until the collector or other officer of the port is informed by the Executive Council of the United States Postal Service Authority or its representative that the master or commander of the steamship or vessel has accepted the mail or that conveyance by his steamship or vessel is no longer required by the Executive Council of the United States Postal Service Authority.";

(27) by striking out "Postmaster General" in section 1725 and inserting in lieu thereof "Executive Council of the United States Postal Service Authority";

(28) by striking out "Postmaster General" in section 1729 and inserting in lieu thereof "Executive Council of the United States Postal Service Authority";

(29) by striking out "Postmaster General" in section 1730 and inserting in lieu thereof "Executive Council of the United States Postal Service Authority";

(30)(A) by amending section 1733 to read as follows:

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"§ *1733. Mailing periodical publications without prepayment of postage*

"Whoever, except as permitted by law, knowingly mails any periodical publication without the payment of postage, or being a postmaster or postal official knowingly permits any periodical publication to be mailed without prepayment of postage, shall be fined not more than $1,000, or imprisoned not more than one year, or both.";

(B) by amending the table of contents of chapter 83 by striking out—

"1733. Affidavits relating to second-class mail."

and inserting in lieu thereof—

"1733. Mailing periodical publications without prepayment of postage.";

and

(31) by striking out in section 3061, "Postmaster General" and inserting in lieu thereof "Executive Council of the United States Postal Service Authority".

MISCELLANEOUS AMENDMENTS

SEC. 109. (a) Section 225(f) of the Act of December 16, 1967 (81 Stat. 643; 2 U.S.C. 356) is amended (1) by striking out the word "and" at the end of paragraph (c), (2) by striking out the period at the end of paragraph (D)(2) and inserting in lieu thereof the word "and", and (3) by adding following paragraph (D) a new paragraph (E) as follows:

"(E) the presidentially appointed Councilors of the United States Postal Service Authority referred to in section 203 of title 39, United States Code.".

(b) Section 1 of the Act of June 25, 1948 (62 Stat. 672), as amended (3 U.S.C. 19), is further amended by striking out "Postmaster General" where it appears in subsection (d)(1).

(c) Section 101 of title 5, United States Code, as amended, is further amended by striking out "The Post Office Department".

(d)(1) Paragraph seventh of section 5136 of the Revised Statutes, amended (12 U.S.C. 24 seventh), is further amended by inserting "or by the United States Postal Service Authority" after "nor to bonds, notes, and other obligations issued by the Tennessee Valley Authority".

(2) Section 602(c) of the Act of August 7, 1956 (70 Stat. 1113), as amended (12 U.S.C. 1701d-3(c)) is amended by striking out "section 306 of the Penalty Mail Act of 1948 (39 U.S.C. 321n)" and inserting in lieu thereof "section 654 of title 39, United States Code".

(3) Section 301(a) of the Housing Act of 1948 (63 Stat. 431), as amended (12 U.S.C. 1701e(a)) is amended by striking out "39 United States Code 321n" and inserting in lieu thereof "39 United States Code 654".

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(e) Section 8(b) of the Small Business Act, as amended by section 107 of the Act of October 11, 1967 (81 Stat. 269; 15 U.S.C. 637(b)(15)), is further amended by striking out "section 4154 of title 39, United States Code" which appears in paragraph 15 and inserting in lieu thereof "section 654 of title 39, United States Code".

(f) Section 2(f) of the Act of May 28, 1963 (77 Stat. 50; 16 U.S.C. 460 l–1(f)), is amended by striking out "section 4154, title 39, United States Code", and inserting in lieu thereof "section 654, title 39, United States Code".

(g) Section 8 of title 17, United States Code, is amended—

(1) by striking out "Postmaster General" and inserting in lieu thereof "United States Postal Service Authority"; and

(2) by striking out "section 2506 of title 39" and inserting in lieu thereof "section 1810 of title 39".

(h) Section 1(d) of the Act of June 8, 1938 (52 Stat. 631), as amended (56 Stat. 250; 22 U.S.C. 611(d)), is further amended by striking out "file with the Postmaster General a sworn statement in compliance with section 2 of the Act of August 24, 1912 (37 Stat. 553), as amended", and inserting in lieu thereof, "file with the United States

Postal Service Authority information in compliance with section 1809 of title 39, United States Code".

(i)(1) Section 2341(3) of title 28, United States Code, is amended by striking out paragraphs (B) and (C) and inserting in lieu thereof the following:

"(B) the Secretary when the order was entered by the Secretary of Agriculture;

"(C) the Administration, when the order was entered by the Maritime Commission; and

"(D) the United States Postal Service Authority when the order was a decision rendered by the United States Postal Service Authority.".

(2) Section 2342 of title 28, United States Code, is amended by striking out subsections (3) and (4) and inserting in lieu thereof:

"(3) such final orders of the Federal Maritime Commission or the Maritime Administration entered under chapters 23 and 23A of title 46 as are subject to judicial review under section 830 of title 46;

"(4) all final orders of the Atomic Energy Commission made reviewable by section 2239 of title 42; and

"(5) all final decisions of the United States Postal Service Authority made reviewable by section 1257 of title 39.".

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(j) Section 2 of the National Labor Relations Act, as amended by section 2 of the Labor-Management Relations Act, 1947 (61 Stat. 137; 29 U.S.C. 152), is further amended by inserting after "wholly owned government corporation" in item (2) "other than the United States Postal Service Authority,".

(k)(1) The sixth subdivision of section 7 of the Act of July 31, 1894, and the second proviso of section 10 of the Act of August 24, 1912 (37 Stat. 559; 31 U.S.C. 72 Fifth), are repealed.

(2) Section 1 of the Act of March 6, 1946 (60 Stat. 31), as amended (31 U.S.C. 129), is further amended by inserting after "Postmaster General," the following: "the United States Postal Service Authority,".

(3) Section 1302 of the Act of July 27, 1956, as amended (31 U.S.C. 724a), is further amended by adding the following sentence thereto: "Notwithstanding the other provisions of this section judgments against the United States arising out of activities of the United States Postal Service Authority shall be paid by the United States Postal Service Authority out of any funds available to it.".

(4) Section 101 of the Government Corporation Control Act, 59 Stat. 597, is amended (31 U.S.C. 846) is further amended by inserting "United States Postal Service Authority" after "Tennessee Valley Authority;".

(5) Section 104 of the Government Corporation Control Act (59 Stat. 598), as amended (31 U.S.C. 849) is further amended by inserting "or the provisions of section 1003 of title 39" after "section 26 of the Tennessee Valley Authority Act, as amended.".

(6) Section 1 of the Act of September 30, 1890 (26 Stat. 511; 31 U.S.C. 1028) is hereby repealed.

(l)(1) Section 5 of the Act of March 4, 1913 (37 Stat. 879; 40 U.S.C. 264 is hereby repealed.

(2) Section 411(f) of the Public Buildings Act of 1949, as amended (68 Stat. 520; 40 U.S.C. 356(f)) is further amended by striking out in the third proviso "section 205 of the Post Office Department Property Act of 1954" and inserting in lieu thereof "section 1003 of title 39, United States Code".

(3) Item (15) of section 602(d) of the Act of June 30, 1949 (63 Stat. 401), as amended (40 U.S.C. 474(15)) is further amended to read as follows:

"(15) The United States Postal Service Authority";

(4) Section 16 of the Act of September 9, 1959 (73 Stat. 483; 40 U.S.C. 615) is amended to read as follows:

"SEC. 16. Nothing in this Act shall be construed to limit or repeal—

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"(1) existing authorizations for the leasing of buildings by and for the General Services Administration, or

"(2) the authority conferred by law on the United States Postal Service Authority.".

(5) The third proviso of section 3 of the Act of August 10, 1939 (50 Stat. 479), as amended (40 U.S.C. 723) is further amended by striking out "insofar as such loss, destruction, or damage may be adjusted by the Postmaster General under the provisions of the Act of March 17, 1882, as amended (U.S.C. 1934 edition, title 39, sec. 49)", and inserting in lieu thereof the following: "insofar as such loss, destruction or damage relates to property of the United States Postal Service Authority chargeable to its officers or employees.".

(6) Section 3a of the Government Losses in Shipment Act as added by section 2 of the Act of August 10, 1939 (53 Stat. 1358; 40 U.S.C. 724), is amended (A) by striking out the colon immediately preceding the proviso and inserting a period in lieu thereof; and (B) by striking out the proviso.

(m) Section 602(i) of the Act of August 20, 1964 (78 Stat. 529; 42 U.S.C. 2942(i)), is amended by striking out "section 4154 of title 39, United States Code" and inserting in lieu thereof "section 654 of title 39, United States Code".

(n) Section 405(i) of the Act of August 23, 1958 (72 Stat. 762; 49 U.S.C. 1375(i)), is hereby repealed.

SEPARABILITY OF PROVISIONS

SEC. 110. If a part of title 39, United States Code, as revised by section 102 of this Act is held invalid, the remainder of the title shall not be affected thereby; and if any other part of this Act is held to be invalid the remainder of the Act shall not be affected thereby.

TRANSITIONAL COLLECTIVE BARGAINING AGREEMENTS

SEC. 111. (a) On or before October 1, 1970 the Post Office Department and the designated collective bargaining representatives of its employees shall commence negotiations on the procedures to be followed in collective bargaining over the terms of the first group of agreements referred to in section 808 of title 39, United States Code. Such collective bargaining shall begin not later than ten days following delivery of a written request therefor by a recognized bargaining agent to the Authority, or by the Authority to a recognized bargaining agent: Provided, however, That no such request shall be delivered prior to the date on which the Authority commences operations pursuant to section 202 of title 39, United States Code. Should an increase in the compensation of the employees subject to the General Schedule contained in section 5332(a) of title 5, United States Code,

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symbol shall be 'PFS'. Except as provided in sections 3543 and 3544 of this title, basic compensation shall be paid to all employees in accordance with such schedule.

"POSTAL FIELD SERVICE SCHEDULE

"[Effective on the 1st day of the 1st pay period beginning on or after Jan. 1, 1970]

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1	$4,824	$4,975	$5,126	$5,277	$5,428	$5,579	$5,730	$5,881	$6,032	$6,183	$6,334	$6,485
2	5,215	5,378	5,541	5,704	5,867	60,30	6,193	6,356	6,519	6,682	6,845	7,008
3	5,638	5,814	5,990	6,166	6,342	6,518	6,694	6,870	7,046	7,222	7,398	7,574
4	6,095	6,285	6,475	6,665	6,855	7,045	7,235	7,425	7,615	7,805	7,995	8,185
5	6,588	6,794	7,000	7,206	7,412	7,618	7,824	8,030	8,236	8,442	8,648	8,854
6	7,121	7,344	7,567	7,790	8,013	8,236	8,459	8,682	8,905	9,128	9,351	9,574
7	7,216	7,457	7,698	7,939	8,180	8,421	8,662	8,903	9,114	9,385	9,626	9,867
8	7,802	8,062	8,322	8,582	8,842	9,102	9,362	9,622	9,882	10,142	10,402	----
9	8,434	8,715	8,996	9,277	9,558	9,839	10,120	10,401	10,682	10,963	----	----
10	9,101	9,404	9,707	10,010	10,313	10,616	10,919	11,222	11,525	11,828	----	----
11	10,110	10,447	10,784	11,121	11,458	11,795	12,132	12,469	12,806	13,143	----	----
12	11,253	11,607	11,981	12,355	12,729	13,103	13,477	13,851	14,225	14,599	----	----
13	12,478	12,894	13,310	13,726	14,142	14,558	4,974	15,390	15,806	16,222	----	----
14	13,864	14,326	14,788	15,250	15,712	16,174	16,636	17,098	17,560	18,022	----	----
15	15,404	15,917	16,430	16,943	17,456	17,969	18,482	18,995	19,508	20,021	----	----
16	17,114	17,684	18,254	18,824	19,394	19,964	20,534	21,104	21,674	22,244	----	----
17	19,011	19,645	20,279	20,913	21,547	22,181	22,815	23,449	24,083	24,717	----	----
18	21,122	21,826	22,530	23,234	23,938	24,642	25,346	26,050	26,754	27,458	----	----
19	23,467	24,249	25,031	25,813	26,595	27,377	28,159	28,941	29,723	30,505	----	----
20	2,6071	26,940	27,809	28,678	29,547	30,416	31,285	32,154	----	----	----	----
21	28,976	29,942	30,908	31,874	32,840	----	----	----	----	----	----	----

(b) Section 3543(a) of title 39, United States Code, is amended to read as follows:

"(a) There is established a basic compensation schedule which shall be known as the Rural Carrier Schedule and for which the symbol shall be RCS. Compensation shall be paid to rural carriers in accordance with such schedule.

"RURAL CARRIER SCHEDULE

"[Effective on the 1st day of the 1st pay period beginning on or after Jan. 1, 1970]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation	$3,018	3,164	3,310	3,456	3,602	3,748	3,894	4,040	4,186	4,332	4,478	4,624
For each mile up to 30	109	111	113	115	117	119	121	123	125	127	129	131
For each mile over 30	25	25	25	25	25	25	25	25	25	25	25	25".

SEC. 202. (a) The basic compensation of each officer and employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of this section shall be determined as follows:

(1) Each employee shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date.

(2) If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this Act, such changes shall be deemed to have occurred prior to conversion.

(3) If the employee is receiving basic compensation immediately prior to such effective date at a rate between two steps of a grade in either such schedule, whichever is applicable, he shall receive a rate of basic compensation at the higher of the two corresponding steps in effect on and after such date.

(4) If the employee is receiving basic compensation immediately prior to such effective date at a rate in excess of the maximum rate for his grade, he shall receive his existing rate of basic compensation increased by the amount of increase made by this section in the maximum rate for his grade.

(b) Retroactive compensation shall be paid by reason of this title only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this

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title, except that such retroactive compensation shall be paid—

(1) to an employee who retired, during the period beginning on the first day of the first pay period which began on or after January 1, 1970, and ending on the date of enactment of this title, for services rendered during such period, and

(2) in accordance with subchapter VIII of chapter 55 of title 5, United States Code, relating to settlement of accounts, for services rendered, during the period beginning on the first day of the first pay period which began on or after January 1, 1970, and ending on the date of enactment of this title, by an employee who died during such period.

Such retroactive compensation shall not be considered as basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement in the case of any such retired or deceased employee.

SEC. 203. Sections 201 and 202 of this Act shall become effective on the first day of the first pay period beginning on or after January 1, 1970.

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Union Calendar No. 456

91ST CONGRESS
2D SESSION

H. R. 4

[Report No. 91–988]

A BILL

To modernize the United States postal establishment, to provide for efficient and economical postal service to the public, to improve postal employee-management relations, and for other purposes.

By Mr. DULSKI

JANUARY 3, 1969

Referred to the Committee on Post Office and Civil Service

APRIL 8, 1970

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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