

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 210

To provide for the privatization of the United States Postal Service.

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IN THE HOUSE OF REPRESENTATIVES

JANUARY 4, 1995

Mr. CRANE introduced the following bill; which was referred to the Committee on Government Reform and Oversight

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## A BILL

To provide for the privatization of the United States Postal Service.

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

3 **SECTION 1. TRANSFER TO A PRIVATE CORPORATION.**

4 (a) IN GENERAL.—In accordance with the plan pre-  
5 scribed under section 3, all right, title, and interest of the  
6 United States in and to all property of the Postal Service  
7 shall be transferred to a corporation if, within 1 year after  
8 the date of the enactment of this Act, such corporation  
9 satisfies the requirements set forth in section 2.

10 (b) SPECIFIC REQUIREMENT.—The plan prescribed  
11 under section 3 shall include such provisions as may be

1 necessary to ensure that no payment shall be required in  
2 consideration for any rights or assets of the Postal Service  
3 which are transferred pursuant to this Act.

4 **SEC. 2. REQUIREMENTS FOR THE CORPORATION.**

5 (a) IN GENERAL.—A corporation shall be considered  
6 to satisfy the requirements of this section if such corpora-  
7 tion—

8 (1) is incorporated under the laws of a State;

9 (2) is not a department, agency, or establish-  
10 ment of the United States;

11 (3) is incorporated by not more than 9 individ-  
12 uals who are especially qualified to establish and op-  
13 erate an effective mail system by virtue of their edu-  
14 cation, training, or experience, and who are chosen  
15 by the employees of the Postal Service in an election  
16 which shall be held at such time and in such manner  
17 as the President shall by regulation prescribe;

18 (4) includes among its purposes the delivery of  
19 postal services in a manner consistent with section  
20 101(b) of title 39, United States Code, at rates es-  
21 tablished in a manner consistent with section 101(d)  
22 of such title;

23 (5) issues securities in a manner consistent  
24 with subsection (b); and

1           (6) satisfies such other requirements as the  
2           President may by regulation prescribe in order to  
3           carry out the purposes of this Act.

4           (b) SECURITIES.—Any securities issued by the corpo-  
5           ration—

6           (1) shall, during the 1-year period beginning on  
7           the date of the enactment of this Act, be issued—

8           (A) only to employees of the Postal Serv-  
9           ice;

10           (B) under a system (as developed under  
11           section 4) which provides that securities shall  
12           be issued to individuals based on their years of  
13           service and levels of compensation; and

14           (C) subject to such terms and conditions,  
15           including terms and conditions relating to the  
16           sale, transfer, or other disposition of such secu-  
17           rities following their issuance by the corpora-  
18           tion, as may be necessary to promote the reten-  
19           tion of well-qualified personnel; and

20           (2) may, after the end of that period, be offered  
21           for sale to members of the general public under such  
22           terms and conditions as the corporation considers  
23           appropriate.

24           (c) RETIREMENT BENEFITS.—Retirement benefits  
25           provided to employees of the corporation must be com-

1 parable to those which would have been afforded to those  
2 individuals as employees of the Postal Service had this  
3 Act not been enacted.

4 **SEC. 3. TRANSFER PLAN; PRESIDENTIAL DETERMINATION;**  
5 **RATE-SETTING AUTHORITY.**

6 (a) TRANSFER PLAN.—Not later than the sixtieth  
7 day after the date on which a corporation first satisfies  
8 the requirements of section 2, as determined under sub-  
9 section (b), the President shall, in conformance with the  
10 requirements of section 1, and after consultation with the  
11 commission under section 4, transmit to Congress—

12 (1) a comprehensive plan providing for the or-  
13 derly transfer of all property subject to this Act, in-  
14 cluding a timetable under which such transfer is  
15 completed not later than 180 days after the date on  
16 which such corporation first satisfies such require-  
17 ments; and

18 (2) such recommendations for legislation as the  
19 President considers necessary in order to carry out  
20 the plan described in paragraph (1), including  
21 recommendations—

22 (A) for the abolishment of the Postal Serv-  
23 ice;

1 (B) for the continuation of the private ex-  
2 press statutes with respect to the corporation  
3 during the first 5 years of its existence; and

4 (C) for the repeal or modification of appro-  
5 priate Federal statutes.

6 (b) **PRESIDENTIAL DETERMINATION.**—The Presi-  
7 dent shall, for purposes of this section, determine the date  
8 on which a corporation first satisfies the requirements of  
9 section 2.

10 (c) **RATE-SETTING AUTHORITY.**—After consulting  
11 with the Postal Rate Commission, the President shall de-  
12 velop and include as part of the recommendations submit-  
13 ted under subsection (a) proposals relating to the means  
14 by which rates of postage would be established during the  
15 5-year period referred to in subsection (a)(2)(B). Such  
16 recommendations may include continuing any operations  
17 of the Postal Rate Commission (whether on a modified  
18 basis or otherwise) which may be appropriate.

19 **SEC. 4. POSTAL PRIVATIZATION COMMISSION.**

20 (a) **ESTABLISHMENT.**—In order to carry out the  
21 functions set forth in sections 2(b)(1)(B) and 3(a), there  
22 is established a commission to be known as the “Postal  
23 Privatization Commission”.

24 (b) **MEMBERSHIP.**—The Commission shall consist of  
25 12 members, to be selected by the President, of whom—

1           (1) 3 shall be selected from among individuals  
2 recommended jointly by the Speaker of the House of  
3 Representatives and the President pro tempore of  
4 the Senate;

5           (2) 3 shall be selected to represent the interests  
6 of employees of the Postal Service;

7           (3) 3 shall be selected to represent the interests  
8 of postal management; and

9           (4) 3 shall be selected from such other postal  
10 experts as the President considers appropriate.

11 (c) COMPENSATION.—

12           (1) IN GENERAL.—Except as provided in para-  
13 graph (2), members of the Commission shall be paid  
14 at the daily equivalent of a rate, not to exceed the  
15 rate of basic pay payable for level IV of the Execu-  
16 tive Schedule, for each day (including travel time)  
17 during which they are engaged in the performance  
18 of duties of the Commission.

19           (2) EXCEPTION.—Members of the Commission  
20 who are full-time officers or employees of the United  
21 States shall receive no additional pay by reason of  
22 their service on the Commission.

23 (d) TERMINATION.—The Commission shall cease to  
24 exist as of the date on which the work of the Commission  
25 has been completed.

1 **SEC. 5. DEFINITIONS.**

2 For purposes of this Act—

3 (1) the term “Postal Service” means the United  
4 States Postal Service and the Postal Rate Commis-  
5 sion;

6 (2) the term “property”, when used with re-  
7 spect to the Postal Service, means all assets and  
8 rights, and all liabilities and obligations, of the Post-  
9 al Service; and

10 (3) the term “State” means each of the several  
11 States, the District of Columbia, and the Common-  
12 wealth of Puerto Rico.

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