

106<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 2686

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## AN ACT

To amend chapter 36 of title 39, United States Code, to modify rates relating to reduced rate mail matter, and for other purposes.

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

1 **SECTION 1. SPECIAL RATEMAKING PROVISIONS.**

2 (a) ESTABLISHMENT OF REGULAR RATES FOR MAIL  
3 CLASSES WITH CERTAIN PREFERRED SUBCLASSES.—

4 Section 3622 of title 39, United States Code, is  
5 amended—

6 (1) by redesignating subsection (c) as sub-  
7 section (d); and

8 (2) by inserting after subsection (b) the fol-  
9 lowing:

10 “(c) Regular rates for each class or subclass of mail  
11 that includes 1 or more special rate categories for mail  
12 under former section 4358 (d) or (e), 4452 (b) or (c), or  
13 4554 (b) or (c) of this title shall be established by applying  
14 the policies of this title, including the factors of section  
15 3622(b) of this title, to the costs attributable to the reg-  
16 ular rate mail in each class or subclass combined with the  
17 mail in the corresponding special rate categories author-  
18 ized by former section 4358 (d) or (e), 4452 (b) or (c),  
19 or 4554 (b) or (c) of this title.”.

20 (b) RESIDUAL RULE FOR PREFERRED PERIODICAL  
21 MAIL.—Section 3626(a)(3)(A) of title 39, United States  
22 Code, is amended to read as follows:

23 “(3)(A) Except as provided in paragraph (4) or  
24 (5), rates of postage for a class of mail or kind of  
25 mailer under former section 4358 of this title shall  
26 be established in a manner such that the estimated

1 revenues to be received by the Postal Service from  
2 such class of mail or kind of mailer shall be equal  
3 to the sum of—

4 “(i) the estimated costs attributable to  
5 such class of mail or kind of mailer; and

6 “(ii) the product derived by multiplying the  
7 estimated costs referred to in clause (i) by the  
8 applicable percentage under subparagraph  
9 (B).”.

10 (c) SPECIAL RULE FOR NONPROFIT AND CLASSROOM  
11 PERIODICALS.—Section 3626(a)(4) of title 39, United  
12 States Code, is amended to read as follows:

13 “(4)(A) Except as specified in subparagraph  
14 (B), rates of postage for a class of mail or kind of  
15 mailer under former section 4358 (d) or (e) of this  
16 title shall be established so that postage on each  
17 mailing of such mail shall be as nearly as practicable  
18 5 percent lower than the postage for a corresponding  
19 regular-rate category mailing.

20 “(B) With respect to the postage for the adver-  
21 tising pound portion of any mail matter under  
22 former section 4358 (d) or (e) of this title, the 5-  
23 percent discount specified in subparagraph (A) shall  
24 not apply if the advertising portion exceeds 10 per-  
25 cent of the publication involved.”.

1 (d) SPECIAL RULE FOR NONPROFIT STANDARD (A)  
2 MAIL.—Section 3626(a) of title 39, United States Code,  
3 is amended by adding at the end the following:

4 “(6) The rates for mail matter under former  
5 sections 4452 (b) and (c) of this title shall be estab-  
6 lished as follows:

7 “(A) The estimated average revenue per  
8 piece to be received by the Postal Service from  
9 each subclass of mail under former sections  
10 4452 (b) and (c) of this title shall be equal, as  
11 nearly as practicable, to 60 percent of the esti-  
12 mated average revenue per piece to be received  
13 from the most closely corresponding regular-  
14 rate subclass of mail.

15 “(B) For purposes of subparagraph (A),  
16 the estimated average revenue per piece of each  
17 regular-rate subclass shall be calculated on the  
18 basis of expected volumes and mix of mail for  
19 such subclass at current rates in the test year  
20 of the proceeding.

21 “(C) Rate differentials within each sub-  
22 class of mail matter under former sections 4452  
23 (b) and (c) shall reflect the policies of this title,  
24 including the factors set forth in section  
25 3622(b) of this title.”.

1 (e) SPECIAL RULE FOR LIBRARY AND EDUCATIONAL  
2 MATTER.—Section 3626(a) of title 39, United States  
3 Code, as amended by subsection (d) of this section, is  
4 amended by adding at the end the following:

5 “(7) The rates for mail matter under former  
6 sections 4554 (b) and (c) of this title shall be estab-  
7 lished so that postage on each mailing of such mail  
8 shall be as nearly as practicable 5 percent lower  
9 than the postage for a corresponding regular-rate  
10 mailing.”.

11 **SEC. 2. TRANSITIONAL AND TECHNICAL PROVISIONS.**

12 (a) TRANSITIONAL PROVISION FOR NONPROFIT  
13 STANDARD (A) MAIL.—In any proceeding in which rates  
14 are to be established under chapter 36 of title 39, United  
15 States Code, for mail matter under former sections 4452  
16 (b) and (c) of that title, pending as of the date of enact-  
17 ment of section 1 of this Act, the estimated reduction in  
18 postal revenue from such mail matter caused by the enact-  
19 ment of section 3626(a)(6)(A) of that title, if any, shall  
20 be treated as a reasonably assignable cost of the Postal  
21 Service under section 3622(b)(3) of that title.

22 (b) TECHNICAL AMENDMENT.—Section 3626(a)(1)  
23 of title 39, United States Code, is amended by striking

1 “4454(b), or 4454(c)” and inserting “4554(b), or  
2 4554(c)”.

Passed the Senate October 6 (legislative day, September 22), 2000.

Attest:

*Secretary.*

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