

106TH CONGRESS  
2D SESSION

# S. 2686

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

---

## IN THE SENATE OF THE UNITED STATES

JUNE 7 (legislative day, JUNE 6), 2000

Mr. COCHRAN (for himself and Mr. AKAKA) introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

---

## A BILL

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,*

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

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

6       Section 3622 of title 39, United States Code, is  
7       amended—

8               (1) by redesignating subsection (c) as sub-  
9       section (d); and

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

3           “(c) Regular rates for each class or subclass of mail  
4 that includes 1 or more special rate categories for mail  
5 under former section 4358 (d) or (e), 4452 (b) or (c), or  
6 4554 (b) or (c) of this title shall be established by applying  
7 the policies of this title, including the factors of section  
8 3622(b) of this title, to the costs attributable to the reg-  
9 ular rate mail in each class or subclass combined with the  
10 mail in the corresponding special rate categories author-  
11 ized by former section 4358 (d) or (e), 4452 (b) or (c),  
12 or 4554 (b) or (c) of this title.”.

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

16           “(3)(A) Except as provided in paragraph (4) or  
17           (5), rates of postage for a class of mail or kind of  
18           mailer under former section 4358 of this title shall  
19           be established in a manner such that the estimated  
20           revenues to be received by the Postal Service from  
21           such class of mail or kind of mailer shall be equal  
22           to the sum of—

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

1           “(ii) the product derived by multiplying the  
2           estimated costs referred to in clause (i) by the  
3           applicable percentage under subparagraph  
4           (B).”.

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

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

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

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

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

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

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

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

23           (e) SPECIAL RULE FOR LIBRARY AND EDUCATIONAL  
24 MATTER.—Section 3626(a) of title 39, United States

1 Code, as amended by subsection (d) of this section, is  
2 amended by adding at the end the following:

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

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

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

20       (b) **TECHNICAL AMENDMENT.**—Section 3626(a)(1)  
21 of title 39, United States Code, is amended by striking  
22 “4454(b), or 4454(c)” and inserting “4554(b), or  
23 4554(c)”.

○