112th Congress 1st Session S.
To improve, sustain, and transform the United States Postal Service.
IN THE SENATE OF THE UNITED STATES
Mr. Lieberman (for himself, Ms. Collins, Mr. Carper, and Mr. Brown of Massachusetts) introduced the following bill; which was read twice and referred to the Committee on
A BILL
To improve, sustain, and transform 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. SHORT TITLE.

- 6 SEC. 2. TABLE OF CONTENTS.
- 7 The table of contents for this Act is as follows:
 - Sec. 1. Short title.

4

Sec. 2. Table of contents.

5 Service Act of 2011".

Sec. 3. Definitions.

This Act may be cited as the "21st Century Postal

- Sec. 101. Treatment of surplus contributions to Federal Employees Retirement System.
- Sec. 102. Additional service credit.
- Sec. 103. Medicare coverage for Postal Service Medicare eligible annuitants.
- Sec. 104. Restructuring of payments for retiree health benefits.
- Sec. 105. Postal Service Health Benefits Program.
- Sec. 106. Arbitration; labor disputes.

TITLE II—POSTAL SERVICES AND OPERATIONS

- Sec. 201. Postal facilities.
- Sec. 202. Additional Postal Service planning.
- Sec. 203. Area and district office structure.
- Sec. 204. Retail service standards.
- Sec. 205. Conversion of door delivery points.
- Sec. 206. Limitations on changes to mail delivery schedule.
- Sec. 207. Time limits for consideration of service changes.
- Sec. 208. Public procedures for significant changes to mailing specifications.
- Sec. 209. Nonpostal products and services.

TITLE III—FEDERAL EMPLOYEES' COMPENSATION ACT

- Sec. 301. Short title; references.
- Sec. 302. Federal workers compensation reforms for retirement-age employees.
- Sec. 303. Augmented compensation for dependents.
- Sec. 304. Schedule compensation payments.
- Sec. 305. Vocational rehabilitation.
- Sec. 306. Reporting requirements.
- Sec. 307. Disability management review; independent medical examinations.
- Sec. 308. Waiting period.
- Sec. 309. Election of benefits.
- Sec. 310. Sanction for noncooperation with field nurses.
- Sec. 311. Subrogation of continuation of pay.
- Sec. 312. Social Security earnings information.
- Sec. 313. Amount of compensation.
- Sec. 314. Technical and conforming amendments.
- Sec. 315. Regulations.

TITLE IV—OTHER MATTERS

- Sec. 401. Profitability plan.
- Sec. 402. Postal rates.
- Sec. 403. Cooperation with State and local governments; intra-Service agreements.
- Sec. 404. Shipping of wine and beer.
- Sec. 405. Annual report on United States mailing industry.
- Sec. 406. Use of negotiated service agreements.
- Sec. 407. Contract disputes.
- Sec. 408. Contracting provisions.

1 SEC. 3. DEFINITIONS.

2 In this Act, the following definitions shall apply:

1	(1) Commission.—The term "Commission"
2	means the Postal Regulatory Commission.
3	(2) Postal Service.—The term "Postal Serv-
4	ice" means the United States Postal Service.
5	TITLE I—POSTAL WORKFORCE
6	MATTERS
7	SEC. 101. TREATMENT OF SURPLUS CONTRIBUTIONS TO
8	FEDERAL EMPLOYEES RETIREMENT SYSTEM.
9	Section 8423(b) of title 5, United States Code, is
10	amended—
11	(1) by redesignating paragraph (5) as para-
12	graph (6); and
13	(2) by inserting after paragraph (4) the fol-
14	lowing:
15	"(5)(A) In this paragraph, the term 'surplus postal
16	contributions' means the amount by which the amount
17	computed under paragraph (1)(B) is less than zero.
18	"(B) For each fiscal year in which the amount com-
19	puted under paragraph (1)(B) is less than zero, upon re-
20	quest of the Postmaster General, the Director shall trans-
21	fer to the United States Postal Service from the Fund an
22	amount equal to the surplus postal contributions for that
23	fiscal year for use in accordance with this paragraph.
24	"(C) For each of fiscal years 2012, 2013, and 2014,
25	if the amount computed under paragraph (1)(B) is less

1	than zero, a portion of the surplus postal contributions
2	for the fiscal year shall be used by the United States Post-
3	al Service for the cost of providing to employees of the
4	United States Postal Service who voluntarily separate
5	from service before October 1, 2014—
6	"(i) voluntary separation incentive payments
7	(including payments to employees who retire under
8	section $8336(d)(2)$ or $8414(b)(1)(B)$ before October
9	1, 2014) that may not exceed the maximum amount
10	provided under section 3523(b)(3)(B) for any em-
11	ployee; and
12	"(ii) retirement service credits, as authorized
13	under section 8332(p) or 8411(m).
14	"(D) Any surplus postal contributions for a fiscal
15	year not expended under subparagraph (C) may be used
16	by the United States Postal Service for the purposes of—
17	"(i) repaying any obligation issued under sec-
18	tion 2005 of title 39; or
19	"(ii) making required payments to—
20	"(I) the Employees' Compensation Fund
21	established under section 8147;
22	"(II) the Postal Service Retiree Health
23	Benefits Fund established under section 8909a;
24	"(III) the Employees Health Benefits
25	Fund established under section 8909; or

1 "(IV) the Civil Service Retirement an

- 2 Disability Fund.".
- 3 SEC. 102. ADDITIONAL SERVICE CREDIT.
- 4 (a) CIVIL SERVICE RETIREMENT SYSTEM.—Section
- 5 8332 of title 5, United States Code, is amended by adding
- 6 at the end the following:
- 7 "(p)(1)(A) For an employee of the United States
- 8 Postal Service who is covered under this subchapter and
- 9 voluntarily separates from service before October 1, 2014,
- 10 at the direction of the United States Postal Service, the
- 11 Office shall add not more than 1 year (as specified by the
- 12 United States Postal Service) to the total creditable serv-
- 13 ice of the employee for purposes of determining entitle-
- 14 ment to and computing the amount of an annuity under
- 15 this subchapter (except for a disability annuity under sec-
- 16 tion 8337).
- 17 "(B) An employee who receives additional creditable
- 18 service under this paragraph may not receive a voluntary
- 19 separation incentive payment from the United States
- 20 Postal Service.
- 21 "(2)(A) Subject to subparagraph (B), and notwith-
- 22 standing any other provision of law, no deduction, deposit,
- 23 or contribution shall be required for service credited under
- 24 this subsection.

- 1 "(B) The actuarial present value of the additional li-
- 2 ability of the United States Postal Service to the Fund
- 3 resulting from this subsection shall be included in the
- 4 amount calculated under section 8348(h)(1)(A).".
- 5 (b) Federal Employees Retirement System.—
- 6 Section 8411 of title 5, United States Code, is amended
- 7 by adding at the end the following:
- 8 "(m)(1)(A) For an employee of the United States
- 9 Postal Service who is covered under this chapter and vol-
- 10 untarily separates from service before October 1, 2014,
- 11 at the direction of the United States Postal Service, the
- 12 Office shall add not more than 2 years (as specified by
- 13 the United States Postal Service) to the total creditable
- 14 service of the employee for purposes of determining enti-
- 15 tlement to and computing the amount of an annuity under
- 16 this chapter (except for a disability annuity under sub-
- 17 chapter V of that chapter).
- 18 "(B) An employee who receives additional creditable
- 19 service under this paragraph may not receive a voluntary
- 20 separation incentive payment from the United States
- 21 Postal Service.
- 22 "(2)(A) Subject to subparagraph (B), and notwith-
- 23 standing any other provision of law, no deduction, deposit,
- 24 or contribution shall be required for service credited under
- 25 this subsection.

1	"(B) The actuarial present value of the additional li-
2	ability of the United States Postal Service to the Fund
3	resulting from this subsection shall be included in the
4	amount calculated under section $8423(b)(1)(B)$.".
5	SEC. 103. MEDICARE COVERAGE FOR POSTAL SERVICE
6	MEDICARE ELIGIBLE ANNUITANTS.
7	(a) Federal Employees Health Benefits
8	Plans.—
9	(1) In General.—Chapter 89 of title 5, United
10	States Code, is amended by inserting after section
11	8903b the following:
12	"§ 8903c. Postal Service Medicare eligible annuitants
13	"(a) Definitions.—In this section—
14	((1) the term 'contract year' means a calendar
15	year in which health benefits plans are administered
16	under this chapter;
17	"(2) the term 'Medicare part A' means the
18	Medicare program for hospital insurance benefits
19	under part A of title XVIII of the Social Security
20	Act (42 U.S.C. 1395c et seq.);
21	"(3) the term 'Medicare part B' means the
22	Medicare program for supplementary medical insur-
23	ance benefits under part B of title XVIII of the So-
24	cial Security Act (42 U.S.C. 1395j et seq.); and

1	"(4) the term 'Postal Service Medicare eligible
2	annuitant' means an individual who—
3	"(A) is an annuitant covered under this
4	chapter whose Government contribution is paid
5	by the Postal Service under section 8906(g)(2);
6	and
7	"(B) is eligible to enroll in Medicare part
8	A and Medicare part B.
9	"(b) Requirement of Medicare Enrollment.—
10	"(1) Postal service medicare eligible an-
11	NUITANTS.—
12	"(A) Immediate application.—An indi-
13	vidual who is a Postal Service Medicare eligible
14	annuitant on the date of enactment of the 21st
15	Century Postal Service Act of 2011 may not
16	continue coverage under this chapter, unless
17	that individual enrolls in Medicare part A and
18	Medicare part B during the special enrollment
19	period established under section 1837(m) of the
20	Social Security Act.
21	"(B) Prospective application.—An in-
22	dividual who becomes a Postal Service Medicare
23	eligible annuitant after the date of enactment of
24	the 21st Century Postal Service Act of 2011
25	may not continue coverage under this chapter,

1	unless after becoming eligible for Medicare part
2	A and Medicare part B that individual enrolls
3	in Medicare part A and Medicare part B during
4	the applicable initial enrollment period under
5	section 1837 of the Social Security Act (42
6	U.S.C. 1395p).
7	"(2) Family members of postal service
8	MEDICARE ELIGIBLE ANNUITANTS.—
9	"(A) Family member is medicare eligi-
10	BLE.—An individual who, on the date of enact-
11	ment of the 21st Century Postal Service Act of
12	2011, is a Postal Service Medicare eligible an-
13	nuitant, is enrolled in self and family coverage
14	under this chapter, and has a member of the
15	family who is eligible to enroll in Medicare part
16	A and Medicare part B, may not continue cov-
17	erage under this chapter, unless—
18	"(i) the family member enrolls in
19	Medicare part A and Medicare part B dur-
20	ing the special enrollment period estab-
21	lished under section 1837(m) of the Social
22	Security Act; or
23	"(ii) the individual enrolls for self only
24	coverage under this chapter.

1	(B) FAMILY MEMBER BECOMES MEDI-
2	CARE ELIGIBLE.—An individual who, on the
3	date of enactment of the 21st Century Posta
4	Service Act of 2011, is a Postal Service Medi-
5	care eligible annuitant, is enrolled in self and
6	family coverage under this chapter, and has a
7	member of the family who becomes eligible to
8	enroll in Medicare part A and Medicare part E
9	after that date, may not continue coverage
10	under this chapter, unless—
11	"(i) the family member enrolls in
12	Medicare part A and Medicare part B dur-
13	ing the applicable initial enrollment period
14	under section 1837 of the Social Security
15	Act (42 U.S.C. 1395p); or
16	"(ii) the individual enrolls for self only
17	coverage under this chapter.
18	"(c) Enrollment Options.—
19	"(1) Establishment.—For contract years fol-
20	lowing the date of enactment of the 21st Century
21	Postal Service Act of 2011, the Office shall establish
22	enrollment options for health benefits plans that are
23	open only to Postal Service Medicare eligible annu-
24	itants or family members of a Postal Service Medi-

1	care eligible annuitants who continue coverage under
2	this chapter in accordance with subsection (b).
3	"(2) Enrollment requirement.—Any Post-
4	al Service Medicare eligible annuitant or family
5	member of a Postal Service Medicare eligible annu-
6	itant who continues coverage under this chapter in
7	accordance with subsection (b) may only enroll in 1
8	of the enrollment options established under para-
9	graph (1).
10	"(3) Value of Coverage.—The Office shall
11	ensure that the aggregate actuarial value of coverage
12	under the enrollment options established under this
13	subsection, in combination with the value of coverage
14	under Medicare part A and Medicare part B, shall
15	be not less than the actuarial value of the most
16	closely corresponding enrollment options available
17	under section 8905.
18	"(4) Enrollment options.—
19	"(A) In general.—The enrollment op-
20	tions established under paragraph (1) shall in-
21	clude—
22	"(i) an individual option, for Postal
23	Service Medicare eligible annuitants sub-
24	ject to subsection (b)(1);

1	"(ii) a self and family option, for
2	Postal Service Medicare eligible annuitants
3	subject to subsection (b)(1) and family
4	members of Postal Service Medicare eligi-
5	ble annuitants subject to subsection (b)(2);
6	and
7	"(iii) a self and family option, for
8	Postal Service Medicare eligible annuitants
9	subject to subsection (b)(1) and family
10	members of Postal Service Medicare eligi-
11	ble annuitants, including family members
12	not subject to subsection (b)(2).
13	"(B) Specific sub-options.—The Office
14	may establish more specific enrollment options
15	within the types of options described under sub-
16	paragraph (A).
17	"(5) Reduced premiums to account for
18	MEDICARE COORDINATION.—In determining the pre-
19	miums for the enrollment options under paragraph
20	(4), the Office shall—
21	"(A) establish a separate claims pool for
22	individuals eligible for coverage under those op-
23	tions; and
24	"(B) ensure that—

1	"(i) the premiums are reduced from
2	the premiums otherwise established under
3	this chapter to directly reflect the full cost
4	savings to the health benefits plans due to
5	the complete coordination of benefits with
6	Medicare part A and Medicare part B for
7	Postal Service Medicare eligible annuitants
8	or family members of Postal Service Medi-
9	care eligible annuitants who continue cov-
10	erage under this chapter; and
11	"(ii) the cost savings described under
12	clause (i) result solely in the reduction
13	of—
14	"(I) the premiums paid by the
15	Postal Service Medicare eligible annu-
16	itant; and
17	$``(\Pi)$ the Government contribu-
18	tions paid by the Postal Service.
19	"(d) Conversion of Enrollment.—
20	"(1) In general.—For any individual who en-
21	rolls in Medicare part A and Medicare part B in ac-
22	cordance with subsection (b) other than during the
23	special enrollment period established under section
24	1837(m) of the Social Security Act, coverage under
25	this chapter shall be converted to coverage under the

1	applicable enrollment option established under sub-
2	section (c) upon enrollment in Medicare part A and
3	Medicare part B.
4	"(2) Notification.—The Office shall provide
5	reasonable advance notice to any Postal Service
6	Medicare eligible annuitant or family member of any
7	Postal Service Medicare eligible annuitant that such
8	annuitant or family member will become subject to
9	conversion of enrollment under paragraph (1).
10	"(e) Postal Service Consultation.—The Office
11	shall establish the enrollment options and premiums under
12	this section in consultation with the Postal Service.".
13	(2) Technical and conforming amend-
14	MENTS.—The table of sections for chapter 89 of title
15	5, United States Code, is amended by inserting after
16	the item relating to section 8903b the following:
	"8903c. Postal Service Medicare eligible annuitants.".
17	(3) Effective date.—The amendments made
18	by this subsection shall apply with respect to con-
19	tract years beginning 6 months following the date of
20	enactment of this Act.
21	(b) Special Enrollment Period for Postal
22	SERVICE MEDICARE ELIGIBLE ANNUITANTS.—
23	(1) Special enrollment period.—
24	(A) In general.—Section 1837 of the So-
25	cial Security Act (42 U.S.C. 1395p) is amended

1	by adding at the end the following new sub-
2	section:
3	"(m)(1) In the case of any individual who is a Postal
4	Service Medicare eligible annuitant (as defined in section
5	8903c(a) of title 5, United States Code) at the time the
6	individual is entitled to part A under section 226(b) or
7	section 226A and who is eligible to enroll but who has
8	elected not to enroll (or to be deemed enrolled) during the
9	individual's initial enrollment period, there shall be a spe-
10	cial enrollment period described in paragraph (2).
11	"(2) The special enrollment period described in this
12	paragraph, with respect to an individual is the 6-month
13	period, beginning on the first day of the month which in-
14	cludes the date of enactment of the 21st Century Postal
15	Service Act of 2011.
16	"(3) In the case of an individual who enrolls during
17	the special enrollment period provided under paragraph
18	(1), the coverage period under this part shall begin on the
19	first day of the month in which the individual enrolls."
20	(B) Effective date.—The amendment
21	made by subparagraph (A) shall apply to elec-
22	tions made with respect to initial enrollment pe-
23	riods that end after the date of enactment of
24	the 21st Century Postal Service Act of 2011.

1	(2) Waiver of increase of premium.—Sec-
2	tion 1839(b) of the Social Security Act (42 U.S.C.
3	1395r(b)) is amended by striking "(i)(4) or (l)" and
4	inserting "(i)(4), (l), or (m)".
5	SEC. 104. RESTRUCTURING OF PAYMENTS FOR RETIREE
6	HEALTH BENEFITS.
7	(a) Contributions.—Section 8906(g)(2)(A) of title
8	5, United States Code, is amended by striking "through
9	September 30, 2016, be paid by the United States Postal
10	Service, and thereafter shall" and inserting "after the date
11	of enactment of the 21st Century Postal Service Act of
12	2011".
13	(b) Postal Service Retiree Health Benefits
14	Fund.—Section 8909a of title 5, United States Code, is
15	amended—
16	(1) in subsection (d)—
17	(A) in paragraph (2)(B)—
18	(i) by striking "2017" and inserting
19	"2012"; and
20	(ii) by inserting after "later, of" the
21	following: "80 percent of"; and
22	(B) in paragraph (3)—
23	(i) in subparagraph (A)—
24	(I) in clause (iii), by adding
25	"and" at the end;

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1	(11) in clause (iv), by striking the
2	semicolon at the end and inserting a
3	period; and
4	(III) by striking clauses (v)
5	through (x); and
6	(ii) in subparagraph (B), by striking
7	"2017" and inserting "2012"; and
8	(2) by adding at the end the following:
9	"(e) Subsections (a) through (d) shall be subject to
10	section 105 of the 21st Century Postal Service Act of
11	2011.".
12	SEC. 105. POSTAL SERVICE HEALTH BENEFITS PROGRAM.
13	(a) Definitions.—In this section—
14	(1) the term "covered employee" means an em-
15	ployee of the Postal Service who is represented by a
15 16	ployee of the Postal Service who is represented by a bargaining representative recognized under section
16	bargaining representative recognized under section
16 17	bargaining representative recognized under section 1203 of title 39, United States Code;
161718	bargaining representative recognized under section 1203 of title 39, United States Code; (2) the term "Federal Employee Health Bene-
16 17 18 19	bargaining representative recognized under section 1203 of title 39, United States Code; (2) the term "Federal Employee Health Bene- fits Program" means the health benefits program
16 17 18 19 20	bargaining representative recognized under section 1203 of title 39, United States Code; (2) the term "Federal Employee Health Bene- fits Program" means the health benefits program under chapter 89 of title 5, United States Code; and
16 17 18 19 20 21	bargaining representative recognized under section 1203 of title 39, United States Code; (2) the term "Federal Employee Health Benefits Program" means the health benefits program under chapter 89 of title 5, United States Code; and (3) the term "Postal Service Health Benefits

1	(1) In General.—Consistent with section
2	1005(f) of title 39, United States Code, the Postal
3	Service may negotiate jointly with all bargaining
4	representatives recognized under section 1203 of
5	title 39, United States Code, and enter into a joint
6	collective bargaining agreement with those bar-
7	gaining representatives to establish the Postal Serv-
8	ice Health Benefits Program that satisfies the condi-
9	tions under subsection (c). The Postal Service and
10	the bargaining representatives shall negotiate in con-
11	sultation with the Director of the Office of Per-
12	sonnel Management.
13	(2) Arbitration Limitation.—Notwith-
14	standing chapter 12 of title 39, United States Code,
15	there shall not be arbitration of any dispute in the
16	negotiations under this subsection.
17	(3) TIME LIMITATION.—The authority under
18	this subsection shall extend until September 30,
19	2012.
20	(c) Postal Service Health Benefits Pro-
21	GRAM.—The Postal Service Health Benefits Program—
22	(1) shall—
23	(A) be available for participation by all
24	covered employees;

1	(B) provide adequate and appropriate
2	health benefits;
3	(C) be administered by the Postmaster
4	General; and
5	(D) provide for transition of coverage
6	under the Federal Employee Health Benefits
7	Program of covered employees to coverage
8	under the Postal Service Health Benefits Pro-
9	gram on January 1, 2013;
10	(2) may provide dental benefits; and
11	(3) may provide vision benefits.
12	(d) AGREEMENT AND IMPLEMENTATION.—If a joint
13	agreement is reached under subsection (b)—
14	(1) the Postal Service shall implement the Post-
15	al Service Health Benefits Program;
16	(2) the Postal Service Health Benefits Program
17	shall constitute an agreement between the collective
18	bargaining representatives and the Postal Service for
19	purposes of section 1005(f) of title 39, United
20	States Code; and
21	(3) covered employees may not participate as
22	employees in the Federal Employees Health Benefits
23	Program.
24	(e) GOVERNMENT PLAN.—The Postal Service Health
25	Benefits Program shall be a government plan as that term

- 1 is defined under section 3(32) of Employee Retirement In-
- 2 come Security Act of 1974 (29 U.S.C. 1002(32)).
- 3 (f) Report.—Not later than June 30, 2013, the
- 4 Postal Service shall submit a report to the Committee on
- 5 Homeland Security and Governmental Affairs of the Sen-
- 6 ate and the Committee on Oversight and Government Re-
- 7 form of the House of Representatives that—
- 8 (1) reports on the implementation of this sec-
- 9 tion; and
- 10 (2) requests any additional statutory authority
- that the Postal Service determines is necessary to
- carry out the purposes of this section.
- 13 SEC. 106. ARBITRATION; LABOR DISPUTES.
- Section 1207(c)(2) of title 39, United States Code,
- 15 is amended—
- 16 (1) by inserting "(A)" after "(2)";
- 17 (2) by striking the last sentence and inserting
- 18 "The arbitration board shall render a decision not
- later than 45 days after the date of its appoint-
- 20 ment."; and
- 21 (3) by adding at the end the following:
- 22 "(B) In rendering a decision under this paragraph,
- 23 the arbitration board shall consider such relevant factors
- 24 as—

1	"(i) the financial condition of the Postal Serv-
2	ice;
3	"(ii) the requirements relating to pay and com-
4	pensation comparability under section 1003(a); and
5	"(iii) the policies of this title.".
6	TITLE II—POSTAL SERVICES
7	AND OPERATIONS
8	SEC. 201. POSTAL FACILITIES.
9	Section 404 of title 39, United States Code, is
10	amended by adding after subsection (e) the following:
11	"(f) Closing or Consolidation of Certain
12	POSTAL FACILITIES.—
13	"(1) Postal facility.—In this subsection, the
14	term 'postal facility' does not include—
15	"(A) any post office, station, or branch; or
16	"(B) any facility used only for administra-
17	tive functions.
18	"(2) Area mail processing study.—
19	"(A) New area mail processing stud-
20	IES.—After the date of enactment of this sub-
21	section, before making a determination under
22	subsection (a)(3) as to the necessity for the
23	closing or consolidation of any postal facility,
24	the Postal Service shall—

1	"(i) conduct an area mail processing
2	study relating to that postal facility that
3	includes a plan to reduce the capacity of
4	the postal facility, but not close the postal
5	facility;
6	"(ii) publish the study on the Postal
7	Service website; and
8	"(iii) publish a notice that the study
9	is complete and available to the public, in-
10	cluding on the Postal Service website.
11	"(B) Completed or ongoing area mail
12	PROCESSING STUDIES.—
13	"(i) In general.—In the case of a
14	postal facility described in clause (ii), the
15	Postal Service shall—
16	"(I) consider a plan to reduce the
17	capacity of the postal facility, but not
18	close the post facility; and
19	"(II) publish the results of the
20	consideration under subclause (I) with
21	or as an amendment to the area mail
22	processing study relating to the postal
23	facility.
24	"(ii) Postal facilities.—A postal
25	facility described in this clause is a postal

1	facility for which, on or before the date of
2	enactment of this subsection—
3	"(I) an area mail processing
4	study that does not include a plan to
5	reduce the capacity of the postal facil-
6	ity, but not close the facility, has been
7	completed or is in progress; and
8	"(II) a determination as to the
9	necessity for the closing or consolida-
10	tion of the postal facility has not been
11	made.
12	"(3) Notice; public comment; and public
13	HEARING.—If the Postal Service makes a determina-
14	tion under subsection (a)(3) to close or consolidate
15	a postal facility, the Postal Service shall—
16	"(A) provide notice of the determination
17	to—
18	"(i) Congress; and
19	"(ii) the Postal Regulatory Commis-
20	sion;
21	"(B) provide adequate public notice of the
22	intention of the Postal Service to close or con-
23	solidate the postal facility;
24	"(C) ensure that interested persons have
25	an opportunity to submit public comments dur-

1	ing a 45-day period after the notice of intention
2	is provided under subparagraph (B);
3	"(D) before that 45-day period provide for
4	public notice of that opportunity by—
5	"(i) publication on the Postal Service
6	website;
7	"(ii) posting at the affected postal fa-
8	cility; and
9	"(iii) advertising the date and location
10	of the public community meeting under
11	subparagraph (E); and
12	"(E) during the 45-day period described
13	under subparagraph (C), conduct a public com-
14	munity meeting that provides an opportunity
15	for public comments to be submitted verbally or
16	in writing.
17	"(4) Further considerations.—Not earlier
18	than 30 days after the end of the 45-day period for
19	public comment under paragraph (3), the Postal
20	Service, in making a determination whether or not
21	to close or consolidate a postal facility, shall con-
22	sider—
23	"(A) the views presented by interested per-
24	sons solicited under paragraph (3);

1	"(B) the effect of the closing or consolida-
2	tion on the affected community, including any
3	disproportionate impact the closure or consoli-
4	dation may have on a State, region, or locality
5	"(C) the effect of the closing or consolida-
6	tion on the travel times and distances for af-
7	fected customers to access services under the
8	proposed closing or consolidation;
9	"(D) the effect of the closing or consolida-
10	tion on delivery times for all classes of mail;
11	"(E) any characteristics of certain geo-
12	graphical areas, such as remoteness, broadband
13	internet availability, and weather-related obsta-
14	cles to using alternative facilities, that may re-
15	sult in the closing or consolidation having a
16	unique effect; and
17	"(F) any other factor the Postal Service
18	determines is necessary.
19	"(5) Justification statement.—Before the
20	date on which the Postal Service closes or consoli-
21	dates a postal facility, the Postal Service shall post
22	on the Postal Service website a closure or consolida-
23	tion justification statement that includes—

1	"(A) a response to all public comments re-
2	ceived with respect to the considerations de-
3	scribed under paragraph (4);
4	"(B) a description of the considerations
5	made by the Postal Service under paragraph
6	(4); and
7	"(C) the actions that will be taken by the
8	Postal Service to mitigate any negative effects
9	identified under paragraph (4).
10	"(6) Closing or consolidation of postal
11	FACILITIES.—
12	"(A) In general.—Not earlier than the
13	15 days after posting and publishing the final
14	determination and the justification statement
15	under paragraph (6) with respect to a postal fa-
16	cility, the Postal Service may close or consoli-
17	date the postal facility.
18	"(B) Alternative intake of mail.—If
19	the Postal Service closes or consolidates a post-
20	al facility under subparagraph (A), the Postal
21	Service shall make reasonable efforts to ensure
22	continued mail receipt from customers of the
23	closed or consolidated postal facility at the
24	same location or at another appropriate location

1	in close geographic proximity to the closed or
2	consolidated postal facility.
3	"(7) Postal service website.—For purposes
4	of any notice required to be published on the Postal
5	Service website under this subsection, the Postal
6	Service shall ensure that the Postal Service
7	website—
8	"(A) is updated routinely; and
9	"(B) provides any person, at the option of
10	the person, the opportunity to receive relevant
11	updates by electronic mail.".
12	SEC. 202. ADDITIONAL POSTAL SERVICE PLANNING.
13	Section 302(d) of the Postal Accountability and En-
14	hancement Act of 2006 (39 U.S.C. 3691 note) is amend-
15	ed—
16	(1) in paragraph (8), by striking the period at
17	the end and inserting "; and";
18	(2) by redesignating paragraphs (1) through
19	(8) as subparagraphs (A) through (H), respectively,
20	and adjusting the margins accordingly;
21	(3) in the matter preceding subparagraph (A),
22	as so redesignated, by striking "shall include" and
23	inserting the following: "shall—
24	"(1) include"; and
25	(4) by adding at the end the following:

1	"(2) where possible, provide for an improve-
2	ment in customer access to postal services;
3	"(3) consider the impact of any decisions by the
4	Postal Service relating to the implementation of the
5	plan on small communities and rural areas; and
6	"(4) ensure that—
7	"(A) small communities and rural areas
8	continue to receive regular and effective access
9	to retail postal services after implementation of
10	the plan; and
11	"(B) the Postal Service solicits community
12	input in accordance with applicable provisions
13	of Federal law.".
14	SEC. 203. AREA AND DISTRICT OFFICE STRUCTURE.
15	(a) Plan Required.—Not later than 1 year after
16	the date of enactment of this Act, the Postal Service shall
17	submit to the Committee on Homeland Security and Gov-
18	ernmental Affairs of the Senate and the Committee on
19	Oversight and Governmental Reform of the House of Rep-
20	resentatives—
21	(1) a comprehensive strategic plan to govern
22	decisions relating to area and district office struc-
23	ture that considers efficiency, costs, redundancies,
24	mail volume, technological advancements, oper-
25	ational considerations, and other issues that may be

1	relevant to establishing an effective area and district
2	office structure; and
3	(2) a 10-year plan, including a timetable, that
4	provides for consolidation of area and district offices
5	wherever the Postal Service determines a consolida-
6	tion would—
7	(A) be cost-effective; and
8	(B) not substantially and adversely affect
9	the operations of the Postal Service.
10	(b) Consolidation.—Beginning not later than 1
11	year after the date of enactment of this Act, the Postal
12	Service shall, consistent with the plans required under
13	subsection (a)—
14	(1) consolidate district offices that are located
15	within 50 miles of each other;
16	(2) consolidate area and district offices that
17	have less than the mean mail volume and number of
18	work hours for all area and district offices; and
19	(3) relocate area offices to headquarters.
20	(c) UPDATES.—The Postal Service shall update the
21	plans required under subsection (a) not less frequently
22	than once every 5 years.
23	SEC. 204. RETAIL SERVICE STANDARDS.
24	(a) Establishment of Service Standards.—Not
25	later than 1 year after the date of enactment of this Act

1	the Postal Service shall exercise its authority under sec-
2	tion 3691 of title 39, United States Code, to establish
3	service standards for market-dominant products in order
4	to guarantee customers of the Postal Service regular and
5	effective access to retail postal services nationwide (includ-
6	ing in territories and possessions of the United States)
7	on a reasonable basis.
8	(b) Contents.—The service standards established
9	under subsection (a) shall—
10	(1) be consistent with—
11	(A) the obligations of the Postal Service
12	under section 101(b) of title 39, United States
13	Code; and
14	(B) the contents of the plan developed
15	under section 302 of the Postal Accountability
16	and Enhancement Act of 2006 (39 U.S.C. 3691
17	note), as amended by section 202 of this Act;
18	and
19	(2) take into account factors including—
20	(A) geography, including the establishment
21	of standards for the proximity of retail postal
22	services to postal customers, including a consid-
23	eration of the reasonable maximum time a post-
24	al customer should expect to travel to access a
25	postal retail location;

1	(B) population, including population den-
2	sity, demographic factors such as the age and
3	disability status of individuals in the area to be
4	served by a location providing postal retail serv-
5	ices, and other factors that may impact the
6	ability of postal customers, including busi-
7	nesses, to travel to a postal retail location;
8	(C) the feasibility of offering retail access
9	to postal services in addition to post offices, as
10	described in section 302(d) of the Postal Ac-
11	countability and Enhancement Act of 2006 (39
12	U.S.C. 3691 note); and
13	(D) the requirement that the Postal Serv-
14	ice serve remote areas and communities with
15	transportation challenges, including commu-
16	nities in which the effects of inclement weather
17	or other natural conditions might obstruct or
18	otherwise impede access to retail postal serv-
19	ices.
20	SEC. 205. CONVERSION OF DOOR DELIVERY POINTS.
21	(a) In General.—Subchapter VII of chapter 36 of
22	title 39, United States Code, is amended by adding at the
23	end the following:

1	"8 3692	Conversion	of door	delivery	noints
1	3 000 2 .	Conversion	or addr	uenvery	pomis

2 "(a) Definitions.—In this section, the following 3 definitions shall apply: 4 "(1) CENTRALIZED DELIVERY POINT.—The 5 term 'centralized delivery point' means a group or 6 cluster of mail receptacles at 1 delivery point that is 7 within reasonable proximity of the street address as-8 sociated with the delivery point. 9 "(2) Curbline delivery point.—The term 10 'curbline delivery point' means a delivery point that 11 is— 12 "(A) adjacent to the street address associ-13 ated with the delivery point; and 14 "(B) accessible by vehicle on a street that 15 is not a private driveway. "(3) Door Delivery Point.—The term 'door 16 17 delivery point' means a delivery point at a door of 18 the structure at a street address. 19 "(4) SIDEWALK DELIVERY POINT.—The term 20 'sidewalk delivery point' means a delivery point on a 21 sidewalk adjacent to the street address associated 22 with the delivery point. 23 "(b) Conversion.—Except as provided in subsection 24 (c), not later than September 30, 2015, in accordance with

standards established by the Postal Service, the Postal

25

1	Service may, where feasible, convert door delivery points
2	to—
3	"(1) curbline delivery points;
4	"(2) sidewalk delivery points; or
5	"(3) centralized delivery points.
6	"(c) Exceptions.—
7	"(1) Continued door delivery.—The Postal
8	Service may allow for the continuation of door deliv-
9	ery due to—
10	"(A) a physical hardship of a customer;
11	"(B) weather, in a geographic area where
12	snow removal efforts could obstruct access to
13	mailboxes near a road;
14	"(C) circumstances in an urban area that
15	preclude efficient use of curbside delivery
16	points;
17	"(D) other exceptional circumstances, as
18	determined in accordance with regulations
19	issued by the Postal Service; or
20	"(E) other circumstances in which the
21	Postal Service determines that alternatives to
22	door delivery would not be practical or cost ef-
23	fective.
24	"(2) New door delivery points.—The Post-
25	al Service may provide door delivery to a new deliv-

1	ery point in a delivery area that received door deliv-
2	ery on the day before the date of enactment of this
3	section, if the delivery point is established before the
4	delivery area is converted from door delivery under
5	subsection (b).
6	"(d) Solicitation of Comments.—The Postal
7	Service shall establish procedures to solicit, consider, and
8	respond to input from individuals affected by a conversion
9	under this section.
10	"(e) Review.—Subchapter V of this chapter shall
11	not apply with respect to any action taken by the Postal
12	Service under this section.
13	"(f) Report.—Not later than 60 days after the end
14	of each fiscal year through fiscal year 2015, the Postal
15	Service shall submit to Congress and the Inspector Gen-
16	eral of the Postal Service a report on the implementation
17	of this section during the preceding fiscal year that—
18	"(1) includes the number of door delivery
19	points—
20	"(A) that existed at the end of the fiscal
21	year preceding the preceding fiscal year;
22	"(B) that existed at the end of the pre-
23	ceding fiscal year;
24	"(C) that, during the preceding fiscal year,
25	converted to—

1	"(i) curbline delivery points or side-
2	walk delivery points;
3	"(ii) centralized delivery points; and
4	"(iii) any other type of delivery point;
5	and
6	"(D) for which door delivery was continued
7	under subsection (c)(1);
8	"(2) estimates the cost savings from the conver-
9	sions from door delivery that occurred during the
10	preceding fiscal year;
11	"(3) describes the progress of the Postal Serv-
12	ice toward achieving the requirements under sub-
13	section (b); and
14	"(4) provides such additional information as the
15	Postal Service considers appropriate.".
16	(b) CLERICAL AMENDMENT.—The table of sections
17	for subchapter VII of chapter 36 of title 39, United States
18	Code, is amended by adding at the end the following:
	"3692. Conversion of door delivery points.".
19	SEC. 206. LIMITATIONS ON CHANGES TO MAIL DELIVERY
20	SCHEDULE.
21	(a) Limitation on Change in Schedule.—Not-
22	withstanding any other provision of law—
23	(1) the Postal Service may not establish a gen-
24	eral, nationwide 5-day-per-week delivery schedule to
25	street addresses under the authority of the Postal

1	Service under section 3691 of title 39, United States
2	Code, earlier than the date that is 24 months after
3	the date of enactment of this Act; and
4	(2) on or after the date that is 24 months after
5	the date of enactment of this Act, the Postal Service
6	may establish a general, nationwide 5-day-per-week
7	delivery schedule to street addresses under the au-
8	thority of the Postal Service under section 3691 of
9	title 39, United States Code, only in accordance with
10	the requirements and limitations under this section.
11	(b) Preconditions.—If the Postal Service intends
12	to establish a change in delivery schedule under subsection
13	(a)(2), the Postal Service shall—
10	
14	(1) identify customers and communities for
	(1) identify customers and communities for whom the change may have a disproportionate, neg-
14	•
14 15	whom the change may have a disproportionate, neg-
141516	whom the change may have a disproportionate, negative impact, including the customers identified as
14151617	whom the change may have a disproportionate, negative impact, including the customers identified as "particularly affected" in the Advisory Opinion on
14 15 16 17 18	whom the change may have a disproportionate, negative impact, including the customers identified as "particularly affected" in the Advisory Opinion on Elimination of Saturday Delivery issued by the Com-
141516171819	whom the change may have a disproportionate, negative impact, including the customers identified as "particularly affected" in the Advisory Opinion on Elimination of Saturday Delivery issued by the Commission on March 24, 2011;
14 15 16 17 18 19 20	whom the change may have a disproportionate, negative impact, including the customers identified as "particularly affected" in the Advisory Opinion on Elimination of Saturday Delivery issued by the Commission on March 24, 2011; (2) develop, to the maximum extent possible,
14 15 16 17 18 19 20 21	whom the change may have a disproportionate, negative impact, including the customers identified as "particularly affected" in the Advisory Opinion on Elimination of Saturday Delivery issued by the Commission on March 24, 2011; (2) develop, to the maximum extent possible, measures to ameliorate any disproportionate, nega-

1	cess to mailboxes for periodical mailers on days on
2	which the Postal Service does not provide delivery;
3	(3) implement measures to increase revenue
4	and reduce costs, including the measures authorized
5	under the amendments made by sections 101, 102,
6	103, 104, 204, and 208 of this Act;
7	(4) evaluate whether any increase in revenue or
8	reduction in costs resulting from the measures im-
9	plemented under paragraph (3) are sufficient to
10	allow the Postal Service, without implementing a
11	change in delivery schedule under subsection (a),
12	to—
13	(A) become profitable by fiscal year 2015;
14	and
15	(B) achieve long-term financial solvency;
16	and
17	(5) not earlier than 15 months after the date
18	of enactment of this Act and not later than 9
19	months before the effective date proposed by the
20	Postal Service for the change, submit a report on
21	the steps the Postal Service has taken to carry out
22	this subsection to—
23	(A) the Committee on Homeland Security
24	and Governmental Affairs of the Senate and the

1	Committee on Oversight and Government Re-
2	form of the House of Representatives;
3	(B) the Comptroller General of the United
4	States; and
5	(C) the Commission.
6	(c) Review.—
7	(1) GOVERNMENT ACCOUNTABILITY OFFICE.—
8	Not later than 3 months after the date on which the
9	Postal Service submits a report under subsection
10	(b)(5), the Comptroller General shall submit to the
11	Commission and to the Committee on Homeland Se-
12	curity and Governmental Affairs of the Senate and
13	the Committee on Oversight and Government Re-
14	form of the House of Representatives a report that
15	contains findings relating to each of the following:
16	(A) Whether the Postal Service has ade-
17	quately complied with subsection (b)(3), taking
18	into consideration the statutory authority of
19	and limitations on the Postal Service.
20	(B) The accuracy of any statement by the
21	Postal Service that the measures implemented
22	under subsection (b)(3) have increased revenues
23	or reduced costs, and the accuracy of any pro-
24	jection by the Postal Service relating to in-
25	creased revenue or reduced costs resulting from

1	the measures implemented under subsection
2	(b)(3).
3	(C) The adequacy and methodological
4	soundness of any evaluation conducted by the
5	Postal Service under subsection (b)(4) that led
6	the Postal Service to assert the necessity of a
7	change in delivery schedule under subsection
8	(a)(2).
9	(D) Whether, based on an analysis of the
10	measures implemented by the Postal Service to
11	increase revenues and reduce costs, projections
12	of increased revenue and cost savings, and the
13	details of the profitability plan required under
14	section 401, a change in delivery schedule is
15	necessary to allow the Postal Service to—
16	(i) become profitable by fiscal year
17	2015; and
18	(ii) achieve long-term financial sol-
19	vency.
20	(2) Postal regulatory commission.—
21	(A) Request.—Not later than 6 months
22	before the proposed effective date of a change
23	in delivery schedule under subsection (a), the
24	Postal Service shall submit to the Commission

1	a request for an advisory opinion relating to the
2	change.
3	(B) Advisory opinion.—
4	(i) In General.—The Commission
5	shall—
6	(I) issue an advisory opinion with
7	respect to a request under subpara-
8	graph (A), in accordance with the
9	time limits for the issuance of advi-
10	sory opinions under section
11	3661(b)(2) of title 39, United States
12	Code, as amended by this Act; and
13	(II) submit the advisory opinion
14	to the Committee on Homeland Secu-
15	rity and Governmental Affairs of the
16	Senate and the Committee on Over-
17	sight and Government Reform of the
18	House of Representatives.
19	(ii) Required determinations.—
20	An advisory opinion under clause (i) shall
21	determine—
22	(I) whether the measures devel-
23	oped under subsection (b)(2) amelio-
24	rate any disproportionate, negative
25	impact that a change in schedule may

1	have on customers and communities
2	identified under subsection (b) (1) ; and
3	(II) based on the report sub-
4	mitted by the Comptroller General
5	under paragraph (1)—
6	(aa) whether the Postal
7	Service has implemented meas-
8	ures to reduce operating losses as
9	required under subsection (b)(3);
10	(bb) whether the implemen-
11	tation of the measures described
12	in item (aa) has increased reve-
13	nues or reduced costs, or is pro-
14	jected to further increase reve-
15	nues or reduce costs in the fu-
16	ture; and
17	(cc) whether a change in
18	schedule under subsection (a)(2)
19	is necessary to allow the Postal
20	Service to—
21	(AA) become profitable
22	by fiscal year 2015; and
23	(BB) achieve long-term
24	financial solvency.

1	(3) Prohibition on implementation of
2	CHANGE IN SCHEDULE.—The Postal Service may
3	not implement a change in delivery schedule under
4	subsection (a)(2)—
5	(A) before the date on which the Comp-
6	troller General submits the report required
7	under paragraph (1); and
8	(B) unless the Commission determines
9	under paragraph (2)(B)(ii)(II)(cc) that the
10	Comptroller General has concluded that the
11	change is necessary to allow the Postal Service
12	to become profitable by fiscal year 2015 and to
13	achieve long-term financial solvency, without re-
14	gard to whether the Commission determines
15	that the change is advisable.
16	(d) Additional Limitations.—
17	(1) Rules of Construction.—Nothing in
18	this subsection shall be construed to—
19	(A) authorize the reduction, or require an
20	increase, in delivery frequency for any route for
21	which the Postal Service provided delivery on
22	fewer than 6 days per week on the date of en-
23	actment of this Act;
24	(B) authorize any change in—

1	(i) the days and times that postal re-
2	tail service or any mail acceptance is avail-
3	able; or
4	(ii) the locations at which postal retail
5	service or mail acceptance occurs;
6	(C) authorize any change in the frequency
7	of delivery to a post office box;
8	(D) prohibit the collection or delivery of a
9	competitive mail product on a weekend or a rec-
10	ognized Federal holiday; or
11	(E) prohibit the Postal Service from exer-
12	cising its authority to make changes to proc-
13	essing or retail networks.
14	(2) Prohibition on consecutive days with-
15	OUT MAIL DELIVERY.—The Postal Service shall en-
16	sure that, under any change in schedule under sub-
17	section (a)(2), at no time shall there be more than
18	2 consecutive days without mail delivery to street
19	addresses, including recognized Federal holidays.
20	SEC. 207. TIME LIMITS FOR CONSIDERATION OF SERVICE
21	CHANGES.
22	Section 3661 of title 39, United States Code, is
23	amended by striking subsections (b) and (c) and inserting
24	the following:

1	(b) Proposed Changes for Market-Dominant
2	Products.—
3	"(1) Submission of Proposal.—If the Postal
4	Service determines that there should be a change in
5	the nature of postal services relating to market-dom-
6	inant products that will generally affect service on a
7	nationwide or substantially nationwide basis, the
8	Postal Service shall submit a proposal to the Postal
9	Regulatory Commission requesting an advisory opin-
10	ion on the change.
11	"(2) Advisory opinion.—Upon receipt of a
12	proposal under paragraph (1), the Postal Regulatory
13	Commission shall—
14	"(A) provide an opportunity for public
15	comment on the proposal; and
16	"(B) issue an advisory opinion not later
17	than—
18	"(i) 90 days after the date on which
19	the Postal Regulatory Commission receives
20	the proposal; or
21	"(ii) a date that the Postal Regu-
22	latory Commission and the Postal Service
23	may, not later than 1 week after the date
24	on which the Postal Regulatory Commis-

1	sion receives the proposal, determine joint-
2	ly.
3	"(3) Response to opinion.—The Postal Serv-
4	ice shall submit to the President and to Congress a
5	response to the advisory opinion issued under para-
6	graph (2), including any recommendations contained
7	therein.
8	"(4) ACTION ON PROPOSAL.—The Postal Serv-
9	ice may take action regarding a proposal submitted
10	under paragraph (1)—
11	"(A) on or after the date that is 30 days
12	after the date on which the Postal Service sub-
13	mits the response required under paragraph
14	(3);
15	"(B) on or after a date that the Postal
16	Regulatory Commission and the Postal Service
17	may, not later than 1 week after the date on
18	which the Postal Regulatory Commission re-
19	ceives a proposal under paragraph (2), deter-
20	mine jointly; or
21	"(C) after the date described in paragraph
22	(2)(B), if—
23	"(i) the Postal Regulatory Commis-
24	sion fails to issue an advisory opinion on

1	or before the date described in paragraph
2	(2)(B); and
3	"(ii) the action is not otherwise pro-
4	hibited under Federal law.
5	"(5) Modification of timeline.—At any
6	time, the Postal Service and the Postal Regulatory
7	Commission may jointly redetermine a date deter-
8	mined under paragraph (2)(B)(ii) or (4)(B).".
9	SEC. 208. PUBLIC PROCEDURES FOR SIGNIFICANT
10	CHANGES TO MAILING SPECIFICATIONS.
11	(a) Notice and Opportunity for Comment Re-
12	QUIRED.—Effective on the date on which the Postal Serv-
13	ice issues a final rule under subsection (c), before making
14	a change to mailing specifications that could pose a sig-
15	nificant burden to the customers of the Postal Service and
16	that is not reviewed by the Commission, the Postal Service
17	shall—
18	(1) publish a notice of the proposed change to
19	the specification in the Federal Register;
20	(2) provide an opportunity for the submission
21	of written comments concerning the proposed change
22	for a period of not less than 30 days;
23	(3) after considering any comments submitted
24	under paragraph (2) and making any modifications

1	to the proposed change that the Postal Service de-
2	termines are necessary, publish—
3	(A) the final change to the specification in
4	the Federal Register;
5	(B) responses to any comments submitted
6	under paragraph (2); and
7	(C) an analysis of the financial impact that
8	the proposed change would have on—
9	(i) the Postal Service; and
10	(ii) the customers of the Postal Serv-
11	ice that would be affected by the proposed
12	change; and
13	(4) establish an effective date for the change to
14	mailing specifications that is not earlier than 30
15	days after the date on which the Postal Service pub-
16	lishes the final change under paragraph (3).
17	(b) Exception for Good Cause.—If the Postal
18	Service determines that there is an urgent and compelling
19	need for a change to a mailing specification described in
20	subsection (a) in order to avoid demonstrable harm to the
21	operations of the Postal Service or to the public interest,
22	the Postal Service may—
23	(1) change the mailing specifications by—
24	(A) issuing an interim final rule that—

1	(i) includes a finding by the Posta
2	Service that there is good cause for the in-
3	terim final rule;
4	(ii) provides an opportunity for the
5	submission of written comments on the in-
6	terim final rule for a period of not less
7	than 30 days; and
8	(iii) establishes an effective date for
9	the interim final rule that is not earlier
10	than 30 days after the date on which the
11	interim final rule is issued; and
12	(B) publishing in the Federal Register ε
13	response to any comments submitted under
14	subparagraph (A)(ii); and
15	(2) waive the requirement under paragraph
16	(1)(A)(iii) or subsection (a)(4).
17	(e) Rules Relating to Notice and Comment.—
18	(1) In general.—Not later than 180 days
19	after the date of enactment of this Act, the Posta
20	Service shall issue rules governing the provision of
21	notice and opportunity for comment for changes in
22	mailing specifications under subsection (a).
23	(2) Rules.—In issuing the rules required
24	under paragraph (1), the Postal Service shall—

1	(A) publish a notice of proposed rule-
2	making in the Federal Register that includes
3	proposed definitions of the terms "mailing spec-
4	ifications" and "significant burden";
5	(B) provide an opportunity for the submis-
6	sion of written comments concerning the pro-
7	posed change for a period of not less than 30
8	days; and
9	(C) publish—
10	(i) the rule in final form in the Fed-
11	eral Register; and
12	(ii) responses to the comments sub-
13	mitted under subparagraph (B).
14	SEC. 209. NONPOSTAL PRODUCTS AND SERVICES.
15	(a) In General.—Section 404 of title 39, United
16	States Code, is amended—
16 17	States Code, is amended— (1) in subsection (a)—
17	(1) in subsection (a)—
17 18	(1) in subsection (a)— (A) by redesignating paragraphs (6)
17 18 19	 (1) in subsection (a)— (A) by redesignating paragraphs (6) through (8) as paragraphs (7) through (9), re-
17 18 19 20	 (1) in subsection (a)— (A) by redesignating paragraphs (6) through (8) as paragraphs (7) through (9), respectively; and
17 18 19 20 21	 (1) in subsection (a)— (A) by redesignating paragraphs (6) through (8) as paragraphs (7) through (9), respectively; and (B) by inserting after paragraph (5) the
17 18 19 20 21 22	 (1) in subsection (a)— (A) by redesignating paragraphs (6) through (8) as paragraphs (7) through (9), respectively; and (B) by inserting after paragraph (5) the following:

1	that are not postal services, after the Postal Regu-
2	latory Commission—
3	"(A) makes a determination that the provi-
4	sion of such services—
5	"(i) uses the processing, transpor-
6	tation, delivery, retail network, or tech-
7	nology of the Postal Service;
8	"(ii) is consistent with the public in-
9	terest and a demonstrated or potential
10	public demand for—
11	"(I) the Postal Service to provide
12	the services instead of another entity
13	providing the services; or
14	"(II) the Postal Service to pro-
15	vide the services in addition to an-
16	other entity providing the services;
17	"(iii) would not create unfair competi-
18	tion with the private sector; and
19	"(iv) has the potential to improve the
20	net financial position of the Postal Service,
21	based on a market analysis provided to the
22	Postal Regulatory Commission by the
23	Postal Service; and
24	"(B) for services that the Postal Regu-
25	latory Commission determines meet the criteria

1	under subparagraph (A), classifies each such
2	service as a market-dominant product, competi-
3	tive product, experimental product, or new
4	product, as required under chapter 36 of title
5	39, United States Code;"; and
6	(2) in subsection (e)(2), by striking "Nothing"
7	and all that follows through "except that the" and
8	inserting "The".
9	(b) Market Analysis.—During the 5-year period
10	beginning on the date of enactment of this Act, the Postal
11	Service shall submit a copy of any market analysis pro-
12	vided to the Commission under section $404(a)(6)(A)(iv)$
13	of title 39, United States Code, as amended by this sec-
14	tion, to the Committee on Homeland Security and Govern-
15	mental Affairs of the Senate and the Committee on Over-
16	sight and Government Reform of the House of Represent-
17	atives.
18	TITLE III—FEDERAL EMPLOY-
19	EES' COMPENSATION ACT
20	SEC. 301. SHORT TITLE; REFERENCES.
21	(a) SHORT TITLE.—This title may be cited as the
22	"Workers' Compensation Reform Act of 2011".
23	(b) References.—Except as otherwise expressly
24	provided, whenever in this title an amendment or repeal
25	is expressed in terms of an amendment to, or a repeal

of, a section or other provision, the reference shall be con-
sidered to be made to a section or other provision of title
5, United States Code.
SEC. 302. FEDERAL WORKERS COMPENSATION REFORMS
FOR RETIREMENT-AGE EMPLOYEES.
(a) Conversion of Entitlement at Retirement
AGE.—
(1) Definitions.—Section 8101 is amended
(A) in paragraph (18), by striking "and"
at the end;
(B) in paragraph (19), by striking "and"
at the end;
(C) in paragraph (20), by striking the pe-
riod at the end and inserting a semicolon; and
(D) by adding at the end the following:
"(21) 'retirement age' has the meaning given
that term under section 216(l)(1) of the Social Secu-
rity Act (42 U.S.C. 416(l)(1));
"(22) 'covered claim for total disability' means
a claim for a period of total disability that com-
menced before the date of enactment of the Work-
ers' Compensation Reform Act of 2011;
"(23) 'covered claim for partial disability'
means a claim for a period of partial disability that

1	commenced before the date of enactment of the
2	Workers' Compensation Reform Act of 2011; and
3	"(24) 'individual who has an exempt disability
4	condition' means an individual—
5	"(A) who—
6	"(i) is eligible to receive continuous
7	periodic compensation for total disability
8	under section 8105 on the date of enact-
9	ment of the Workers' Compensation Re-
10	form Act of 2011; and
11	"(ii) meets the criteria under 8105(c);
12	"(B) who, on the date of enactment of the
13	Workers' Compensation Reform Act of 2011—
14	"(i) is eligible to receive continuous
15	periodic compensation for total disability
16	under section 8105; and
17	"(ii) has sustained a currently irre-
18	versible severe mental or physical disability
19	for which the Secretary of Labor has au-
20	thorized, for at least the 1 year period end-
21	ing on the date of enactment of the Work-
22	ers' Compensation Reform Act of 2011,
23	constant in-home care or custodial care,
24	such as in placement in a nursing home; or

1	"(C) who is eligible to receive continuous
2	periodic compensation for total disability under
3	section 8105—
4	"(i) for not less than the 3-year pe-
5	riod ending on the date of enactment of
6	the Workers' Compensation Reform Act of
7	2011; or
8	"(ii) if the individual became eligible
9	to receive continuous periodic compensa-
10	tion for total disability under section 8105
11	during the period beginning on the date
12	that is 3 years before the date of enact-
13	ment of the Workers' Compensation Re-
14	form Act of 2011 and ending on such date
15	of enactment, for not less than the 3-year
16	period beginning on the date on which the
17	individual became eligible.".
18	(2) Total disability.—Section 8105 is
19	amended—
20	(A) in subsection (a), by striking "If" and
21	inserting "In General.—Subject to subsection
22	(b), if";
23	(B) by redesignating subsection (b) as sub-
24	section (e); and

1	(C) by inserting after subsection (a) the
2	following:
3	"(b) Conversion of Entitlement at Retire-
4	MENT AGE.—
5	"(1) In general.—Except as provided in para-
6	graph (2), the basic compensation for total disability
7	for an employee who has attained retirement age
8	shall be 50 percent of the monthly pay of the em-
9	ployee.
10	"(2) Exceptions.—
11	"(A) COVERED RECIPIENTS WHO ARE RE-
12	TIREMENT AGE OR HAVE AN EXEMPT DIS-
13	ABILITY CONDITION.—Paragraph (1) shall not
14	apply to a covered claim for total disability by
15	an employee if the employee—
16	"(i) on the date of enactment of the
17	Workers' Compensation Reform Act of
18	2011, has attained retirement age; or
19	"(ii) is an individual who has an ex-
20	empt disability condition.
21	"(B) Transition period for certain
22	EMPLOYEES.—For a covered claim for total dis-
23	ability by an employee who is not an employee
24	described in subparagraph (A), the employee
25	shall receive the basic compensation for total

1	disability provided under subsection (a) until
2	the later of—
3	"(i) the date on which the employee
4	attains retirement age; and
5	"(ii) the date that is 3 years after the
6	date of enactment of the Workers' Com-
7	pensation Reform Act of 2011.".
8	(3) Partial disability.—Section 8106 is
9	amended—
10	(A) in subsection (a), by striking "If" and
11	inserting "In General.—Subject to subsection
12	(b), if";
13	(B) by redesignating subsections (b) and
14	(c) as subsections (c) and (d), respectively; and
15	(C) by inserting after subsection (a) the
16	following:
17	"(b) Conversion of Entitlement at Retire-
18	MENT AGE.—
19	"(1) In general.—Except as provided in para-
20	graph (2), the basic compensation for partial dis-
21	ability for an employee who has attained retirement
22	age shall be 50 percent of the difference between the
23	monthly pay of the employee and the monthly wage-
24	earning capacity of the employee after the beginning
25	of the partial disability.

1	"(2) Exceptions.—
2	"(A) COVERED RECIPIENTS WHO ARE RE
3	TIREMENT AGE.—Paragraph (1) shall not apply
4	to a covered claim for partial disability by an
5	employee if, on the date of enactment of the
6	Workers' Compensation Reform Act of 2011
7	the employee has attained retirement age.
8	"(B) Transition period for certain
9	EMPLOYEES.—For a covered claim for partia
10	disability by an employee who is not an em
11	ployee described in subparagraph (A), the em
12	ployee shall receive basic compensation for par
13	tial disability in accordance with subsection (a
14	until the later of—
15	"(i) the date on which the employee
16	attains retirement age; and
17	"(ii) the date that is 3 years after the
18	date of enactment of the Workers' Com
19	pensation Reform Act of 2011.".
20	SEC. 303. AUGMENTED COMPENSATION FOR DEPENDENTS
21	(a) In General.—Section 8110 is amended—
22	(1) by redesignating subsection (b) as sub
23	section (c); and
24	(2) by inserting after subsection (a) the fol
25	lowing:

1	"(b) TERMINATION OF AUGMENTED COMPENSA-
2	TION.—
3	"(1) In general.—Subject to paragraph (2),
4	augmented compensation for dependants under sub-
5	section (c) shall not be provided.
6	"(2) Exceptions.—
7	"(A) Total disability.—For a covered
8	claim for total disability by an employee—
9	"(i) the employee shall receive aug-
10	mented compensation under subsection (c)
11	if the employee is an individual who has an
12	exempt disability condition; and
13	"(ii) the employee shall receive aug-
14	mented compensation under subsection (c)
15	until the date that is 3 years after the date
16	of enactment of the Workers' Compensa-
17	tion Reform Act of 2011 if the employee is
18	not an employee described in clause (i).
19	"(B) Partial disability.—For a covered
20	claim for partial disability by an employee, the
21	employee shall receive augmented compensation
22	under subsection (c) until the date that is 3
23	years after the date of enactment of the Work-
24	ers' Compensation Reform Act of 2011.

1	"(C) PERMANENT DISABILITY COM-
2	PENSATED BY A SCHEDULE.—For a claim for a
3	permanent disability described in section
4	8107(a) by an employee that commenced before
5	the date of enactment of the Workers' Com-
6	pensation Reform Act of 2011, the employee
7	shall receive augmented compensation under
8	subsection (c).".
9	(b) Maximum and Minimum Monthly Pay-
10	MENTS.—Section 8112 is amended—
11	(1) in subsection (a)—
12	(A) by inserting "subsections (b) and (c)
13	and" before "section 8138";
14	(B) by striking "including augmented com-
15	pensation under section 8110 of this title but"
16	and
17	(C) by striking "75 percent" each place it
18	appears and inserting "66 ½ percent";
19	(2) by redesignating subsection (b) as sub-
20	section (e);
21	(3) by inserting after subsection (a) the fol-
22	lowing:
23	"(b) Exceptions.—
24	"(1) Covered disability condition.—For a
25	covered claim for total disability by an employee, it

1	the employee is an individual who has an exempt
2	disability condition—
3	"(A) the monthly rate of compensation for
4	disability that is subject to the maximum and
5	minimum monthly amounts under subsection
6	(a) shall include any augmented compensation
7	under section 8110; and
8	"(B) subsection (a) shall be applied by
9	substituting '75 percent' for '66 ½ percent'
10	each place it appears.
11	"(2) Partial disability.—For a covered
12	claim for partial disability by an employee, until the
13	date that is 3 years after the date of enactment of
14	the Workers' Compensation Reform Act of 2011—
15	"(A) the monthly rate of compensation for
16	disability that is subject to the maximum and
17	minimum monthly amounts under subsection
18	(a) shall include any augmented compensation
19	under section 8110; and
20	"(B) subsection (a) shall be applied by
21	substituting '75 percent' for '66 ½ percent'
22	each place it appears."; and
23	(4) in subsection (c), as redesignated by para-
24	graph (2), by striking "subsection (a)" and inserting
25	"subsections (a) and (b)".

1	(c) Death Benefits Generally.—Section 8133 is
2	amended—
3	(1) in subsections (a) and (e), by striking "75
4	percent" each place it appears and inserting "66 2 /3
5	percent (except as provided in subsection (g))"; and
6	(2) by adding at the end the following:
7	"(g) If the death occurred before the date of enact-
8	ment of the Workers' Compensation Reform Act of 2011,
9	subsections (a) and (e) shall be applied by substituting
10	'75 percent' for '66 ½ percent' each place it appears.".
11	(d) DEATH BENEFITS FOR CIVIL AIR PATROL VOL-
12	UNTEERS.—Section 8141 is amended—
13	(1) in subsection (b)(2)(B) by striking "75 per-
14	cent" and inserting "66 2 /3 percent (except as pro-
15	vided in subsection (c))";
16	(2) by redesignating subsection (c) as sub-
17	section (d); and
18	(3) by inserting after subsection (b) the fol-
19	lowing:
20	"(c) If the death occurred before the date of enact-
21	ment of the Workers' Compensation Reform Act of 2011,
22	subsection (b)(2)(B) shall be applied by substituting '75
23	percent' for '66 ² / ₃ percent'.''.
24	SEC. 304. SCHEDULE COMPENSATION PAYMENTS.
25	Section 8107 is amended—

1	(1) in subsection (a), by striking "at the rate
2	of 66 2/3 percent of his monthly pay" and inserting
3	"at the rate specified under subsection (d)"; and
4	(2) by adding at the end the following:
5	"(d) Rate for Compensation.—
6	"(1) Annual Salary.—
7	"(A) IN GENERAL.—Except as provided in
8	paragraph (2), the rate under subsection (a)
9	shall be the rate of 66 ½ percent of the annual
10	salary level established under subparagraph
11	(B), in a lump sum equal to the present value
12	(as calculated under subparagraph (C)) of the
13	amount of compensation payable under the
14	schedule.
15	"(B) Establishment.—
16	"(i) In General.—The Secretary of
17	Labor shall establish an annual salary for
18	purposes of subparagraph (A) in the
19	amount the Secretary determines will re-
20	sult in the aggregate cost of payments
21	made under this section being equal to
22	what would have been the aggregate cost
23	of payments under this section if the
24	amendments made by section 304(a) of the

1	Workers' Compensation Reform Act of
2	2011 had not been enacted.
3	"(ii) Cost of Living adjustment.—
4	The annual salary established under clause
5	(i) shall be increased on March 1 of each
6	year by the amount determined by the Sec-
7	retary of Labor to represent the percent
8	change in the price index published for De-
9	cember of the preceding year over the price
10	index published for the December of the
11	year prior to the preceding year, adjusted
12	to the nearest one-tenth of 1 percent.
13	"(C) Present value.—The Secretary of
14	Labor shall calculate the present value for pur-
15	poses of subparagraph (A) using a rate of inter-
16	est equal to the average market yield for out-
17	standing marketable obligations of the United
18	States with a maturity of 2 years on the first
19	business day of the month in which the com-
20	pensation is paid or, in the event that such
21	marketable obligations are not being issued on
22	such date, at an equivalent rate selected by the
23	Secretary of Labor, true discount compounded
24	annually.

1	"(2) CERTAIN INJURIES.—For an injury that
2	occurred before the date of enactment of the Work-
3	ers' Compensation Reform Act of 2011, the rate
4	under subsection (a) shall be 66 ½ percent of the
5	employee's monthly pay.
6	"(e) SIMULTANEOUS RECEIPT.—
7	"(1) Total disability.—An employee who re-
8	ceives compensation for total disability under section
9	8105 may only receive the lump sum of schedule
10	compensation under this section in addition to and
11	simultaneously with the benefits for total disability
12	after the later of—
13	"(A) the date on which the basic com-
14	pensation for total disability of the employee be-
15	comes 50 percent of the monthly pay of the em-
16	ployee under section 8105(b); or
17	"(B) the date on which augmented com-
18	pensation of the employee terminates under sec-
19	tion $8110(b)(2)(A)(ii)$, if the employee receives
20	such compensation.
21	"(2) Partial disability.—An employee who
22	receives benefits for partial disability under section
23	8106 may only receive the lump sum of schedule
24	compensation under this section in addition to and

1	simultaneously with the benefits for partial disability
2	after the later of—
3	"(A) the date on which the basic com-
4	pensation for partial disability of the employee
5	becomes 50 percent of the difference between
6	the monthly pay of the employee and the
7	monthly wage-earning capacity of the employee
8	after the beginning of the partial disability
9	under section 8106(b); or
10	"(B) the date on which augmented com-
11	pensation of the employee terminates under sec-
12	tion 8110(b)(2)(B), if the employee receives
13	such compensation.".
14	SEC. 305. VOCATIONAL REHABILITATION.
15	(a) In General.—Section 8104 is amended—
16	(1) in subsection (a)—
17	(A) by striking "(a) The Secretary of
1 Q	
10	Labor may" and all that follows through "un-
	Labor may" and all that follows through "undergo vocational rehabilitation." and inserting
19	
19 20	dergo vocational rehabilitation." and inserting
19 20 21	dergo vocational rehabilitation." and inserting the following:
19 20 21 22	dergo vocational rehabilitation." and inserting the following: "(a) IN GENERAL.—
118 119 220 221 222 223 224	dergo vocational rehabilitation." and inserting the following: "(a) IN GENERAL.— "(1) DIRECTION.—Except as provided in para-

1	is injured, or by such other date as the Secretary of
2	Labor determines it would be reasonable under the
3	circumstances for the individual to begin vocational
4	rehabilitation, and if vocational rehabilitation may
5	enable the individual to become capable of more
6	gainful employment, the Secretary of Labor shall di-
7	rect the individual to participate in developing a
8	comprehensive return to work plan and to undergo
9	vocational rehabilitation at a location a reasonable
10	distance from the residence of the individual.";
11	(B) by striking "the Secretary of Health
12	Education, and Welfare in carrying out the pur-
13	poses of chapter 4 of title 29" and inserting
14	"the Secretary of Education in carrying out the
15	purposes of the Rehabilitation Act of 1973 (29
16	U.S.C. 701 et seq.)";
17	(C) by striking "under section 32(b)(1) of
18	title 29" and inserting "under section 5 of the
19	Rehabilitation Act of 1973 (29 U.S.C. 704)";
20	and
21	(D) by adding at the end the following:
22	"(2) Exception.—The Secretary of Labor may
23	not direct an individual who has attained retirement
24	age to participate in developing a comprehensive re-

1	turn to work plan or to undergo vocational rehabili-
2	tation.";
3	(2) by redesignating subsection (b) as sub-
4	section (c);
5	(3) by inserting after subsection (a) the fol-
6	lowing:
7	"(b) Contents of Return to Work Plan.—A re-
8	turn to work plan developed under subsection (a)—
9	"(1) shall—
10	"(A) set forth specific measures designed
11	to increase the wage-earning capacity of an in-
12	dividual;
13	"(B) take into account the prior training
14	and education of the individual and the train-
15	ing, educational, and employment opportunities
16	reasonably available to the individual; and
17	"(C) provide that any employment under-
18	taken by the individual under the return to
19	work plan be at a location a reasonable distance
20	from the residence of the individual;
21	"(2) may provide that the Secretary will pay
22	out of amounts in the Employees' Compensation
23	Fund reasonable expenses of vocational rehabilita-
24	tion (which may include tuition, books, training fees,

I	supplies, equipment, and child or dependent care)
2	during the course of the plan; and
3	"(3) may not be for a period of more than 2
4	years, unless the Secretary finds good cause to grant
5	an extension, which may be for not more than 2
6	years.";
7	(4) in subsection (c), as so redesignated—
8	(A) by inserting "Compensation.—" be-
9	fore "Notwithstanding"; and
10	(B) by striking ", other than employment
11	undertaken pursuant to such rehabilitation";
12	and
13	(5) by adding at the end the following:
14	"(d) Assisted Reemployment Agreements.—
15	"(1) IN GENERAL.—The Secretary may enter
16	into an assisted reemployment agreement with an
17	agency or instrumentality of any branch of the Fed-
18	eral Government or a State or local government or
19	a private employer that employs an individual eligi-
20	ble for wage-loss compensation under section 8105
21	or 8106 to enable the individual to return to produc-
22	tive employment.
23	"(2) Contents.—An assisted reemployment
24	agreement under paragraph (1)—

1	"(A) may provide that the Secretary will
2	use amounts in the Employees' Compensation
3	Fund to reimburse an employer in an amount
4	equal to not more than 100 percent of the com-
5	pensation the individual would otherwise receive
6	under section 8105 or 8106; and
7	"(B) may not be for a period of more than
8	3 years.
9	"(e) List.—To facilitate the hiring of individuals eli-
10	gible for wage-loss compensation under section 8105 or
11	8106, the Secretary shall provide a list of such individuals
12	to the Office of Personnel Management, which the Office
13	of Personnel Management shall provide to all agencies and
14	instrumentalities of the Federal Government.".
15	(b) Termination of Vocational Rehabilitation
16	REQUIREMENT AFTER RETIREMENT AGE.—Section
17	8113(b) is amended by adding at the end the following:
18	"An individual who has attained retirement age may not
19	be required to undergo vocational rehabilitation.".
20	(c) Mandatory Benefit Reduction for Non-
21	COMPLIANCE.—Section 8113(b) is amended by striking
22	"may reduce" and inserting "shall reduce".
23	(d) Technical and Conforming Amendments.—

	• •
1	(1) IN GENERAL.—Subchapter III of chapter
2	15 of title 31, United States Code, is amended by
3	adding at the end the following:
4	"§ 1538. Authorization for assisted reemployment
5	"Funds may be transferred from the Employees"
6	Compensation Fund established under section 8147 of
7	title 5 to the applicable appropriations account for an
8	agency or instrumentality of any branch of the Federal
9	Government for the purposes of reimbursing the agency
10	or instrumentality in accordance with an assisted reem-
11	ployment agreement entered into under section 8104 of
12	title 5.".
13	(2) Table of sections.—The table of sections
14	for chapter 15 of title 31, United States Code, is
15	amended by inserting after the item relating to sec-
16	tion 1537 the following:
	"1538. Authorization for assisted reemployment.".
17	SEC. 306. REPORTING REQUIREMENTS.
18	(a) In General.—Chapter 81 is amended by insert-
19	ing after section 8106 the following:
20	"§ 8106a. Reporting requirements
21	"(a) Definition.—In this section, the term 'em-
22	ployee receiving compensation' means an employee who—
23	"(1) is paid compensation under section 8105
24	or 8106; and
25	"(2) has not attained retirement age.

"(b) AUTHORITY.—The Secretary of Labor shall re-1 2 quire an employee receiving compensation to report the 3 earnings of the employee receiving compensation from em-4 ployment or self-employment, by affidavit or otherwise, in 5 the manner and at the times the Secretary specifies. 6 "(c) Contents.—An employee receiving compensation shall include in a report required under subsection 8 (a) the value of housing, board, lodging, and other advantages which are part of the earnings of the employee re-10 ceiving compensation in employment or self-employment 11 and the value of which can be estimated. 12 "(d) Failure To Report and False Reports.— 13 "(1) In General.—An employee receiving com-14 pensation who fails to make an affidavit or other re-15 port required under subsection (b) or who knowingly 16 omits or understates any part of the earnings of the 17 employee in such an affidavit or other report shall 18 forfeit the right to compensation with respect to any 19 period for which the report was required. 20 "(2) Forfeited compensation.—Compensa-21 tion forfeited under this subsection, if already paid 22 to the employee receiving compensation, shall be re-23 covered by a deduction from the compensation pay-24 able to the employee or otherwise recovered under

1	section 8129, unless recovery is waived under that
2	section.".
3	(b) Technical and Conforming Amendments.—
4	The table of sections for chapter 81 is amended by insert-
5	ing after the item relating to section 8106 the following:
	"8106a. Reporting requirements.".
6	SEC. 307. DISABILITY MANAGEMENT REVIEW; INDE-
7	PENDENT MEDICAL EXAMINATIONS.
8	Section 8123 is amended by adding at the end the
9	following:
10	"(e) Disability Management Review.—
11	"(1) Definitions.—In this subsection—
12	"(A) the term 'covered employee' means an
13	employee who is in continuous receipt of com-
14	pensation for total disability under section 8105
15	for a period of not less than 6 months; and
16	"(B) the term 'disability management re-
17	view process' means the disability management
18	review process established under paragraph
19	(2)(A).
20	"(2) ESTABLISHMENT.—The Secretary of
21	Labor shall—
22	"(A) establish a disability management re-
23	view process for the purpose of certifying and
24	monitoring the disability status and extent of
25	injury of each covered employee; and

1	"(B) promulgate regulations for the ad-			
2	ministration of the disability management re-			
3	view process.			
4	"(3) Physical examinations required.—			
5	Under the disability management review process, the			
6	Secretary of Labor shall periodically require covered			
7	employees to submit to physical examinations under			
8	subsection (a) by physicians selected by the Sec-			
9	retary. A physician conducting a physical examina-			
10	tion of a covered employee shall submit to the Sec-			
11	retary a report regarding the nature and extent of			
12	the injury to and disability of the covered employee.			
13	"(4) Frequency.—			
14	"(A) In general.—The regulations pro-			
15	mulgated under paragraph (2)(B) shall specify			
16	the process and criteria for determining when			
17	and how frequently a physical examination			
18	should be conducted for a covered employee.			
19	"(B) MINIMUM FREQUENCY.—			
20	"(i) Initial.—An initial physical ex-			
21	amination shall be conducted not more			
22	than a brief period after the date on which			
23	a covered employee has been in continuous			
24	receipt of compensation for total disability			
25	under section 8015 for 6 months.			

1	"(ii) Subsequent examinations.—
2	After the initial physical examination,
3	physical examinations of a covered em-
4	ployee shall be conducted not less than
5	once every 3 years.
6	"(5) Employing agency or instrumen-
7	TALITY REQUESTS.—
8	"(A) IN GENERAL.—The agency or instru-
9	mentality employing an employee who has made
10	a claim for compensation for total disability
11	under section 8105 may at any time submit a
12	request for the Secretary of Labor to promptly
13	require the employee to submit to a physical ex-
14	amination under this subsection.
15	"(B) Requesting officer.—A request
16	under subparagraph (A) shall be made on be-
17	half of an agency or instrumentality by—
18	"(i) the head of the agency or instru-
19	mentality;
20	"(ii) the Chief Human Capital Officer
21	of the agency or instrumentality; or
22	"(iii) if the agency or instrumentality
23	does not have a Chief Human Capital Offi-
24	cer, an officer with responsibilities similar
25	to those of a Chief Human Capital Officer

1	designated by the head of the agency or in-
2	strumentality to make requests under this
3	paragraph.
4	"(C) Information.—A request under sub-
5	paragraph (A) shall be in writing and accom-
6	panied by—
7	"(i) a certification by the officer mak-
8	ing the request that the officer has re-
9	viewed the relevant material in the employ-
10	ee's file;
11	"(ii) an explanation of why the officer
12	has determined, based on the materials in
13	the file and other information known to
14	the officer, that requiring a physical exam-
15	ination of the employee under this sub-
16	section is necessary; and
17	"(iii) copies of the materials relating
18	to the employee that are relevant to the of-
19	ficer's determination and request, unless
20	the agency or instrumentality has a rea-
21	sonable basis for not providing the mate-
22	rials.
23	"(D) Examination.—If the Secretary of
24	Labor receives a request under this paragraph
25	before an employee has undergone an initial

1	physical examination under paragraph
2	(4)(B)(i), the Secretary shall promptly require
3	the physical examination of the employee. A
4	physical examination under this subparagraph
5	shall satisfy the requirement under paragraph
6	(4)(B)(i) that an initial physical examination be
7	conducted.
8	"(E) AFTER INITIAL EXAMINATION.—
9	"(i) IN GENERAL.—If the Secretary of
10	Labor receives a request under this para-
11	graph after an employee has undergone an
12	initial physical examination under para-
13	graph (4)(B)(i), the Secretary shall—
14	"(I) review the request and the
15	information, explanation, and other
16	materials submitted with the request;
17	and
18	"(II) determine whether to re-
19	quire the physical examination of the
20	employee who is the subject of the re-
21	quest.
22	"(ii) Not granted.—If the Secretary
23	determines not to grant a request de-
24	scribed in clause (i), the Secretary shall
25	promptly notify the officer who made the

1	request and provide an explanation of the
2	reasons why the request was denied.".
3	SEC. 308. WAITING PERIOD.
4	(a) In General.—Section 8117 is amended—
5	(1) in the section heading, by striking " Time
6	of accrual of right" and inserting "Waiting
7	period";
8	(2) in subsection (a)—
9	(A) in the matter preceding paragraph (1),
10	by striking "An employee" and all that follows
11	through "is not entitled" and inserting "IN
12	General.—An employee is not entitled to con-
13	tinuation of pay within the meaning of section
14	8118 for the first 3 days of temporary disability
15	or, if section 8118 does not apply, is not enti-
16	tled";
17	(B) in paragraph (1), by adding "or" at
18	the end;
19	(C) by striking paragraph (2); and
20	(D) by redesignating paragraph (3) as
21	paragraph (2); and
22	(3) in subsection (b)—
23	(A) by striking "A Postal Service" the first
24	place it appears and all that follows through "A

1	Postal Service" the second place it appears and		
2	inserting "USE OF LEAVE.—An";		
3	(B) by striking "that 3-day period" and in-		
4	serting "the first 3 days of temporary dis-		
5	ability"; and		
6	(C) by striking "or is followed by perma-		
7	nent disability".		
8	(b) Continuation of Pay.—Section 8118 is amend-		
9	ed—		
10	(1) in the section heading, by striking "; elec-		
11	tion to use annual or sick leave";		
12	(2) in subsection (b)(1), by striking "section		
13	8117(b)" and inserting "section 8117";		
14	(3) by striking subsection (c); and		
15	(4) by redesignating subsections (d) and (e) as		
16	subsections (c) and (d), respectively.		
17	(c) Technical and Conforming Amendments.—		
18	The table of sections for chapter 81 is amended by strik-		
19	ing the items relating to sections 8117 and 8118 and in-		
20	serting the following:		
	"8117. Waiting period. "8118. Continuation of pay.".		
21	SEC. 309. ELECTION OF BENEFITS.		
22	(a) In General.—Section 8116 is amended by add-		
23	ing at the end the following:		
24	"(e) Retirement Benefits.—		

1	"(1) In general.—An individual entitled to
2	compensation benefits payable under this subchapter
3	and under chapter 83 or 84 or any other retirement
4	system for employees of the Government, for the
5	same period, shall elect which benefits the individual
6	will receive.
7	"(2) Election.—
8	"(A) Deadline.—An individual shall
9	make an election under paragraph (1) in ac-
10	cordance with such deadlines as the Secretary
11	of Labor shall establish.
12	"(B) Revocability.—An election under
13	paragraph (1) shall be revocable, notwith-
14	standing any other provision of law, except for
15	any period during which an individual—
16	"(i) was qualified for benefits payable
17	under both this subchapter and under a re-
18	tirement system described in paragraph
19	(1); and
20	"(ii) was paid benefits under the re-
21	tirement system after having been notified
22	of eligibility for benefits under this sub-
23	chapter.
24	"(3) Informed Choice.—The Secretary of
25	Labor shall provide information, and shall ensure

1	that information is provided, to an individual de-
2	scribed in paragraph (1) about the benefits available
3	to the individual under this subchapter or under
4	chapter 83 or 84 or any other retirement system re-
5	ferred to in paragraph (1) the individual may elect
6	to receive.".
7	(b) Technical and Conforming Amendments.—
8	Sections 8337(f)(3) and 8464a(a)(3) are each amended by
9	striking "Paragraphs" and inserting "Except as provided
10	under chapter 81, paragraphs".
11	SEC. 310. SANCTION FOR NONCOOPERATION WITH FIELD
12	NURSES.
13	Section 8123, as amended by section 307, is amended
14	by adding at the end the following:
15	"(f) Field Nurses.—
16	"(1) Definition.—In this subsection, the term
1617	"(1) Definition.—In this subsection, the term 'field nurse' means a registered nurse that assists
17	'field nurse' means a registered nurse that assists
17 18	'field nurse' means a registered nurse that assists the Secretary in the medical management of dis-
17 18 19	'field nurse' means a registered nurse that assists the Secretary in the medical management of dis- ability claims under this subchapter and provides
17 18 19 20	'field nurse' means a registered nurse that assists the Secretary in the medical management of dis- ability claims under this subchapter and provides claimants with assistance in coordinating medical
17 18 19 20 21	'field nurse' means a registered nurse that assists the Secretary in the medical management of dis- ability claims under this subchapter and provides claimants with assistance in coordinating medical care.
17 18 19 20 21 22	'field nurse' means a registered nurse that assists the Secretary in the medical management of disability claims under this subchapter and provides claimants with assistance in coordinating medical care. "(2) AUTHORIZATION.—The Secretary may use

1	operate with a field nurse or obstructs a field nurse			
2	in the performance of duties under this subchapter			
3	the right to compensation under this subchapter			
4	shall be suspended until the refusal or obstruction			
5	stops.".			
6	SEC. 311. SUBROGATION OF CONTINUATION OF PAY.			
7	(a) In General.—Section 8131 is amended—			
8	(1) in subsection (a), in the matter preceding			
9	paragraph (1), by inserting "continuation of pay or"			
10	before "compensation"; and			
11	(2) in subsection (b), by inserting "continuation			
12	of pay" before compensation; and			
13	(3) in subsection (c)—			
14	(A) by inserting "continuation of pay or"			
15	before "compensation already paid"; and			
16	(B) by inserting "continuation of pay or"			
17	before "compensation payable".			
18	(b) Adjustment After Recovery From a Third			
19	Person.—Section 8132 is amended—			
20	(1) in the first sentence—			
21	(A) by inserting "continuation of pay or"			
22	before "compensation is payable";			
23	(B) by inserting "continuation of pay or"			
24	before "compensation from the United States";			

1	(C) by striking "by him or in his behalf"
2	and inserting "by the beneficiary or on behalf
3	of the beneficiary";
4	(D) by inserting "continuation of pay and"
5	before "compensation paid by the United
6	States"; and
7	(E) by striking "compensation payable to
8	him" and inserting "continuation of pay or
9	compensation payable to the beneficiary";
10	(2) in the second sentence, by striking "his des-
11	ignee" and inserting "the designee of the bene-
12	ficiary"; and
13	(3) in the fourth sentence, by striking "If com-
14	pensation" and all that follows through "payable to
15	him by the United States" and inserting "If con-
16	tinuation of pay or compensation has not been paid
17	to the beneficiary, the money or property shall be
18	credited against continuation of pay or compensation
19	payable to the beneficiary by the United States".
20	SEC. 312. SOCIAL SECURITY EARNINGS INFORMATION.
21	Section 8116, as amended by section 308, is amended
22	by adding at the end the following:
23	"(f) Earnings Information.—Notwithstanding
24	section 552a or any other provision of Federal or State
25	law, the Social Security Administration shall make avail-

- 1 able to the Secretary of Labor, upon written request, the
- 2 Social Security earnings information of a living or de-
- 3 ceased employee who may have sustained an injury or died
- 4 as a result of an injury that is the subject of a claim under
- 5 this subchapter required by the Secretary of Labor to
- 6 carry out this subchapter.".

7 SEC. 313. AMOUNT OF COMPENSATION.

- 8 (a) Injuries to Face, Head, and Neck.—Section
- 9 8107(c)(21) is amended—
- 10 (1) by striking "not to exceed \$3,500" and in-
- serting "in proportion to the severity of the dis-
- figurement, not to exceed \$50,000,"; and
- 13 (2) by adding at the end the following: "The
- maximum amount of compensation under this para-
- graph shall be increased on March 1 of each year by
- the amount determined by the Secretary of Labor to
- 17 represent the percent change in the price index pub-
- lished for December of the preceding year over the
- price index published for the December of the year
- prior to the preceding year, adjusted to the nearest
- one-tenth of 1 percent.".
- 22 (b) Funeral Expenses.—Section 8134(a) is
- 23 amended—
- 24 (1) by striking "\$800" and inserting "\$6,000";
- 25 and

1	(2) by adding at the end the following: "The
2	maximum amount of compensation under this sub-
3	section shall be increased on March 1 of each year
4	by the amount determined by the Secretary of Labor
5	to represent the percent change in the price index
6	published for December of the preceding year over
7	the price index published for the December of the
8	year prior to the preceding year, adjusted to the
9	nearest one-tenth of 1 percent.".
10	(c) APPLICATION.—The amendments made by this
11	section shall apply to injuries or deaths, respectively, oc-
12	curring on or after the date of enactment of this Act.
12	SEC. 314. TECHNICAL AND CONFORMING AMENDMENTS.
13	SEC. 914. TECHNICIE IND CONTOURING INTENDINENTS.
13 14	Chapter 81 is amended—
14	Chapter 81 is amended—
14 15	Chapter 81 is amended— (1) in section 8101(1)(D), by inserting "for an
14 15 16	Chapter 81 is amended— (1) in section 8101(1)(D), by inserting "for an injury that occurred before the effective date of sec-
14 15 16 17	Chapter 81 is amended— (1) in section 8101(1)(D), by inserting "for an injury that occurred before the effective date of section 204(e) of the District of Columbia Self-Govern-
14 15 16 17	Chapter 81 is amended— (1) in section 8101(1)(D), by inserting "for an injury that occurred before the effective date of section 204(e) of the District of Columbia Self-Government and Governmental Reorganization Act (Public
114 115 116 117 118	Chapter 81 is amended— (1) in section 8101(1)(D), by inserting "for an injury that occurred before the effective date of section 204(e) of the District of Columbia Self-Government and Governmental Reorganization Act (Public Law 93–198; 87 Stat. 783; 5 U.S.C. 8101 note)"
14 15 16 17 18 19 20	Chapter 81 is amended— (1) in section 8101(1)(D), by inserting "for an injury that occurred before the effective date of section 204(e) of the District of Columbia Self-Government and Governmental Reorganization Act (Public Law 93–198; 87 Stat. 783; 5 U.S.C. 8101 note)" before the semicolon;
114 115 116 117 118 119 220 221	Chapter 81 is amended— (1) in section 8101(1)(D), by inserting "for an injury that occurred before the effective date of section 204(e) of the District of Columbia Self-Government and Governmental Reorganization Act (Public Law 93–198; 87 Stat. 783; 5 U.S.C. 8101 note)" before the semicolon; (2) in section 8139, by inserting "under this
14 15 16 17 18 19 20 21	Chapter 81 is amended— (1) in section 8101(1)(D), by inserting "for an injury that occurred before the effective date of section 204(e) of the District of Columbia Self-Government and Governmental Reorganization Act (Public Law 93–198; 87 Stat. 783; 5 U.S.C. 8101 note)" before the semicolon; (2) in section 8139, by inserting "under this subchapter" after "Compensation awarded";

SEC	215	BECIII	ATIONS

- 2 (a) In General.—As soon as possible after the date
- 3 of enactment of this Act, the Secretary of Labor shall pro-
- 4 mulgate regulations (which may include interim final reg-
- 5 ulations) to carry out this title.
- 6 (b) Contents.—The regulations promulgated under
- 7 subsection (a) shall include, for purposes of the amend-
- 8 ments made by sections 302 and 303, clarification of—
- 9 (1) what is a claim; and
- 10 (2) what is the date on which a period of dis-
- ability, for which a claim is made, commences.

12 TITLE IV—OTHER MATTERS

- 13 SEC. 401. PROFITABILITY PLAN.
- 14 (a) Plan Required.—Not later than 90 days after
- 15 the date of enactment of this Act, the Postal Service shall
- 16 submit to the Committee on Homeland Security and Gov-
- 17 ernmental Affairs of the Senate, the Committee on Over-
- 18 sight and Government Reform of the House of Represent-
- 19 atives, the Comptroller General of the United States, and
- 20 the Commission a plan describing, in detail, the actions
- 21 the Postal Service will take to—
- 22 (1) become profitable by fiscal year 2015; and
- 23 (2) achieve long-term financial solvency.
- 24 (b) Considerations.—The plan required under sub-
- 25 section (a) shall take into consideration—
- 26 (1) the legal authority of the Postal Service;

1	(2) the changes in the legal authority and re-
2	sponsibilities of the Postal Service under this Act;
3	(3) any cost savings that the Postal Service an-
4	ticipates will be achieved through negotiations with
5	employees of the Postal Service; and
6	(4) projected changes in mail volume.
7	(c) UPDATES.—The Postal Service shall update the
8	plan required under subsection (a) not less frequently than
9	quarterly, until the last quarter of fiscal year 2015.
10	SEC. 402. POSTAL RATES.
11	(a) Commission Study.—
12	(1) In general.—Not earlier than 2 years
13	after the date of enactment of this Act, the Commis-
14	sion shall commence a study to determine—
15	(A) whether and to what extent any mar-
16	ket-dominant classes, products, or types of mail
17	services do not bear the direct and indirect
18	costs attributable to those classes, products, or
19	types of mail service; and
20	(B) the impact of any excess mail proc-
21	essing, transportation, or delivery capacity of
22	the Postal Service on the direct and indirect
23	costs attributable to any class that bears less
24	than 100 percent of the costs attributable to

1	the class, as determined under subparagraph
2	(A).
3	(2) Requirements.—The Commission shall
4	conduct the study under paragraph (1) in a manner
5	that protects confidential and proprietary business
6	information.
7	(3) Hearing.—Before completing the study
8	under paragraph (1), the Commission shall hold a
9	public hearing, on the record, in order to better in-
10	form the conclusions of the study. The Postal Serv-
11	ice, postal customers, and other interested persons
12	may participate in the hearing under this paragraph.
13	(4) Completion.—Not later than 6 months
14	after the date on which the Commission commences
15	the study under subsection (a), the Commission shall
16	complete the study.
17	(b) Annual Updates Required.—Not later than
18	1 year after the date of completion of the study under
19	subsection (a), and annually thereafter, the Commission
20	shall—
21	(1) determine whether any class of mail bears
22	less than 100 percent of the direct and indirect costs
23	attributable to the class, product, or type of mail
24	service, in the same manner as under subsection
25	(a)(1)(A);

1 (2) for any class of mail for which the Commis-2 sion makes a determination under paragraph (1), 3 update the study under subsection (a); and 4 (3) include the study updated under paragraph 5 (2) in the annual written determination of the Com-6 mission under section 3653 of title 39, United 7 States Code. 8 (c) Postal Rates.— 9 (1) Definition.—In this subsection, the term 10 "loss-making", as used with respect to a class of 11 mail, means a class of mail that bears less than 100 12 percent of the costs attributable to the class of mail, 13 according to the most recent annual determination 14 of the Commission under subsection (a)(1) or (b)(1), 15 adjusted to account for the quantitative effect of ex-16 cess mail processing, transportation, or delivery ca-17 pacity of the Postal Service on the costs attributable 18 to the class of mail. 19 (2) IN GENERAL.—Not later than 1 year after 20 the date on which the study under subsection (a) is 21 completed, and annually thereafter, the Postal Serv-22 ice shall establish postal rates for each loss-making 23 class of mail. 24 (3) Considerations.—The Postal Service may 25 establish postal rates under paragraph (2) in a man-

1	ner that ensures, to the extent practicable, that a
2	class of mail described in paragraph (2) is not loss-
3	making by—
4	(A) using the authority to increase rates
5	under section 3622(d)(1)(A) of title 39, United
6	States Code;
7	(B) exhausting any unused rate adjust-
8	ment authority, as defined in section
9	3622(d)(2)(C) of title 39, United States Code,
10	subject to paragraph (4); and
11	(C) maximizing incentives to reduce costs
12	and increase efficiency with regard to the proc-
13	essing, transportation, and delivery of such mail
14	by the Postal Service.
15	(4) Unused rate adjustment authority.—
16	Section 3622(d)(2)(C) of title 39, United States
17	Code, shall be applied by annually increasing by 2
18	percentage points any unused rate adjustment au-
19	thority for a class of mail that bears less than 90
20	percent of the costs attributable to the class of mail,
21	according to the most recent annual determination
22	of the Commission under subsection $(a)(1)$ or $(b)(1)$,
23	adjusted to account for the quantitative effect of ex-
24	cess mail processing, transportation, or delivery ca-

1	pacity of the Postal Service on the costs attributable
2	to the class of mail.
3	SEC. 403. COOPERATION WITH STATE AND LOCAL GOVERN-
4	MENTS; INTRA-SERVICE AGREEMENTS.
5	(a) Cooperation With State and Local Gov-
6	ERNMENTS.—Section 411 of title 39, United States Code,
7	is amended, in the first sentence by striking "and the Gov-
8	ernment Printing Office" inserting ", the Government
9	Printing Office, and agencies and other units of State and
10	local governments".
11	(b) Intra-Service Agreements.—Section 411 of
12	title 39, United States Code, as amended by subsection
13	(a), is amended—
14	(1) in the section heading, by adding at the end
15	the following: "and within the Postal Serv-
16	ice'';
17	(2) in the second sentence, by striking "sec-
18	tion" and inserting "subsection";
19	(3) by striking "Executive agencies" and insert-
20	ing the following:
21	"(a) Cooperation With State and Local Gov-
22	ERNMENTS.—Executive agencies"; and
23	(4) by adding at the end the following:
24	"(b) Cooperation Within the Postal Serv-
25	ICE.—The Office of the Inspector General and other com-

- 1 ponents of the Postal Service may enter into agreements
- 2 to furnish to each other property, both real and personal,
- 3 and personal and nonpersonal services. The furnishing of
- 4 property and services under this subsection shall be under
- 5 such terms and conditions, including reimbursability, as
- 6 the Inspector General and the head of the component con-
- 7 cerned shall deem appropriate.".
- 8 (c) Technical and Conforming Amendment.—
- 9 The table of sections for chapter 4 of title 39, United
- 10 States Code, is amended by striking the item relating to
- 11 section 411 and inserting the following:
 - "411. Cooperation with other Government agencies and within the Postal Service.".

12 SEC. 404. SHIPPING OF WINE AND BEER.

- (a) Mailability.—
- 14 (1) Nonmailable articles.—Section 1716(f)
- of title 18, United States Code, is amended by strik-
- ing "mails" and inserting "mails, except to the ex-
- tent that the mailing is allowable under section
- 18 3001(p) of title 39".
- 19 (2) Application of Laws.—Section 1161 of
- 20 title 18, United States Code, is amended, by insert-
- 21 ing ", and, with respect to the mailing of wine or
- 22 malt beverages (as those terms are defined in section
- 23 117 of the Federal Alcohol Administration Act (27

1	U.S.C. 211)), is in conformity with section 3001(p)
2	of title 39" after "Register".
3	(b) Regulations.—Section 3001 of title 39, United
4	States Code, is amended by adding at the end the fol-
5	lowing:
6	"(p)(1) In this subsection, the terms 'wine' and 'malt
7	beverage' have the same meanings as in section 117 of
8	the Federal Alcohol Administration Act (27 U.S.C. 211).
9	"(2) Wine or malt beverages shall be considered mail-
10	able if mailed—
11	"(A) by a licensed winery or brewery, in accord-
12	ance with applicable regulations under paragraph
13	(3); and
14	"(B) in accordance with the law of the State,
15	territory, or district of the United States where the
16	addressee or duly authorized agent takes delivery.
17	"(3) The Postal Service shall prescribe such regula-
18	tions as may be necessary to carry out this subsection,
19	including regulations providing that—
20	"(A) the mailing shall be by a means estab-
21	lished by the Postal Service to ensure direct delivery
22	to the addressee or a duly authorized agent;
23	"(B) the addressee (and any duly authorized
24	agent) shall be an individual at least 21 years of
25	age;

1	"(C) the individual who takes delivery, whether
2	the addressee or a duly authorized agent, shall
3	present a valid, government-issued photo identifica-
4	tion at the time of delivery;
5	"(D) the wine or malt beverages may not be for
6	resale or other commercial purpose; and
7	"(E) the winery or brewery involved shall—
8	"(i) certify in writing to the satisfaction of
9	the Postal Service, through a registration proc-
10	ess administered by the Postal Service, that the
11	mailing is not in violation of any provision of
12	this subsection or regulation prescribed under
13	this subsection; and
14	"(ii) provide any other information or af-
15	firmation that the Postal Service may require,
16	including with respect to the prepayment of
17	State alcohol beverage taxes.
18	"(4) For purposes of this subsection—
19	"(A) a winery shall be considered to be licensed
20	if it holds an appropriate basic permit issued—
21	"(i) under the Federal Alcohol Administra-
22	tion Act; and
23	"(ii) under the law of the State in which
24	the winery is located; and

1	"(B) a brewery shall be considered to be li-
2	censed if—
3	"(i) it possesses a notice of registration
4	and bond approved by the Alcohol and Tobacco
5	Tax and Trade Bureau of the Department of
6	the Treasury; and
7	"(ii) it is licensed to manufacture and self
8	malt beverages in the State in which the brew-
9	ery is located.".
10	(c) Effective Date.—The amendments made by
11	this section shall take effect on the earlier of—
12	(1) the date on which the Postal Service issues
13	regulations under section 3001(p) of title 39, United
14	States Code, as amended by this section; and
15	(2) 120 days after the date of enactment of this
16	Act.
17	SEC. 405. ANNUAL REPORT ON UNITED STATES MAILING IN
18	DUSTRY.
19	(a) In General.—Chapter 24 of title 39, United
20	States Code, is amended by adding at the end the fol-
21	lowing:
22	"§ 2403. Annual report on the fiscal stability of the
23	United States mailing industry
24	"(a) In General.—Not later than 1 year after the
25	date of enactment of this section, and annually thereafter

1	the Postal Regulatory Commission shall submit a report
2	on the fiscal stability of the United States mailing indus-
3	try with respect to the preceding fiscal year to—
4	"(1) the Committee on Homeland Security and
5	Governmental Affairs of the Senate; and
6	"(2) the Committee on Oversight and Govern-
7	ment Reform of the House of Representatives.
8	"(b) Assistance.—The United States Postal Service
9	and any Federal agency involved in oversight or data col-
10	lection regarding industry sectors relevant to the report
11	under subsection (a) shall provide any assistance to the
12	Postal Regulatory Commission that the Postal Regulatory
13	Commission determines is necessary in the preparation of
14	a report under subsection (a).".
15	(b) Technical and Conforming Amendment.—
16	The table of sections for chapter 24 of title 39, United
17	States Code, is amended by adding at the end the fol-
18	lowing:
	"2403. Annual report on the fiscal stability of the United States mailing industry.".
19	SEC. 406. USE OF NEGOTIATED SERVICE AGREEMENTS.
20	Section 3622 of title 39, United States Code, is
21	amended—
22	(1) in subsection (c)(10)(A)—
23	(A) in the matter preceding clause (i), by
24	striking "either" and inserting "will"

1	(B) in clause (i), by striking "or" at the
2	end;
3	(C) in clause (ii), by striking "and" at the
4	end and inserting "or"; and
5	(D) by adding at the end the following:
6	"(iii) preserve mail volume and rev-
7	enue; and"; and
8	(2) by adding at the end the following:
9	"(g) Coordination.—The Postal Service and the
10	Postal Regulatory Commission shall coordinate actions to
11	identify methods to increase the use of negotiated service
12	agreements for market-dominant products by the Postal
13	Service consistent with subsection (c)(10).".
14	SEC. 407. CONTRACT DISPUTES.
15	Section 7101(8) of title 41, United States Code, is
16	amended—
17	(1) in subparagraph (C), by striking "and" at
18	the end;
19	(2) in subparagraph (D), by striking the period
20	at the end and inserting "; and"; and
21	(3) by adding at the end the following:
22	"(E) the United States Postal Service and
23	the Postal Regulatory Commission.".

1 SEC. 408. CONTRACTING PROVISIONS.

- 2 (a) IN GENERAL.—Part I of title 39, United States
- 3 Code, is amended by adding at the end the following:

4 "CHAPTER 7—CONTRACTING PROVISIONS

"Sec.

5 **"§ 701. Definitions**

6	"In this chapter—
7	"(1) the term 'contracting officer' means an
8	employee of a covered postal entity who has author-
9	ity to enter into a postal contract;
10	"(2) the term 'covered postal entity' means—
11	"(A) the United States Postal Service; or
12	"(B) the Postal Regulatory Commission;
13	"(3) the term 'head of a covered postal entity'
14	means—
15	"(A) in the case of the United States Post-
16	al Service, the Postmaster General; or
17	"(B) in the case of the Postal Regulatory
18	Commission, the Chairman of the Postal Regu-
19	latory Commission;
20	"(4) the term 'postal contract' means any con-
21	tract (including any agreement or memorandum of

[&]quot;701. Definitions.

[&]quot;702. Advocate for competition.

[&]quot;703. Delegation of contracting authority.

[&]quot;704. Posting of noncompetitive purchase requests for noncompetitive contracts.

[&]quot;705. Review of ethical issues.

[&]quot;706. Ethical restrictions on participation in certain contracting activity.

1	understanding) entered into by a covered postal enti-
2	ty for the procurement of goods or services; and
3	"(5) the term 'senior procurement executive'
4	means the senior procurement executive of a covered
5	postal entity.
6	"§ 702. Advocate for competition
7	"(a) Establishment and Designation.—
8	"(1) There is established in each covered postal
9	entity an advocate for competition.
10	"(2) The head of each covered postal entity
11	shall designate for the covered postal entity 1 or
12	more officers or employees (other than the senior
13	procurement executive) to serve as the advocate for
14	competition.
15	"(b) Responsibilities.—The advocate for competi-
16	tion of each covered postal entity shall—
17	"(1) be responsible for promoting competition
18	to the maximum extent practicable consistent with
19	obtaining best value by promoting the acquisition of
20	commercial items and challenging barriers to com-
21	petition;
22	"(2) review the procurement activities of the
23	covered postal entity; and
24	"(3) prepare and transmit to the head of each
25	covered postal entity, the senior procurement execu-

1	tive of each covered postal entity, the Board of Gov-
2	ernors of the United States Postal Service, and Con-
3	gress, an annual report describing—
4	"(A) the activities of the advocate under
5	this section;
6	"(B) initiatives required to promote com-
7	petition;
8	"(C) barriers to competition that remain;
9	and
10	"(D) the number of waivers made by each
11	covered postal entity under section 704(c).
12	"§ 703. Delegation of contracting authority
13	"(a) In General.—
13 14	"(a) In General.— "(1) Policy.—Not later than 60 days after the
14	"(1) Policy.—Not later than 60 days after the
14 15	"(1) Policy.—Not later than 60 days after the date of enactment of the 21st Century Postal Serv-
141516	"(1) Policy.—Not later than 60 days after the date of enactment of the 21st Century Postal Service Act of 2011, the head of each covered postal en-
14151617	"(1) Policy.—Not later than 60 days after the date of enactment of the 21st Century Postal Service Act of 2011, the head of each covered postal entity shall issue a policy on contracting officer delega-
14 15 16 17 18	"(1) Policy.—Not later than 60 days after the date of enactment of the 21st Century Postal Service Act of 2011, the head of each covered postal entity shall issue a policy on contracting officer delegations of authority for the covered postal entity.
14 15 16 17 18 19	"(1) Policy.—Not later than 60 days after the date of enactment of the 21st Century Postal Service Act of 2011, the head of each covered postal entity shall issue a policy on contracting officer delegations of authority for the covered postal entity. "(2) Contents.—The policy issued under
14 15 16 17 18 19 20	"(1) Policy.—Not later than 60 days after the date of enactment of the 21st Century Postal Service Act of 2011, the head of each covered postal entity shall issue a policy on contracting officer delegations of authority for the covered postal entity. "(2) Contents.—The policy issued under paragraph (1) shall require that—
14 15 16 17 18 19 20 21	"(1) Policy.—Not later than 60 days after the date of enactment of the 21st Century Postal Service Act of 2011, the head of each covered postal entity shall issue a policy on contracting officer delegations of authority for the covered postal entity. "(2) Contents.—The policy issued under paragraph (1) shall require that— "(A) notwithstanding any delegation of au-
14 15 16 17 18 19 20 21 22	"(1) Policy.—Not later than 60 days after the date of enactment of the 21st Century Postal Service Act of 2011, the head of each covered postal entity shall issue a policy on contracting officer delegations of authority for the covered postal entity. "(2) Contents.—The policy issued under paragraph (1) shall require that— "(A) notwithstanding any delegation of authority with respect to postal contracts, the ulti-

1	resides with the senior procurement executive;
2	and
3	"(B) a contracting officer shall maintain
4	an awareness of and engagement in the activi-
5	ties being performed on postal contracts of
6	which that officer has cognizance, notwith-
7	standing any delegation of authority that may
8	have been executed.
9	"(b) Posting of Delegations.—
10	"(1) IN GENERAL.—The head of each covered
11	postal entity shall make any delegation of authority
12	for postal contracts outside the functional con-
13	tracting unit readily available and accessible on the
14	website of the covered postal entity.
15	"(2) Effective date.—This paragraph shall
16	apply to any delegation of authority made on or
17	after 30 days after the date of enactment of the 21st
18	Century Postal Service Act of 2011.
19	"§ 704. Posting of noncompetitive purchase requests
20	for noncompetitive contracts
21	"(a) Posting Required.—
22	"(1) Postal regulatory commission.—The
23	Postal Regulatory Commission shall make the non-
24	competitive purchase request for any noncompetitive
25	award, including the rationale supporting the non-

1	competitive award, publicly available on the website
2	of the Postal Regulatory Commission—
3	"(A) not later than 14 days after the date
4	of the award of the noncompetitive contract; or
5	"(B) not later than 30 days after the date
6	of the award of the noncompetitive contract, if
7	the basis for the award was a compelling busi-
8	ness interest.
9	"(2) United States Postal Service.—The
10	United States Postal Service shall make the non-
11	competitive purchase request for any noncompetitive
12	award of a postal contract valued at \$250,000 or
13	more, including the rationale supporting the non-
14	competitive award, publicly available on the website
15	of the United States Postal Service—
16	"(A) not later than 14 days after the date
17	of the award; or
18	"(B) not later than 30 days after the date
19	of the award, if the basis for the award was a
20	compelling business interest.
21	"(3) Adjustments to the posting thresh-
22	OLD FOR THE UNITED STATES POSTAL SERVICE.—
23	"(A) REVIEW AND DETERMINATION.—Not
24	later than January 31 of each year, the United
25	States Postal Service shall—

1	"(i) review the \$250,000 threshold es-
2	tablished under paragraph (2); and
3	"(ii) based on any change in the Con-
4	sumer Price Index for all-urban consumers
5	of the Department of Labor, determine
6	whether an adjustment to the threshold
7	shall be made.
8	"(B) Amount of adjustments.—An ad-
9	justment under subparagraph (A) shall be made
10	in increments of \$5,000. If the United States
11	Postal Service determines that a change in the
12	Consumer Price Index for a year would require
13	an adjustment in an amount that is less than
14	\$5,000, the United States Postal Service may
15	not make an adjustment to the threshold for
16	the year.
17	"(4) Effective date.—This subsection shall
18	apply to any noncompetitive contract awarded on or
19	after the date that is 90 days after the date of en-
20	actment of the 21st Century Postal Service Act of
21	2011.
22	"(b) Public Availability.—
23	"(1) In General.—Subject to paragraph (2),
24	the information required to be made publicly avail-
25	able by a covered postal entity under subsection (a)

1	shall be readily accessible on the website of the cov-
2	ered postal entity.
3	"(2) Protection of Proprietary Informa-
4	TION.—A covered postal entity shall—
5	"(A) carefully screen any description of the
6	rationale supporting a noncompetitive award re-
7	quired to be made publicly available under sub-
8	section (a) to determine whether the description
9	includes proprietary data (including any ref-
10	erence or citation to the proprietary data) or se-
11	curity-related information; and
12	"(B) remove any proprietary data or secu-
13	rity-related information before making publicly
14	available a description of the rational sup-
15	porting a noncompetitive award.
16	"(c) Waivers.—
17	"(1) Waiver Permitted.—If a covered postal
18	entity determines that making a noncompetitive pur-
19	chase request publicly available would risk placing
20	the United States Postal Service at a competitive
21	disadvantage relative to a private sector competitor,
22	the senior procurement executive, in consultation
23	with the advocate for competition of the covered
24	postal entity, may waive the requirements under
25	subsection (a).

1	"(2) Form and content of waiver.—
2	"(A) FORM.—A waiver under paragraph
3	(1) shall be in the form of a written determina-
4	tion placed in the file of the contract to which
5	the noncompetitive purchase agreement relates.
6	"(B) Content.—A waiver under para-
7	graph (1) shall include—
8	"(i) a description of the risk associ-
9	ated with making the noncompetitive pur-
10	chase request publicly available; and
11	"(ii) a statement that redaction of
12	sensitive information in the noncompetitive
13	purchase request would not be sufficient to
14	protect the United States Postal Service
15	from being placed at a competitive dis-
16	advantage relative to a private sector com-
17	petitor.
18	"(3) Delegation of Waiver Authority.—A
19	covered postal entity may not delegate the authority
20	to approve a waiver under paragraph (1) to any em-
21	ployee having less authority than the senior procure-
22	ment executive.
23	"§ 705. Review of ethical issues
24	"If a contracting officer identifies any ethical issues
25	relating to a proposed contract and submits those issues

1	and that proposed contract to the designated ethics official
2	for the covered postal entity before the awarding of that
3	contract, that ethics official shall—
4	"(1) review the proposed contract; and
5	"(2) advise the contracting officer on the appro-
6	priate resolution of ethical issues.
7	"§ 706. Ethical restrictions on participation in certain
8	contracting activity
9	"(a) Definitions.—In this section—
10	"(1) the term 'covered employee' means—
11	"(A) a contracting officer; or
12	"(B) any employee of a covered postal en-
13	tity whose decisionmaking affects a postal con-
14	tract as determined by regulations prescribed
15	by the head of a covered postal entity;
16	"(2) the term 'covered relationship' means a
17	covered relationship described in section
18	2635.502(b)(1) of title 5, Code of Federal Regula-
19	tions, or any successor thereto; and
20	"(3) the term 'final conviction' means a convic-
21	tion, whether entered on a verdict or plea, including
22	a plea of nolo contendere, for which a sentence has
23	been imposed.
24	"(b) In General.—

1	(1) Regulations.—The head of each covered
2	postal entity shall prescribe regulations that—
3	"(A) require a covered employee to include
4	in the file of any noncompetitive purchase re-
5	quest for a noncompetitive postal contract a
6	written certification that—
7	"(i) discloses any covered relationship
8	of the covered employee; and
9	"(ii) the covered employee will not
10	take any action with respect to the non-
11	competitive purchase request that affects
12	the financial interests of a friend, relative,
13	or person with whom the covered employee
14	is affiliated in a nongovernmental capacity,
15	or otherwise gives rise to an appearance of
16	the use of public office for private gain, as
17	described in section 2635.702 of title 5,
18	Code of Federal Regulations, or any suc-
19	cessor thereto;
20	"(B) require a contracting officer to con-
21	sult with the ethics counsel for the covered
22	postal entity regarding any disclosure made by
23	a covered employee under subparagraph (A)(i),
24	to determine whether participation by the cov-
25	ered employee in the noncompetitive purchase

1	request would give rise to a violation of part
2	2635 of title 5, Code of Federal Regulations
3	(commonly referred to as the 'Standards of
4	Ethical Conduct for Employees of the Executive
5	Branch');
6	"(C) require the ethics counsel for a cov-
7	ered postal entity to review any disclosure made
8	by a contracting officer under subparagraph
9	(A)(i) to determine whether participation by the
10	contracting officer in the noncompetitive pur-
11	chase request would give rise to a violation of
12	part 2635 of title 5, Code of Federal Regula-
13	tions (commonly referred to as the 'Standards
14	of Ethical Conduct for Employees of the Execu-
15	tive Branch'), or any successor thereto;
16	"(D) under subsections (d) and (e) of sec-
17	tion 2635.50 of title 5, Code of Federal Regula-
18	tions, or any successor thereto, require the eth-
19	ics counsel for a covered postal entity to—
20	"(i) authorize a covered employee that
21	makes a disclosure under subparagraph
22	(A)(i) to participate in the noncompetitive
23	postal contract; or
24	"(ii) disqualify a covered employee
25	that makes a disclosure under subpara-

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1	graph (A)(i) from participating in the non-
2	competitive postal contract;
3	"(E) require a contractor to timely disclose
4	to the contracting officer in a bid, solicitation,
5	award, or performance of a postal contract any
6	conflict of interest with a covered employee; and
7	"(F) include authority for the head of the
8	covered postal entity to a grant a waiver or oth-
9	erwise mitigate any organizational or personal
10	conflict of interest, if the head of the covered
11	postal entity determines that the waiver or miti-
12	gation is in the best interests of the Postal
13	Service.
14	"(2) Posting of Waivers.—Not later than 30
15	days after the head of a covered postal entity grants
16	a waiver described in paragraph (1)(F), the head of
17	the covered postal entity shall make the waiver pub-
18	licly available on the website of the covered postal
19	entity.
20	"(c) Contract Voidance and Recovery.—
21	"(1) Unlawful conduct.—In any case in
22	which there is a final conviction for a violation of
23	any provision of chapter 11 of title 18 relating to a
24	postal contract, the head of a covered postal entity
25	may—

1	"(A) void that contract; and
2	"(B) recover the amounts expended and
3	property transferred by the covered postal enti-
4	ty under that contract.
5	"(2) Obtaining or disclosing procurement
6	INFORMATION.—
7	"(A) IN GENERAL.—In any case where a
8	contractor under a postal contract fails to time-
9	ly disclose a conflict of interest to the appro-
10	priate contracting officer as required under the
11	regulations promulgated under subsection
12	(b)(1)(D), the head of a covered postal entity
13	may—
14	"(i) void that contract; and
15	"(ii) recover the amounts expended
16	and property transferred by the covered
17	postal entity under that contract.
18	"(B) Conviction or administrative de-
19	TERMINATION.—A case described under sub-
20	paragraph (A) is any case in which—
21	"(i) there is a final conviction for an
22	offense punishable under section 27(e) of
23	the Office of Federal Procurement Policy
24	Act (41 U.S.C. 423(e)); or

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1	"(ii) the head of a covered postal enti-	
2	ty determines, based upon a preponderance	
3	of the evidence, that the contractor or	
4	someone acting for the contractor has en-	
5	gaged in conduct constituting an offense	
6	punishable under section 27(e) of that	
7	Act.".	
8	(b) Technical and Conforming Amendment.—	
9	The table of chapters for part I of title 39, United States	
10	Code, is amended by adding at the end the following:	
	"7. Contracting Provisions	