

116TH CONGRESS  
1ST SESSION

# H. R. 3577

To authorize the United States Postal Service to provide certain nonpostal property, products, and services on behalf of State, local, and tribal governments.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 27, 2019

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

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## A BILL

To authorize the United States Postal Service to provide certain nonpostal property, products, and services on behalf of State, local, and tribal governments.

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. POSTAL SERVICE PROGRAM FOR STATE,**  
4 **LOCAL, AND TRIBAL GOVERNMENTS.**

5 (a) POSTAL SERVICE PROGRAM FOR STATE, LOCAL,  
6 AND TRIBAL GOVERNMENTS.—Part IV of title 39, United  
7 States Code, is amended by adding after chapter 36 the  
8 following:

1 **“CHAPTER 37—POSTAL SERVICE PRO-**  
 2 **GRAM FOR STATE, LOCAL, AND TRIB-**  
 3 **AL GOVERNMENTS**

“Sec.

“3701. Purpose.

“3702. Definitions.

“3703. Postal Service program for State, local, and tribal governments.

4 **“§ 3701. Purpose**

5 “The purpose of this chapter is to enable the Postal  
 6 Service to increase its net revenues through providing spe-  
 7 cific nonpostal property, products, and services that are  
 8 expressly authorized by this chapter. Postal Service reve-  
 9 nues and expenses under this chapter shall be funded  
 10 through the Postal Service Fund.

11 **“§ 3702. Definitions**

12 “In this chapter—

13 “(1) the term ‘costs attributable’ has the mean-  
 14 ing given such term in section 3631; and

15 “(2) the term ‘year’ means a fiscal year.

16 **“§ 3703. Postal Service program for State, local, and**  
 17 **tribal governments**

18 “(a) IN GENERAL.—Subject to subsection (d), and  
 19 notwithstanding any other provision of this title, the Post-  
 20 al Service may establish a program under which the Postal  
 21 Service may enter into an agreement with an agency of  
 22 a State government, local government, or tribal govern-  
 23 ment to provide property, products, or services on behalf

1 of the agency, if providing the property, products, or serv-  
2 ices—

3 “(1) provides enhanced value to the public, such  
4 as by lowering the cost or raising the quality of the  
5 property, products, or services or by making the  
6 property, products, or services more accessible;

7 “(2) does not interfere with or detract from the  
8 value of postal services, including—

9 “(A) with respect to the cost and efficiency  
10 of postal services; and

11 “(B) that providing the property, products,  
12 or services will not unreasonably restrict access  
13 to postal retail service, such as through in-  
14 creased customer waiting time or reduced ac-  
15 cess to parking; and

16 “(3) will provide a reasonable contribution to  
17 the institutional costs of the Postal Service, which  
18 shall include reimbursement that covers not less  
19 than 100 percent of the costs attributable to pro-  
20 viding the property, products, and services under the  
21 agreement in each year.

22 “(b) PUBLIC NOTICE.—Not later than 90 days before  
23 beginning to provide property, products, or services under  
24 an agreement described in subsection (a), the Postal Serv-

1 ice shall make available to the public on the website of  
2 the Postal Service—

3 “(1) the agreement with the agency regarding  
4 providing the property, products, or services; and

5 “(2) a business plan that describes—

6 “(A) the specific property, products, and  
7 services to be provided;

8 “(B) the enhanced value to the public;

9 “(C) the terms of reimbursement;

10 “(D) the estimated annual reimbursement  
11 to the Postal Service; and

12 “(E) the estimated percentage of the costs  
13 attributable to providing the property, products,  
14 and services that will be covered by reimburse-  
15 ment (with documentation to support the esti-  
16 mates).

17 “(c) PUBLIC COMMENT.—

18 “(1) IN GENERAL.—Before beginning to provide  
19 property, products, or services under an agreement  
20 described in subsection (a), the Postal Service shall  
21 provide for a public comment period of not less than  
22 30 days, during which the public may post com-  
23 ments relating to the provision of the property, prod-  
24 ucts, or services on the website of the Postal Service.

1           “(2) RESPONSE.—The Postal Service shall  
2           make reasonable efforts to provide written responses  
3           to the comments described in paragraph (1) on the  
4           website of the Postal Service not later than 30 days  
5           before beginning to provide the property, products,  
6           or services.

7           “(d) APPROVAL REQUIRED.—The Postal Service may  
8           not enter into an agreement under subsection (a) unless  
9           a majority of the Board of Governors of the Postal Service  
10          approve, by a recorded vote that is publicly disclosed on  
11          the website of the Postal Service—

12                 “(1) the agreement; or

13                 “(2) an agreement under subsection (a) with  
14           another agency of a State government, local govern-  
15           ment, or tribal government to provide property,  
16           products, or services on behalf of the agency under  
17           the same or similar terms and conditions.

18          “(e) DESIGNATION.—The Postal Regulatory Com-  
19          mission shall designate whether property, products, or  
20          services provided under an agreement described in sub-  
21          section (a) shall be regulated under this title as a market  
22          dominant product, a competitive product, or an experi-  
23          mental product.

24          “(f) REPORTING REQUIREMENTS.—Before beginning  
25          to provide property, products, or services under an agree-

1 ment described in subsection (a), the Postal Service shall  
 2 submit to the Postal Regulatory Commission a separate  
 3 report for each agreement entered into under subsection  
 4 (a), analyzing the costs, revenues, rates, and quality of  
 5 the property, products, and services provided under the  
 6 agreement, including information demonstrating that the  
 7 agreement satisfies the requirements of paragraphs (1)  
 8 through (3) of subsection (a).

9 “(g) REGULATIONS REQUIRED.—

10 “(1) IN GENERAL.—The Postal Service shall  
 11 issue such regulations as are necessary to carry out  
 12 subsections (a) through (d) of this section.

13 “(2) PRC.—The Postal Regulatory Commission  
 14 shall issue such regulations as are necessary to carry  
 15 out subsections (e) and (f) of this section.

16 “(h) CONFIDENTIAL INFORMATION.—Subsections (b)  
 17 and (c) shall not be construed as requiring the Postal  
 18 Service to disclose to the public any information that is—

19 “(1) described in section 410(c); or

20 “(2) exempt from public disclosure under sec-  
 21 tion 552(b) of title 5.

22 “(i) DEFINITIONS.—For the purpose of this sec-  
 23 tion—

24 “(1) the term ‘local government’ means a coun-  
 25 ty, municipality, city, town, township, local public

1 authority, school district, special district, intrastate  
 2 district, council of governments, or regional or inter-  
 3 state government entity;

4 “(2) the term ‘State government’ includes each  
 5 of the several States, the government of the District  
 6 of Columbia, the Commonwealth of Puerto Rico, the  
 7 United States Virgin Islands, Guam, American  
 8 Samoa, the Commonwealth of the Northern Mariana  
 9 Islands, and any other territory or possession of the  
 10 United States; and

11 “(3) the term ‘tribal government’ means the  
 12 government of an Indian tribe, as that term is de-  
 13 fined in section 4(e) of the Indian Self-Determina-  
 14 tion Act (25 U.S.C. 450b(e)).”.

15 (b) TECHNICAL AND CONFORMING AMENDMENTS.—

16 (1) The table of chapters for part IV of title 39,  
 17 United States Code, is amended by adding after the  
 18 item relating to chapter 36 the following:

**“37. Postal Service program for State, local, and tribal  
 governments ..... 3701”.**

19 (2) Section 404(e) of title 39, United States  
 20 Code, is amended—

21 (A) in paragraph (2), by inserting after  
 22 “subsection,” the following: “or any property,  
 23 products, or services authorized to be provided  
 24 under chapter 37,”; and

- 1 (B) by adding at the end the following:
- 2 “(6) Nothing in this section shall be construed to pre-
- 3 vent the Postal Service from providing property, products,
- 4 or services that are expressly authorized by chapter 37.”.

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