the annual appraisal period involved, that the performance appraisal system for affected officers and employees of the Postal Service (as designed and applied) makes meaningful distinctions based on relative performance.
(3) Revocation authority.-If the Board of Governors of the Postal Service finds that a performance appraisal system previously approved under paragraph (2)(B) does not (as designed and applied) make meaningful distinctions based on relative performance, the Board may revoke or suspend the authority of the Postal Service to continue a program approved under paragraph (2) until such time as appropriate corrective measures have, in the judgment of the Board, been taken.
(c) Exceptions for Critical Positions.-Notwithstanding any other provision of law, the Board of Governors may allow up to 12 officers or employees of the Postal Service in critical senior executive or equivalent positions to receive total compensation in an amount not to exceed 120 percent of the total annual compensation payable to the Vice President under section 104 of title 3 as of the end of the calendar year in which such payment is received. For each exception made under this subsection, the Board shall provide written notification to the Director of the Office of Personnel Management and the Congress within 30 days after the payment is made setting forth the name of the officer or employee involved, the critical nature of his or her duties and responsibilities, and the basis for determining that such payment is warranted.
(d) Information for Inclusion in Comprehensive Statement.-Included in its comprehensive statement under section 2401(e) for any period shall be-
(1) the name of each person receiving a bonus or other payment during such period which would not have been allowable but for the provisions of subsection (b) or (c);
(2) the amount of the bonus or other payment; and
(3) the amount by which the limitation set forth in the last sentence of section 1003(a) was exceeded as a result of such bonus or other payment.
(e) Regulations.-The Board of Governors may prescribe regulations for the administration of this section.
(Added Pub. L. 109-435, title V, § 506, Dec. 20, 2006, 120 Stat. 3236.)

## SUBCHAPTER VII-MODERN SERVICE STANDARDS

## § 3691. Establishment of modern service standards

(a) Authority Generally.-Not later than 12 months after the date of enactment of this section, the Postal Service shall, in consultation with the Postal Regulatory Commission, by regulation establish (and may from time to time thereafter by regulation revise) a set of service standards for market-dominant products.
(b) ObJectives.-
(1) In General.-Such standards shall be designed to achieve the following objectives:
(A) To enhance the value of postal services to both senders and recipients.
(B) To preserve regular and effective access to postal services in all communities, including those in rural areas or where post offices are not self-sustaining.
(C) To reasonably assure Postal Service customers delivery reliability, speed and frequency consistent with reasonable rates and best business practices.
(D) To provide a system of objective external performance measurements for each market-dominant product as a basis for measurement of Postal Service performance.
(2) Implementation of performance measure-ments.-With respect to paragraph (1)(D), with the approval of the Postal Regulatory Commission an internal measurement system may be implemented instead of an external measurement system.
(c) FACTORS.-In establishing or revising such standards, the Postal Service shall take into ac-count-
(1) the actual level of service that Postal Service customers receive under any service guidelines previously established by the Postal Service or service standards established under this section;
(2) the degree of customer satisfaction with Postal Service performance in the acceptance, processing and delivery of mail;
(3) the needs of Postal Service customers, including those with physical impairments;
(4) mail volume and revenues projected for future years;
(5) the projected growth in the number of addresses the Postal Service will be required to serve in future years;
(6) the current and projected future cost of serving Postal Service customers;
(7) the effect of changes in technology, demographics, and population distribution on the efficient and reliable operation of the postal delivery system; and
(8) the policies of this title and such other factors as the Postal Service determines appropriate.
(d) Review.-The regulations promulgated pursuant to this section (and any revisions thereto), and any violations thereof, shall be subject to review upon complaint under sections 3662 and 3663.
(Added Pub. L. 109-435, title III, §301, Dec. 20, 2006, 120 Stat. 3218.)

## References in Text

The date of enactment of this section, referred to in subsec. (a), is the date of enactment of Pub. L. 109-435, which was approved Dec. 20, 2006.

## Postal Service Plan

Pub. L. 109-435, title III, §302, Dec. 20, 2006, 120 Stat. 3219, provided that:
"(a) In GENERAL.-Within 6 months after the establishment of the service standards under section 3691 of title 39, United States Code, as added by this Act, the Postal Service shall, in consultation with the Postal Regulatory Commission, develop and submit to Congress a plan for meeting those standards.
"(b) CONTENTS.-The plan under this section shall-
"(1) establish performance goals;
"(2) describe any changes to the Postal Service's processing, transportation, delivery, and retail networks necessary to allow the Postal Service to meet the performance goals;
"(3) describe any changes to planning and performance management documents previously submitted to Congress to reflect new performance goals; and
"(4) describe the long-term vision of the Postal Service for rationalizing its infrastructure and workforce, and how the Postal Service intends to implement that vision.
"(c) Postal Facilities.-
"(1) Findings.-Congress finds that-
"(A) the Postal Service has more than 400 logistics facilities, separate from its post office network;
"(B) as noted by the President's Commission on the United States Postal Service, the Postal Service has more facilities than it needs and the streamlining of this distribution network can pave the way for the potential consolidation of sorting facilities and the elimination of excess costs;
"(C) the Postal Service has always revised its distribution network to meet changing conditions and is best suited to address its operational needs; and
"(D) Congress strongly encourages the Postal Service to-
"(i) expeditiously move forward in its streamlining efforts; and
"(ii) keep unions, management associations, and local elected officials informed as an essential part of this effort and abide by any procedural requirements contained in the national bargaining agreements.
"(2) In GENERAL.-The Postal Service plan shall include a description of -
"(A) the long-term vision of the Postal Service for rationalizing its infrastructure and workforce; and
"(B) how the Postal Service intends to implement that vision.
"(3) Content of facilities Plan.-The plan under this subsection shall include-
"(A) a strategy for how the Postal Service intends to rationalize the postal facilities network and remove excess processing capacity and space from the network, including estimated timeframes, criteria, and processes to be used for making changes to the facilities network, and the process for engaging policy makers and the public in related decisions;
"(B) a discussion of what impact any facility changes may have on the postal workforce and whether the Postal Service has sufficient flexibility to make needed workforce changes;
"(C) an identification of anticipated costs, cost savings, and other benefits associated with the infrastructure rationalization alternatives discussed in the plan; and
"(D) procedures that the Postal Service will use to-
'(i) provide adequate public notice to communities potentially affected by a proposed rationalization decision;
"(ii) make available information regarding any service changes in the affected communities, any other effects on customers, any effects on postal employees, and any cost savings;
"(iii) afford affected persons ample opportunity to provide input on the proposed decision; and
"(iv) take such comments into account in making a final decision.
"(4) ANNUAL REPORTS.-
"(A) In GENERAL.-Not later than 90 days after the end of each fiscal year, the Postal Service shall prepare and submit a report to Congress on how postal decisions have impacted or will impact rationalization plans.
"(B) ConTENTS.-Each report under this paragraph shall include-
"(i) an account of actions taken during the preceding fiscal year to improve the efficiency and effectiveness of its processing, transportation, and distribution networks while preserving the timely delivery of postal services, including overall estimated costs and cost savings;
"(ii) an account of actions taken to identify any excess capacity within its processing, transportation, and distribution networks and implement savings through realignment or consolidation of facilities including overall estimated costs and cost savings;
"(iii) an estimate of how postal decisions related to mail changes, security, automation initiatives, worksharing, information technology systems, excess capacity, consolidating and closing facilities, and other areas will impact rationalization plans;
"(iv) identification of any statutory or regulatory obstacles that prevented or will prevent or hinder the Postal Service from taking action to realign or consolidate facilities; and
"(v) such additional topics and recommendations as the Postal Service considers appropriate.
"(5) EXISTING EFFORTS.-Effective on the date of enactment of this Act [Dec. 20, 2006], the Postal Service may not close or consolidate any processing or logistics facilities without using procedures for public notice and input consistent with those described under paragraph (3)(D).
"(d) Alternate Retail Options.-The Postal Service plan shall include plans to expand and market retail access to postal services, in addition to post offices, in-cluding-
"(1) vending machines;
"(2) the Internet;
"(3) postage meters;
"(4) Stamps by Mail;
"(5) Postal Service employees on delivery routes;
"(6) retail facilities in which overhead costs are shared with private businesses and other government agencies;
"(7) postal kiosks; or
"(8) any other nonpost office access channel providing market retail access to postal services.
"(e) ReEmployment Assistance and Retirement Benefits.-The Postal Service plan shall include-
"(1) a comprehensive plan under which reemployment assistance shall be afforded to employees displaced as a result of automation of any of its functions, the closing and consolidation of any of its facilities, or such other reasons as the Postal Service may determine; and
"(2) a plan, developed in consultation with the Office of Personnel Management, to offer early retirement benefits.
"(f) CONTINUED AUTHORITY.-Nothing in this section shall be construed to prohibit the Postal Service from implementing any change to its processing, transportation, delivery, and retail networks under any authority granted to the Postal Service for those purposes."

## PART V-TRANSPORTATION OF MAIL

| Chap. | Sec. |  |
| :--- | :---: | ---: |
| 50. | General ................................................... | $\mathbf{5 0 0 1}$ |
| [52. | Repealed] ........................................ | $\mathbf{5 2 0 1}$ |
| $\mathbf{5 4 .}$ | Transportation of Mail by Air ........ | $\mathbf{5 4 0 1}$ |
| $\mathbf{5 6 .}$ | Transportation of Mail by Vessel .... | $\mathbf{5 6 0 1}$ |
|  | AMENDMENTS |  |

2006-Pub. L. 109-435, title X, §1002(c), Dec. 20, 2006, 120 Stat. 3255 , struck out item relating to chapter 52 "Transportation of Mail by Surface Carrier".

## CHAPTER 50—GENERAL

Sec.
5001. Provisions for carrying mail.

