

a note under section 1101 of Title 5, Government Organization and Employees.

EFFECTIVE DATE

Section effective Mar. 1, 1971, pursuant to Resolution No. 71-13 of the Board of Governors. See section 15(a) of Pub. L. 91-375, set out as a note preceding section 101 of this title.

§ 1003. Employment policy

(a) Except as provided under chapters 2 and 12 of this title, section 8G of the Inspector General Act of 1978, or other provision of law, the Postal Service shall classify and fix the compensation and benefits of all officers and employees in the Postal Service. It shall be the policy of the Postal Service to maintain compensation and benefits for all officers and employees on a standard of comparability to the compensation and benefits paid for comparable levels of work in the private sector of the economy. No officer or employee shall be paid compensation at a rate in excess of the rate for level I of the Executive Schedule under section 5312 of title 5.

(b) Compensation and benefits for all officers and employees serving in or under the Office of Inspector General of the United States Postal Service shall be maintained on a standard of comparability to the compensation and benefits paid for comparable levels of work in the respective Offices of Inspector General of the various establishments named in section 11(2)¹ of the Inspector General Act of 1978.

(c) Compensation and benefits for all Postal Inspectors shall be maintained on a standard of comparability to the compensation and benefits paid for comparable levels of work in the executive branch of the Government outside of the Postal Service. As used in this subsection, the term “Postal Inspector” included² any agent to whom any investigative powers are granted under section 3061 of title 18.

(d) The Postal Service shall follow an employment policy designed, without compromising the policy of section 101(a) of this title, to extend opportunity to the disadvantaged and the handicapped.

(Pub. L. 91-375, Aug. 12, 1970, 84 Stat. 730; Pub. L. 104-208, div. A, title I, §101(f) [title VI, §662(c)(2)], Sept. 30, 1996, 110 Stat. 3009-314, 3009-380.)

REFERENCES IN TEXT

Sections 8G and 11(2) of the Inspector General Act of 1978, referred to in subssecs. (a) and (b), are sections 8G and 11(2) of Pub. L. 95-452, which are set out in the Appendix to Title 5, Government Organization and Employees. Section 11(2) of the Act was renumbered section 12(2) by Pub. L. 110-409, §7(a), Oct. 14, 2008, 122 Stat. 4305.

AMENDMENTS

1996—Subsec. (a). Pub. L. 104-208, §101(f) [title VI, §662(c)(2)(B)], substituted “chapters 2 and 12 of this title, section 8G of the Inspector General Act of 1978,” for “chapters 2 and 12 of this title”.

Subsecs. (b) to (d). Pub. L. 104-208, §101(f) [title VI, §662(c)(2)(A)], added subssecs. (b) and (c) and redesignated former subsec. (b) as (d).

¹ See References in Text note below.

² So in original. Probably should be “includes”.

EFFECTIVE DATE

Section effective Jan. 20, 1971, pursuant to Resolution No. 71-8 of the Board of Governors. See section 15(a) of Pub. L. 91-375, set out as a note preceding section 101 of this title.

COMPENSATION OF EMPLOYEES

Pub. L. 91-375, §9, Aug. 12, 1970, 84 Stat. 784, provided that:

“(a) [*Increase in Basic Pay Rate; Effective Date*] The Postmaster General, under regulations made by him, shall increase the rates of basic pay or compensation of employees in the Post Office Department so that such rates will equal, as nearly as practicable, 108 percent of the rates of basic pay or compensation in effect immediately prior to the date of enactment of this Act [Aug. 12, 1970]. Such increases shall take effect on the first day of the first pay period which begins on or after April 16, 1970.

“(b) [*Retroactive Pay*] Retroactive pay, compensation, or salary shall be paid by reason of this Act [see Short Title note set out under section 101 of this title] only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) on the date of enactment of this Act [Aug. 12, 1970], except that such retroactive pay, compensation, or salary shall be paid—

“(1) to an officer or employee who retired, during the period beginning on the first day of the first pay period which began on or after April 16, 1970, and ending on the date of enactment of this Act [Aug. 12, 1970], for services rendered during such period; and

“(2) in accordance with subchapter VIII of chapter 55 of title 5, United States Code [section 5581 et seq. of Title 5, Government Organization and Employees], relating to settlement of accounts, for services rendered, during the period beginning on the first day of the first pay period which began on or after April 16, 1970, and ending on the date of enactment of this Act [Aug. 12, 1970], by an officer or employee who died during such period.

Such retroactive pay, compensation, or salary shall not be considered as basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code [section 8331 et seq. of Title 5], relating to civil service retirement, or any other retirement law or retirement system, in the case of any such retired or deceased officer or employee.

“(c) [*Period for Restoration to Government Position, as Service*] For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Government of the United States.

“(d) [*Group Life Insurance; Amount; Effective Date*] For purposes of determining the amount of insurance for which an individual is eligible under chapter 87 of title 5, United States Code [section 8701 et seq. of Title 5], relating to group life insurance for Government employees, all changes in rates of pay, compensation, and salary which result from the enactment of this section shall be held and considered to become effective as of the date of such enactment [Aug. 12, 1970].

“(e) [*Limitation of Basic Pay Rate*] No rate of basic pay or compensation, in excess of the rate of basic pay for GS-18 of the General Schedule in section 5332 of title 5, United States Code, shall be paid by reason of the enactment of this section.”

Provisions of section 9 of Pub. L. 91-375 effective Aug. 12, 1970, see section 15(a) of Pub. L. 91-375, set out as an Effective Date note preceding section 101 of this title.

§ 1004. Supervisory and other managerial organizations

(a) It shall be the policy of the Postal Service to provide compensation, working conditions,

and career opportunities that will assure the attraction and retention of qualified and capable supervisory and other managerial personnel; to provide adequate and reasonable differentials in rates of pay between employees in the clerk and carrier grades in the line work force and supervisory and other managerial personnel; to establish and maintain continuously a program for all such personnel that reflects the essential importance of a well-trained and well-motivated force to improve the effectiveness of postal operations; and to promote the leadership status of such personnel with respect to rank-and-file employees, recognizing that the role of such personnel in primary level management is particularly vital to the process of converting general postal policies into successful postal operations.

(b) The Postal Service shall provide a program for consultation with recognized organizations of supervisory and other managerial personnel who are not subject to collective-bargaining agreements under chapter 12 of this title. Upon presentation of evidence satisfactory to the Postal Service that a supervisory organization represents a majority of supervisors, that an organization (other than an organization representing supervisors) represents at least 20 percent of postmasters, or that a managerial organization (other than an organization representing supervisors or postmasters) represents a substantial percentage of managerial employees, such organization or organizations shall be entitled to participate directly in the planning and development of pay policies and schedules, fringe benefit programs, and other programs relating to supervisory and other managerial employees.

(c)(1) The Postal Service and the supervisors' organization shall, unless otherwise mutually agreed to, meet at least once each month to implement the consultation and direct participation procedures of subsection (b) of this section.

(2)(A) At least 7 days before each meeting, each party shall—

(i) provide notice of agenda items, and

(ii) describe in detail the proposals such party will make with respect to each such item.

(B) Grievances of individual employees shall not be matters which may be included as agenda items under this paragraph.

(d)(1) In order to facilitate consultation and direct participation by the supervisors' organization in the planning and development of programs under subsection (b) of this section which affect members of the supervisors' organization, the Postal Service shall—

(A) provide in writing a description of any proposed program and the reasons for it;

(B) give the organization at least 60 days (unless extraordinary circumstances require earlier action) to review and make recommendations with respect to the program; and

(C) give any recommendation from the organization full and fair consideration in deciding whether or how to proceed with the program.

(2) If the Postal Service decides to implement a program described in paragraph (1) of this subsection, the Postal Service shall before such implementation—

(A) give the supervisors' organization details of its decision to implement the program, together with the information upon which the decision is based;

(B) give the organization an opportunity to make recommendations with respect to the program; and

(C) give such recommendations full and fair consideration, including the providing of reasons to the organization if any of such recommendations are rejected.

(3) If a program described in paragraph (1) of this subsection is implemented, the Postal Service shall—

(A) develop a method for the supervisors' organization to participate in further planning and development of the program, and

(B) give the organization adequate access to information to make that participation productive.

(4) The Postal Service and the supervisors' organization may, by agreement, adopt procedures different from those provided by this subsection.

(e)(1) The Postal Service shall, within 45 days of each date on which an agreement is reached on a collective bargaining agreement between the Postal Service and the bargaining representative recognized under section 1203 of this title which represents the largest number of employees, make a proposal for any changes in pay policies and schedules and fringe benefit programs for members of the supervisors' organization which are to be in effect during the same period as covered by such agreement.

(2) The Postal Service and the supervisors' organization shall strive to resolve any differences concerning the proposal described in paragraph (1) of this subsection under the procedures provided for, or adopted under, subsection (d) of this section.

(3) The Postal Service shall provide its decision concerning changes proposed under paragraph (1) of this subsection to the supervisors' organization within 90 days following the submission of the proposal.

(f)(1) If, notwithstanding the mutual efforts required by subsection (e) of this section, the supervisors' organization believes that the decision of the Postal Service is not in accordance with the provisions of this title, the organization may, within 10 days following its receipt of such decision, request the Federal Mediation and Conciliation Service to convene a factfinding panel (hereinafter referred to as the "panel") concerning such matter.

(2) Within 15 days after receiving a request under paragraph (1) of this subsection, the Federal Mediation and Conciliation Service shall provide a list of 7 individuals recognized as experts in supervisory and managerial pay policies. Each party shall designate one individual from the list to serve on the panel. If, within 10 days after the list is provided, either of the parties has not designated an individual from the list, the Director of the Federal Mediation and Conciliation Service shall make the designation. The first two individuals designated from the list shall meet within 5 days and shall designate a third individual from the list. The third individual shall chair the panel. If the two individ-

uals designated from the list are unable to designate a third individual within 5 days after their first meeting, the Director shall designate the third individual.

(3)(A) The panel shall recommend standards for pay policies and schedules and fringe benefit programs affecting the members of the supervisors' organization for the period covered by the collective bargaining agreement specified in subsection (e)(1) of this section. The standards shall be consistent with the policies of this title, including sections 1003(a) and 1004(a) of this title.

(B) The panel shall, consistent with such standards, make appropriate recommendations concerning the differences between the parties on such policies, schedules, and programs.

(4) The panel shall make its recommendation no more than 30 days after its appointment, unless the Postal Service and the supervisors' organization agree to a longer period. The panel shall hear from the Postal Service and the supervisors' organization in such a manner as it shall direct. The cost of the panel shall be borne equally by the Postal Service and the supervisors' organization.

(5) Not more than 15 days after the panel has made its recommendation, the Postal Service shall provide the supervisors' organization its final decision on the matters covered by fact-finding under this subsection. The Postal Service shall give full and fair consideration to the panel's recommendation and shall explain in writing any differences between its final decision and the panel's recommendation.

(g) Not earlier than 3 years after the date of the enactment of this subsection, and from time to time thereafter, the Postal Service or the supervisors' organization may request, by written notice to the Federal Mediation and Conciliation Service and to the other party, the creation of a panel to review the effectiveness of the procedures and the other provisions of this section and the provisions of section 1003 of this title. The panel shall be designated in accordance with the procedure established in subsection (f)(2) of this section. The panel shall make recommendations to the Congress for changes in this title as it finds appropriate.

(h)(1) In order to ensure that postmasters and postmasters' organizations are afforded the same rights under this section as are afforded to supervisors and the supervisors' organization, subsections (c) through (g) shall be applied with respect to postmasters and postmasters' organizations—

(A) by substituting "postmasters' organization" for "supervisors' organization" each place it appears; and

(B) if 2 or more postmasters' organizations exist, by treating such organizations as if they constituted a single organization, in accordance with such arrangements as such organizations shall mutually agree to.

(2) If 2 or more postmasters' organizations exist, such organizations shall, in the case of any factfinding panel convened at the request of such organizations (in accordance with paragraph (1)(B)), be jointly and severally liable for the cost of such panel, apart from the portion to be borne by the Postal Service (as determined under subsection (f)(4)).

(i) For purposes of this section—

(1) "supervisors' organization" means the organization recognized by the Postal Service under subsection (b) of this section as representing a majority of supervisors;

(2) "members of the supervisors' organization" means employees of the Postal Service who are recognized under an agreement between the Postal Service and the supervisors' organization as represented by such organization;

(3) "postmaster" means an individual who is the manager in charge of the operations of a post office, with or without the assistance of subordinate managers or supervisors;

(4) "postmasters' organization" means an organization recognized by the Postal Service under subsection (b) as representing at least 20 percent of postmasters; and

(5) "members of the postmasters' organization" shall be considered to mean employees of the Postal Service who are recognized under an agreement—

(A) between the Postal Service and the postmasters' organization as represented by the organization; or

(B) in the circumstance described in subsection (h)(1)(B), between the Postal Service and the postmasters' organizations (acting in concert) as represented by either or any of the postmasters' organizations involved.

(Pub. L. 91-375, Aug. 12, 1970, 84 Stat. 731; Pub. L. 96-326, Aug. 8, 1980, 94 Stat. 1023; Pub. L. 108-86, §2(a)-(c), Sept. 30, 2003, 117 Stat. 1052.)

REFERENCES IN TEXT

The date of the enactment of this subsection, referred to in subsec. (g), is the date of enactment of Pub. L. 96-326, which was approved Aug. 8, 1980.

AMENDMENTS

2003—Subsec. (b). Pub. L. 108-86, §2(a)(2), which directed substitution of "supervisors or postmasters" for "supervisors" in second sentence, was executed by making the substitution the second time "supervisors" appears in the sentence to reflect the probable intent of Congress.

Pub. L. 108-86, §2(a)(1), inserted "that an organization (other than an organization representing supervisors) represents at least 20 percent of postmasters," after "majority of supervisors."

Subsec. (h). Pub. L. 108-86, §2(b)(2), added subsec. (h). Former subsec. (h) redesignated (i).

Subsec. (i). Pub. L. 108-86, §2(b)(1), (c), redesignated subsec. (h) as (i) and added pars. (3) to (5).

1980—Subsecs. (c) to (h). Pub. L. 96-326 added subsecs. (c) to (h).

EFFECTIVE DATE OF 2003 AMENDMENT

Pub. L. 108-86, §3, Sept. 30, 2003, 117 Stat. 1053, provided that: "The amendments made by this section [probably should be "this Act", amending this section and enacting provisions set out as notes under this section and section 101 of this title] shall take effect 60 days after the date of the enactment of this Act [Sept. 30, 2003]."

EFFECTIVE DATE

Section effective July 1, 1971, pursuant to Resolution No. 71-9 of the Board of Governors. See section 15(a) of Pub. L. 91-375, set out as a note preceding section 101 of this title.

THRIFT ADVISORY COUNCIL NOT TO BE AFFECTED

Pub. L. 108-86, §2(d), Sept. 30, 2003, 117 Stat. 1053, provided that: "For purposes of section 8473(b)(4) of title 5, United States Code—

“(1) each of the 2 or more organizations referred to in section 1004(h)(1)(B) of title 39, United States Code (as amended by subsection (b)) shall be treated as a separate organization; and

“(2) any determination of the number of individuals represented by each of those respective organizations shall be made in a manner consistent with the purposes of this subsection.”

§ 1005. Applicability of laws relating to Federal employees

(a)(1) Except as otherwise provided in this subsection, the provisions of chapter 75 of title 5 shall apply to officers and employees of the Postal Service except to the extent of any inconsistency with—

(A) the provisions of any collective-bargaining agreement negotiated on behalf of and applicable to them; or

(B) procedures established by the Postal Service and approved by the Civil Service Commission.

(2) The provisions of title 5 relating to a preference eligible (as that term is defined under section 2108(3) of such title) shall apply to an applicant for appointment and any officer or employee of the Postal Service in the same manner and under the same conditions as if the applicant, officer, or employee were subject to the competitive service under such title. The provisions of this paragraph shall not be modified by any program developed under section 1004 of this title or any collective-bargaining agreement entered into under chapter 12 of this title.

(3) The provisions of this subsection shall not apply to those individuals appointed under sections 202, 204, and 1001(c) of this title.

(4)(A) Subchapter II of chapter 75 of title 5 shall apply—

(i) to any preference eligible in the Postal Service who is an employee within the meaning of section 7511(a)(1)(B) of such title; and

(ii) to any other individual who—

(I) is in the position of a supervisor or a management employee in the Postal Service, or is an employee of the Postal Service engaged in personnel work in other than a purely nonconfidential clerical capacity; and

(II) has completed 1 year of current continuous service in the same or similar positions.

(B)(i) The second sentence of paragraph (2) of this subsection applies with respect to the provisions of subparagraph (A) of this paragraph, to the extent that such provisions relate to preference eligibles.

(ii) The provisions of subparagraph (A) of this paragraph shall not, to the extent that such provisions relate to an individual under clause (ii) of such subparagraph, be modified by any program developed under section 1004 of this title.

(b)(1) Except as provided under paragraph (2), section 5941 of title 5 shall apply to the Postal Service. Except as provided under paragraph (2), for purposes of section 5941 of that title, the pay of officers and employees of the Postal Service shall be considered to be fixed by statute, and the basic pay of an employee shall be the pay (but not any allowance or benefit) of that officer or employee established in accordance with the provisions of this title.

(2) On and after the date of enactment of the Non-Foreign Area Retirement Equity Assurance Act of 2009—

(A) the provisions of that Act and section 5941 of title 5 shall apply to officers and employees covered by section 1003(b) and (c) whose duty station is in a nonforeign area; and

(B) with respect to officers and employees of the Postal Service (other than those officers and employees described under subparagraph (A)) of¹ section 1916(b)(2) of that Act shall apply.

(c) Officers and employees of the Postal Service shall be covered by subchapter I of chapter 81 of title 5, relating to compensation for work injuries.

(d)(1) Officers and employees of the Postal Service (other than the Governors) shall be covered by chapters 83 and 84 of title 5. The Postal Service shall withhold from pay and shall pay into the Civil Service Retirement and Disability Fund the amounts specified in or determined under such chapter 83 and subchapter II of such chapter 84, respectively. The Postal Service shall pay into the Federal Retirement Thrift Savings Fund the amounts specified in or determined under subchapters III and VII of such chapter 84.

(2) The provisions of subsections (i) and (m)(2) of section 8344 and subsections (f) and (j)(2) of section 8468 of title 5 shall apply with respect to the Postal Service. For purposes of so applying such provisions—

(A) any reference in such provisions to the head of an Executive agency shall be considered a reference to the Postmaster General; and

(B) any reference in such provisions to an employee shall be considered a reference to an officer or employee of the Postal Service.

(e) Sick and annual leave, and compensatory time of officers and employees of the Postal Service, whether accrued prior to or after commencement of operations of the Postal Service, shall be obligations of the Postal Service under the provisions of this chapter.

(f) Compensation, benefits, and other terms and conditions of employment in effect immediately prior to the effective date of this section, whether provided by statute or by rules and regulations of the former Post Office Department or the executive branch of the Government of the United States, shall continue to apply to officers and employees of the Postal Service, until changed by the Postal Service in accordance with this chapter and chapter 12 of this title. Subject to the provisions of this chapter and chapter 12 of this title, the provisions of subchapter I of chapter 85 and chapters 87, 89, 89A, and 89B of title 5 shall apply to officers and employees of the Postal Service, unless varied, added to, or substituted for, under this subsection. No variation, addition, or substitution with respect to fringe benefits shall result in a program of fringe benefits which on the whole is less favorable to the officers and employees than fringe benefits in effect on the effective date of this section, and as to officers and employees for

¹ So in original. The word “of” probably should not appear.