

“(b) FAILURE TO ACT.—If the Postal Service fails to act on the recommendations of the Commission, the Commission may take such action as it determines necessary to prevent abuse of rates or deception of consumers.”

§ 502. Commissioners

(a) The Postal Regulatory Commission is composed of 5 Commissioners, appointed by the President, by and with the advice and consent of the Senate. The Commissioners shall be chosen solely on the basis of their technical qualifications, professional standing, and demonstrated expertise in economics, accounting, law, or public administration, and may be removed by the President only for cause. Each individual appointed to the Commission shall have the qualifications and expertise necessary to carry out the enhanced responsibilities accorded Commissioners under the Postal Accountability and Enhancement Act. Not more than 3 of the Commissioners may be adherents of the same political party.

(b) No Commissioner shall be financially interested in any enterprise in the private sector of the economy engaged in the delivery of mail matter.

(c) A Commissioner may continue to serve after the expiration of his term until his successor has qualified, except that a Commissioner may not so continue to serve for more than 1 year after the date upon which his term otherwise would expire under subsection (f).

(d) One of the Commissioners shall be designated as Chairman by, and shall serve in the position of Chairman at the pleasure of, the President.

(e) The Commissioners shall by majority vote designate a Vice Chairman of the Commission. The Vice Chairman shall act as Chairman of the Commission in the absence of the Chairman.

(f) The Commissioners shall serve for terms of 6 years.

(Added Pub. L. 109–435, title VI, § 601(a)(1), Dec. 20, 2006, 120 Stat. 3238.)

REFERENCES IN TEXT

The Postal Accountability and Enhancement Act, referred to in subsec. (a), is Pub. L. 109–435, Dec. 20, 2006, 120 Stat. 3198. For complete classification of this Act to the Code, see Short Title of 2006 Amendment note set out under section 101 of this title and Tables.

EFFECTIVE DATE

Section not to affect the appointment or tenure of any person serving as a Commissioner on the Postal Regulatory Commission under an appointment made before Dec. 20, 2006, or any nomination made before that date, but when any such office becomes vacant, the appointment to fill that office to be made in accordance with this section, see section 601(b) of Pub. L. 109–435, set out as an Effective Date of 2006 Amendment note under section 501 of this title.

§ 503. Rules; regulations; procedures

The Postal Regulatory Commission shall promulgate rules and regulations and establish procedures, subject to chapters 5 and 7 of title 5, and take any other action they deem necessary and proper to carry out their functions and obligations to the Government of the United States and the people as prescribed under this title.

Such rules, regulations, procedures, and actions shall not be subject to any change or supervision by the Postal Service.

(Pub. L. 91–375, Aug. 12, 1970, 84 Stat. 759, § 3603; renumbered § 503 and amended Pub. L. 109–435, title VI, §§ 601(a)(3), 604(a), title X, 1010(c)(1), Dec. 20, 2006, 120 Stat. 3239, 3241, 3261.)

AMENDMENTS

2006—Pub. L. 109–435, § 1010(c)(1), substituted “this title” for “this chapter”.

Pub. L. 109–435, § 604(a), substituted “Postal Regulatory Commission” for “Postal Rate Commission”.

Pub. L. 109–435, § 601(a)(3), renumbered section 3603 of this title as this section.

§ 504. Administration

(a) The Chairman of the Postal Regulatory Commission shall be the principal executive officer of the Commission. The Chairman shall exercise or direct the exercise of all the executive and administrative functions of the Commission, including functions of the Commission with respect to (1) the appointment of personnel employed under the Commission, except that the appointment of heads of major administrative units under the Commission shall require the approval of a majority of the members of the Commission, (2) the supervision of the personnel employed under the Commission and the distribution of business among them and among the Commissioners, and (3) the use and expenditure of funds.

(b) In carrying out any of his functions under this section, the Chairman shall be governed by the general policies of the Commission.

(c) The Chairman may obtain such facilities and supplies as may be necessary to permit the Commission to carry out its functions. Any officer or employee appointed under this section shall be paid at rates of compensation and shall be entitled to programs offering employee benefits established under chapter 10 or chapter 12 of this title, as appropriate.

(d) There are authorized to be appropriated, out of the Postal Service Fund, such sums as may be necessary for the Postal Regulatory Commission. In requesting an appropriation under this subsection for a fiscal year, the Commission shall prepare and submit to the Congress under section 2009 a budget of the Commission’s expenses, including expenses for facilities, supplies, compensation, and employee benefits.

(e) The provisions of section 410 and chapter 10 of this title shall apply to the Commission, as appropriate.

(f)(1) Any Commissioner of the Postal Regulatory Commission, any administrative law judge appointed by the Commission under section 3105 of title 5, and any employee of the Commission designated by the Commission may administer oaths, examine witnesses, take depositions, and receive evidence.

(2) The Chairman of the Commission, any Commissioner designated by the Chairman, and any administrative law judge appointed by the Commission under section 3105 of title 5 may, with respect to any proceeding conducted by the Commission under this title or to obtain information to be used to prepare a report under this title—

(A) issue subpoenas requiring the attendance and presentation of testimony by, or the production of documentary or other evidence in the possession of, any covered person; and

(B) order the taking of depositions and responses to written interrogatories by a covered person.

The written concurrence of a majority of the Commissioners then holding office shall, with respect to each subpoena under subparagraph (A), be required in advance of its issuance.

(3) In the case of contumacy or failure to obey a subpoena issued under this subsection, upon application by the Commission, the district court of the United States for the district in which the person to whom the subpoena is addressed resides or is served may issue an order requiring such person to appear at any designated place to testify or produce documentary or other evidence. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

(4) For purposes of this subsection, the term “covered person” means an officer, employee, agent, or contractor of the Postal Service.

(g)(1) If the Postal Service determines that any document or other matter it provides to the Postal Regulatory Commission under a subpoena issued under subsection (f), or otherwise at the request of the Commission in connection with any proceeding or other purpose under this title, contains information which is described in section 410(c) of this title, or exempt from public disclosure under section 552(b) of title 5, the Postal Service shall, at the time of providing such matter to the Commission, notify the Commission, in writing, of its determination (and the reasons therefor).

(2) Except as provided in paragraph (3), no officer or employee of the Commission may, with respect to any information as to which the Commission has been notified under paragraph (1)—

(A) use such information for purposes other than the purposes for which it is supplied; or

(B) permit anyone who is not an officer or employee of the Commission to have access to any such information.

(3)(A) Paragraph (2) shall not prohibit the Commission from publicly disclosing relevant information in furtherance of its duties under this title, provided that the Commission has adopted regulations under section 553 of title 5, that establish a procedure for according appropriate confidentiality to information identified by the Postal Service under paragraph (1). In determining the appropriate degree of confidentiality to be accorded information identified by the Postal Service under paragraph (1), the Commission shall balance the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment competing in commercial markets.

(B) Paragraph (2) shall not prevent the Commission from requiring production of information in the course of any discovery procedure established in connection with a proceeding under this title. The Commission shall, by regulations based on rule 26(c) of the Federal Rules of Civil Procedure, establish procedures for ensuring ap-

propriate confidentiality for information furnished to any party.

(h)(1) Notwithstanding any other provision of this title or of the Inspector General Act of 1978, the authority to select, appoint, and employ officers and employees of the Office of Inspector General of the Postal Regulatory Commission, and to obtain any temporary or intermittent services of experts or consultants (or an organization of experts or consultants) for such Office, shall reside with the Inspector General of the Postal Regulatory Commission.

(2) Except as provided in paragraph (1), any exercise of authority under this subsection shall, to the extent practicable, be in conformance with the applicable laws and regulations that govern selections, appointments, and employment, and the obtaining of any such temporary or intermittent services, within the Postal Regulatory Commission.

(Pub. L. 91-375, Aug. 12, 1970, 84 Stat. 759, § 3604; Pub. L. 94-421, § 4, Sept. 24, 1976, 90 Stat. 1305; renumbered § 504 and amended Pub. L. 109-435, title VI, §§ 601(a)(3), 602, 603(a), 604(a), 605(b), Dec. 20, 2006, 120 Stat. 3239-3242.)

REFERENCES IN TEXT

Rule 26(c) of the Federal Rules of Civil Procedure, referred to subsec. (g)(3)(B), is set out in the Appendix to Title 28, Judiciary and Judicial Procedure.

The Inspector General Act of 1978, referred to in subsec. (h)(1), is Pub. L. 95-452, Oct. 12, 1978, 92 Stat. 1101, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

AMENDMENTS

2006—Pub. L. 109-435, § 601(a)(3), renumbered section 3604 of this title as this section.

Subsec. (a). Pub. L. 109-435, § 604(a), substituted “Postal Regulatory Commission” for “Postal Rate Commission”.

Subsec. (d). Pub. L. 109-435, § 603(a), amended subsec. (d) generally. Prior to amendment, subsec. (d) related to preparation, submission, and approval of Commission’s budget and payment of expenses incurred under approved budget.

Subsecs. (f), (g). Pub. L. 109-435, § 602, added subsecs. (f) and (g).

Subsec. (h). Pub. L. 109-435, § 605(b), added subsec. (h).

1976—Subsec. (a). Pub. L. 94-421 increased the authority of the Chairman to the exercise of all executive and administrative functions, including appointment of personnel and control over use and expenditure of funds, and struck out requirement that all final acts of the Commissioners be by a vote of an absolute majority.

Subsec. (b). Pub. L. 94-421 added subsec. (b). Former subsec. (b) redesignated (c) and amended.

Subsec. (c). Pub. L. 94-421 redesignated former subsec. (b) as (c), transferred authority to obtain facilities and supplies from the Commission to the chairman, and struck out the authority of the Commission to appoint and fix compensation of officers and employees and requiring them to be responsible to the Commissioners. Former subsec. (c) redesignated (d).

Subsecs. (d), (e). Pub. L. 94-421 redesignated former subsecs. (c) and (d) as (d) and (e), respectively, and in subsec. (d), as so redesignated, made minor changes in phraseology.

EFFECTIVE DATE OF 2006 AMENDMENT; SAVINGS PROVISIONS

Amendment by section 603(a) of Pub. L. 109-435 applicable with respect to fiscal years beginning on or after Oct. 1, 2008, subject to savings provisions, see section

603(d) of Pub. L. 109-435, set out as a note under section 8G of the Inspector General Act of 1978, Pub. L. 95-452, in the Appendix to Title 5, Government Organization and Employees.

EX. ORD. NO. 11570. REGULATION OF CONDUCT FOR POSTAL RATE COMMISSION AND ITS EMPLOYEES

Ex. Ord. No. 11570, Nov. 24, 1970, 35 F.R. 18183, as amended by Ex. Ord. No. 12107, Dec. 28, 1978, 44 F.R. 1055, provided:

Under the Postal Reorganization Act (Public Law 91-375) [this title], the Postal Rate Commission [now Postal Regulatory Commission] (referred to hereafter as the "Commission") is charged with the establishment and adjustment of fair and equitable rates of postage, fees for postal services, and classifications of mail. It is essential to public confidence in the United States Postal Service that the activities, procedures, decisions, and recommendations of the Commission be impartial and disinterested and free from taint or suspicion of favoritism of any kind whatsoever, both in fact and in appearance.

NOW THEREFORE, by virtue of the authority vested in me by section 301 of Title 3, and Section 7301 of Title 5, United States Code, and the Postal Reorganization Act [this title], it is hereby ordered as follows:

SECTION 101. The Commission is subject to Executive Order No. 11222 of May 8, 1965 [formerly set out as a note under section 201 of Title 18, Crimes and Criminal Procedure], "Prescribing Standards of Ethical Conduct for Government Officers and Employees," and Part 735 of the regulations of the Office of Personnel Management (5 CFR Part 735).

SEC. 102. The Office of Personnel Management shall prepare initial standards of conduct regulations for the Commission. The regulations shall contain such provisions as will ensure that the Commissioners and employees of the Commission are fully guarded against involvement in conflicts of interest situations, or the appearance thereof, or other conduct that may lessen public confidence. The regulations shall include provision for:

(a) concurrent filing of confidential statements of outside employment and financial interests by employees of the Commission with a designated official of the Commission and the Director of the Office of Personnel Management;

(b) strict control of *ex parte* contacts with the Commission and the Commissioners or employees of the Commission regarding particular matters at issue in contested proceedings before the Commission. The control of such contacts shall include, but not be limited to, the maintenance of public records of such contacts which fully identify the individuals involved and the nature of the subject matter discussed; and

(c) prohibition against the receipt of honoraria, travel expenses, entertainment, gifts, loans, favors, or anything of value by a Commissioner or employee of the Commission from an individual (other than one having a close family or personal relationship) or organization having, or likely to have, business with the Commission.

SEC. 103. The Office of Personnel Management shall issue the initial standards of conduct regulations applicable to the Commission not later than 120 days after the effective date of this Order. Thereafter, the Office may from time to time amend the regulations, consistent with this Order. The regulations and any amendments thereto shall be published in the Federal Register.

§ 505. Officer of the Postal Regulatory Commission representing the general public

The Postal Regulatory Commission shall designate an officer of the Postal Regulatory Commission in all public proceedings (such as developing rules, regulations, and procedures) who shall represent the interests of the general public.

(Added Pub. L. 109-435, title VI, § 601(a)(4), Dec. 20, 2006, 120 Stat. 3239.)

CHAPTER 6—PRIVATE CARRIAGE OF LETTERS

Sec.	
601.	Letters carried out of the mail.
602.	Foreign letters out of the mails.
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§ 601. Letters carried out of the mail

(a) A letter may be carried out of the mails when—

- (1) it is enclosed in an envelope;
- (2) the amount of postage which would have been charged on the letter if it had been sent by mail is paid by stamps, or postage meter stamps, on the envelope;

(3) the envelope is properly addressed;

(4) the envelope is so sealed that the letter cannot be taken from it without defacing the envelope;

(5) any stamps on the envelope are canceled in ink by the sender; and

(6) the date of the letter, of its transmission or receipt by the carrier is endorsed on the envelope in ink.

(b) A letter may also be carried out of the mails when—

(1) the amount paid for the private carriage of the letter is at least the amount equal to 6 times the rate then currently charged for the 1st ounce of a single-piece first class letter;

(2) the letter weighs at least 12½ ounces; or

(3) such carriage is within the scope of services described by regulations of the United States Postal Service (including, in particular, sections 310.1 and 320.2-320.8 of title 39 of the Code of Federal Regulations, as in effect on July 1, 2005) that purport to permit private carriage by suspension of the operation of this section (as then in effect).

(c) Any regulations necessary to carry out this section shall be promulgated by the Postal Regulatory Commission.

(Pub. L. 91-375, Aug. 12, 1970, 84 Stat. 727; Pub. L. 109-435, title V, § 503(a), Dec. 20, 2006, 120 Stat. 3234.)

AMENDMENTS

2006—Subsecs. (b), (c). Pub. L. 109-435 added subsecs. (b) and (c) and struck out former subsec. (b) which read as follows: "The Postal Service may suspend the operation of any part of this section upon any mail route where the public interest requires the suspension."

EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109-435, title V, § 503(b), Dec. 20, 2006, 120 Stat. 3235, provided that: "This section [amending this section] shall take effect on the date as of which the regulations promulgated under section 3633 of title 39, United States Code (as amended by section 202) take effect [Dec. 10, 2007, 72 F.R. 63662, 64155]."

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.