

**Statutory Notes and Related Subsidiaries**

## 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.

**§ 2007. Public debt character of the obligations of the Postal Service**

For the purpose of any purchase of the obligations of the Postal Service, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, as now or hereafter in force, and the purposes for which securities may be issued under chapter 31 of title 31, as now or hereafter in force, are extended to include any purchases of the obligations of the Postal Service under this chapter. The Secretary of the Treasury may, at any time, sell any of the obligations of the Postal Service acquired by him under this chapter. All redemptions, purchases, and sales by the Secretary of the obligations of the Postal Service shall be treated as public debt transactions of the United States.

(Pub. L. 91-375, Aug. 12, 1970, 84 Stat. 741; Pub. L. 97-452, §2(f), Jan. 12, 1983, 96 Stat. 2479.)

**Editorial Notes**

## AMENDMENTS

1983—Pub. L. 97-452 substituted “chapter 31 of title 31” for “the Second Liberty Bond Act” wherever appearing.

**Statutory Notes and Related Subsidiaries**

## 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.

**§ 2008. Audit and expenditures**

(a) The accounts and operations of the Postal Service shall be audited by the Comptroller General and reports thereon made to the Congress to the extent and at such times as he may determine.

(b) The Postal Service shall maintain an adequate internal audit of the financial transactions of the Postal Service.

(c) Subject only to the provisions of this chapter, the Postal Service is authorized to make such expenditures and to enter into such contracts, agreements, and arrangements, upon such terms and conditions and in such manner as it deems necessary, including the final settlement of all claims and litigation by or against the Postal Service.

(d) Nothing in this section shall be construed as denying to the Postal Service the power to obtain audits of the accounts of the Postal Service and reports concerning its financial condition and operations by certified public accounting firms. Such audits and reports shall be in addition to those required by this section.

(e) At least once each year beginning with the fiscal year commencing after June 30, 1971, the

Postal Service shall obtain a certification from an independent, certified public accounting firm of the accuracy of any financial statements of the Postal Service used in determining and establishing postal rates.

(Pub. L. 91-375, Aug. 12, 1970, 84 Stat. 741.)

**Statutory Notes and Related Subsidiaries**

## 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.

**§ 2009. Annual budget**

The Postal Service shall cause to be prepared annually a budget program which shall be submitted to the Office of Management and Budget, under such rules and regulations as the President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be prepared and presented. The budget program shall be a business-type budget, or plan of operations, with due allowance given to the need for flexibility, including provision for emergencies and contingencies, in order that the Postal Service may properly carry out its activities as authorized by law. The budget program shall contain estimates of the financial condition and operations of the Postal Service for the current and ensuing fiscal years and the actual condition and results of operation for the last completed fiscal year. Such budget program shall include a statement of financial condition, a statement of income and expense, an analysis of surplus or deficit, a statement of sources and application of funds, and such other supplementary statements and information as are necessary or desirable to make known the financial condition and operations of the Postal Service. Such statements shall include estimates of operations by major types of activities, together with estimates of administrative expenses and estimates of borrowings. The budget program shall also include separate statements of the amounts which (1) the Postal Service requests to be appropriated under subsections (b) and (c) of section 2401, (2) the Office of Inspector General of the United States Postal Service requests to be appropriated, out of the Postal Service Fund, under section 8G(f) of the Inspector General Act of 1978, and (3) the Postal Regulatory Commission requests to be appropriated, out of the Postal Service Fund, under section 504(d) of this title. The President shall include these amounts, with his recommendations but without revision, in the budget transmitted to Congress under section 1105 of title 31.

(Pub. L. 91-375, Aug. 12, 1970, 84 Stat. 742; Pub. L. 93-328, §3, June 30, 1974, 88 Stat. 288; Pub. L. 97-258, §3(l)(2), Sept. 13, 1982, 96 Stat. 1066; Pub. L. 109-435, title VI, §603(c)(1), Dec. 20, 2006, 120 Stat. 3241.)

**Editorial Notes**

## REFERENCES IN TEXT

The Inspector General Act of 1978, referred to in text, is Pub. L. 95-452, Oct. 12, 1978, 92 Stat. 1101, which is set

out in the Appendix to Title 5, Government Organization and Employees.

#### AMENDMENTS

2006—Pub. L. 109-435 substituted “The budget program shall also include separate statements of the amounts which (1) the Postal Service requests to be appropriated under subsections (b) and (c) of section 2401, (2) the Office of Inspector General of the United States Postal Service requests to be appropriated, out of the Postal Service Fund, under section 8G(f) of the Inspector General Act of 1978, and (3) the Postal Regulatory Commission requests to be appropriated, out of the Postal Service Fund, under section 504(d) of this title.” for “The budget program shall also include separate statements of the amounts which the Postal Service requests to be appropriated under subsections (b) and (c) of section 2401 of this title.”

1982—Pub. L. 97-258 substituted “section 1105 of title 31” for “section 11 of title 31”.

1974—Pub. L. 93-328 required the budget program to include separate statements of the amounts which the Postal Service requests to be appropriated under section 2401(b) and (c) of this title and the President to include these amounts in the budget transmitted to Congress.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2006 AMENDMENT; SAVINGS PROVISIONS

Amendment by 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.

##### 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.

##### OPERATIONS OF INSPECTOR GENERAL AS MAJOR TYPE OF ACTIVITY FOR BUDGET PURPOSES

Pub. L. 104-208, div. A, title I, §101(f) [title VI, §662(a)(3)], Sept. 30, 1996, 110 Stat. 3009-314, 3009-379, provided that: “For purposes of the fifth sentence of section 2009 of title 39, United States Code, the operations of the Office of Inspector General of the United States Postal Service shall be considered a major type of activity.”

#### § 2009a. Budgetary treatment of the Postal Service Fund

Notwithstanding any other provision of law, the receipts and disbursements of the Postal Service Fund, including disbursements for administrative expenses incurred in connection with the Fund—

(1) shall not be included in the totals of—

(A) the budget of the United States Government as submitted by the President, or

(B) the congressional budget (including allocations of budget authority and outlays provided therein);

(2) shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government; and

(3) shall be exempt from any order issued under part C of the Balanced Budget and Emergency Deficit Control Act of 1985, and

shall not be counted for purposes of calculating the deficit under section 3(6) of the Congressional Budget and Impoundment Control Act of 1974 for purposes of comparison with the maximum deficit amount under the Balanced Budget and Emergency Deficit Control Act of 1985 nor counted in calculating the excess deficit for purposes of sections 251 and 252<sup>1</sup> of the Balanced Budget and Emergency Deficit Control Act of 1985, for any fiscal year.

(Added Pub. L. 101-239, title IV, §4001(a)(1), Dec. 19, 1989, 103 Stat. 2133.)

#### Editorial Notes

##### REFERENCES IN TEXT

The Balanced Budget and Emergency Deficit Control Act of 1985, referred to in par. (3), is title II of Pub. L. 99-177, Dec. 12, 1985, 99 Stat. 1038. Part C of the Act is classified generally to subchapter I (§900 et seq.) of chapter 20 of Title 2, The Congress. Sections 251 and 252 of the Act are classified to sections 901 and 902, respectively, of Title 2, and were amended generally by Pub. L. 101-508, title XIII, §13101(a), Nov. 5, 1990, 104 Stat. 1388-577, 1388-581. Section 251 of the Act was further amended generally by Pub. L. 112-25, title I, §101, Aug. 2, 2011, 125 Stat. 241. For complete classification of this Act to the Code, see Short Title note set out under section 900 of Title 2 and Tables.

Section 3(6) of the Congressional Budget and Impoundment Control Act of 1974, referred to in par. (3), is classified to section 622(6) of Title 2.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE

Pub. L. 101-239, title IV, §4001(c), Dec. 19, 1989, 103 Stat. 2133, provided that: “The amendments made by this section [enacting this section] shall apply with respect to budgets for fiscal years beginning after September 30, 1989.”

##### CONSTRUCTION

Pub. L. 101-239, title IV, §4001(b), Dec. 19, 1989, 103 Stat. 2133, provided that: “Nothing in any amendment made by subsection (a) [enacting this section] shall be considered to diminish the oversight responsibilities or authority of the Congress under law, rule, or regulation with respect to the budget and operations of the United States Postal Service.”

#### § 2010. Restrictions on agreements

The Postal Service shall promote modern and efficient operations and should refrain from expending any funds, engaging in any practice, or entering into any agreement or contract, other than an agreement or contract under chapter 12 of this title, which restricts the use of new equipment or devices which may reduce the cost or improve the quality of postal services, except where such restriction is necessary to insure safe and healthful employment conditions.

(Pub. L. 91-375, Aug. 12, 1970, 84 Stat. 742.)

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<sup>1</sup> See References in Text note below.