

H.R.____,
the Administration's Postal Reform Act of 2014
[Discussion Draft]

SEC. 1. Short Title & Table of Contents

SEC. 2. NATIONWIDE MAIL DELIVERY SCHEDULE

- Permits the Postal Service to reduce the delivery of first class mail to five days per week. Requires the Postal Service to deliver of packages six days per week until December 31, 2018.
- Ensures that first-class mail will not go undelivered for more than two consecutive days.
- Permits periodicals, newspapers and unstamped mail to be placed in mailboxes on days when the Postal Service does not provide mail delivery service. *(This provision was not included in the President's Postal Reform proposals.)*

SEC. 3. STATE AND LOCAL NONPOSTAL SERVICES

- Permits the Postal Service to provide non-postal services to any State, local or tribal government. States that such services shall provide value to the public by lowering the costs of the services, increasing the quality of the services or making the services more physically accessible.
- Requires that each service cover at least 100% of its attributable costs.
- Requires that the public have 90 days to comment on any new service before it is implemented and requires that new services be approved by two-thirds of the Board of Governors.
- Requires the Postal Service to submit to the PRC an annual report analyzing the costs, revenues, rates and quality of non-postal services provided.
- Requires the Inspector General to audit the data reported by Postal Service on the non-postal services offered under this authority. .

SEC. 4. DELIVERY-POINT MODERNIZATION

- Requires that new addresses must receive mail at a curbside box or centralized
- Requires the Postal Service to convert all businesses from door delivery to a curbside box or centralized to the maximum extent feasible.
- Requires the Postal Service to identify residential addresses within their service area that are appropriate candidates for conversion to curbside or centralized delivery.
- Requires the Postal Service to convert residential addresses from door delivery to curbside or centralized delivery on a voluntary basis where possible and authorizes the Postal Service to require such conversions in areas the Postal Service "deems appropriate." *(The President's Postal Reform proposal would permit conversions from door delivery to curbside or centralized delivery but would not authorize the Postal Service to require such conversions.)*
- Permits the Postal Service to create a waiver program for addresses where residents have physical disabilities or hardships.

- Permits the Postal Service to create a “Legacy Door Delivery Service” that allows residents to pay a fee to continue to receive door delivery if their addresses have been identified for conversion to curbside or centralized delivery. *(This provision was not included in the President’s Postal Reform proposals.)*

SEC. 5. POST OFFICE PROTECTION

- Requires that when the Postal Service is assessing whether to close or consolidate a post office, it must consider discontinuing the post office; reducing the number of hours per day; or providing postal services at a similar facility through a contractual postal unit or through the use of a letter carrier.
- Permits the Postal Service to conduct a nonbinding survey to allow postal patrons to indicate their preferences among these options.
- Requires the Postal Service to provide patrons at least 60 days’ notice prior to closing or consolidating a post office.

SEC. 6. RETIREEE HEALTH BENEFIT FUNDING REFORM

- Requires the Postal Service to pay half of the pre-funding payments required in 2015 and 2016 under current law (the Postal Service would owe \$2.85 billion on September 30, 2015 and \$2.9 billion on September 30, 2016).

SEC. 7. SPECIFIC RETIREMENT LIABILITY CALCULATIONS RELATING TO THE POSTAL SERVICE

- Requires OPM to also use postal-specific assumptions and demographics when determining the Postal Service’s liability to the Civil Service Retirement System account starting for fiscal year 2013.

SEC. 8. ONE-TIME FEDERAL EMPLOYEES’ RETIREMENT SYSTEM PROJECTED PENSION SURPLUS REFUND

- Requires the Director of OPM to compute the amount of the Postal Service’s over-payment to the FERS account no later than September 1, 2014 using postal-specific demographic criteria.
- Requires the Director of OPM to return one-half of any surpluses resulting from this recalculation to the Postal Service on each of September 30, 2014 and September 30, 2015.