POSTAL SERVICE

Changes in Domestic Mail Rates and Classifications

AGENCY: Postal Service.

ACTION: Notice of implementation of changes in certain domestic mail rates and classification schedules.

SUMMARY: This notice sets forth the changes in rates and classifications regarding preferred rate mail to be implemented as a result of the decision of the Governors of the Postal Service on phase two of classification reform, and the changes in preferred rates to be implemented as a result of moving to the next step of phasing.

EFFECTIVE DATE: October 6, 1996. **FOR FURTHER INFORMATION CONTACT:** Eric Koetting, (202) 268–2992.

SUPPLEMENTARY INFORMATION: On April 4, 1996, pursuant to its authority under 39 U.S.C. 3621 et seq., the Postal Service filed with the Postal Rate Commission (PRC) a request for a recommended decision on a number of mail classification reform proposals regarding certain types of preferred rate mail ("Classification Reform II (Nonprofit Mail)", PRC Docket No. MC96–2. The PRC published a notice in the Federal Register on April 11, 1996 (61 FR 16129–16146) describing the Postal Service's request and offering interested parties an opportunity to intervene.

On July 19, 1996, the PRC issued an Opinion and Recommended Decision in Docket No. MC96-2. The PRC's recommendations very closely tracked the Postal Service's proposals, with the exception that the Commission deferred action on the minor changes proposed regarding the Classroom subclass of Periodicals mail. On August 5, 1996, the Governors of the Postal Service, pursuant to their authority under 39 U.S.C. 3625, approved the permanent rate and classification changes recommended by the PRC in Docket No. MC96–2. A copy of the attachments to that Decision, presenting the permanent rate and classification changes approved by the Governors, is set forth below.

Also on August 5, 1996, the Board of Governors of the Postal Service, pursuant to its authority under 39 U.S.C. 3625(f), determined to implement the permanent rate and classification changes approved by the Governors effective at 12:01 a.m. on October 6, 1996 (Resolution No. 96–4). The Board also determined in Resolution No. 96–4 to exercise its authority under 39 U.S.C. 3642 to establish temporary phased rates for FY 1997 at Step 4 of the

phasing schedules for some, but not all, preferred rates.

Because of the restrictions placed by 39 U.S.C. 3942(d) on the level of temporary phased rates that can be implemented for non-letter-shaped mail in the nonprofit subclasses of Standard Mail, the Board did not implement temporary phased rates for rate cells effected by that subsection. Rates for those rate cells will be implemented at the full rate levels (Step 6) approved by the Governors as permanent rates. Although these Step 6 rates will be higher than the otherwise applicable Step 4 rates, they are still lower than the Step 4 rates in the Docket No. R94-1 phasing schedules. In this respect, they are consistent with the higher level of mailer preparation associated with classification reform. A copy of the attachment to Resolution No. 96-4, presenting the preferred rate phasing schedules, is also set forth below. For those rate elements in the phasing schedules for the nonprofit categories of Standard Mail which display "N/A" (for "not applicable") under Step 4, the rates to be implemented on October 6, 1996, will be the rates shown as Step 6. For all other preferred rates, the rates to be implemented on October 6, 1996, will be the rates shown as Step 4.

In accordance with the Decision of the Governors and Resolution No. 96–4, the Postal Service hereby gives notice that the rate and classification changes set forth below will become effective at 12:01 a.m. on October 6, 1996. Implementing regulations also become effective at that time, as noted elsewhere in this issue.

Stanley F. Mires,

Chief Counsel, Legislative.

Attachment A to the Decision of the Governors, Docket No. MC96–2 Attachment B to the Decision of the Governors, Docket No. MC96–2 Attachment One to Resolution No. 96–4

Attachment A to the Decision of the Governors

Changes in Permanent Rates

Docket No. MC96-2

Standard Mail Rate Schedule 321.4A Nonprofit Subclass

Presort Categories 1 Full Rates

| | Proposed rate (cents) |
|--------------------------------|-----------------------|
| Letter Size: Piece Rate: Basic | 13.8 12.0 |

| | Proposed rate (cents) |
|--------------------------------|-----------------------|
| Destination Entry Discount per | |
| Piece: | |
| BMC | 1.3 |
| SCF | 1.8 |
| Non-Letter Size: | |
| Piece Rate: | |
| Minimum per Piece: 2 | |
| Basic | 20.1 |
| 3/5-Digit | 14.9 |
| Destination Entry Discount | |
| per Piece: | |
| BMC | 1.3 |
| SCF | 1.8 |
| Pound Rate 2 | 48.4 |
| Plus per Piece Rate: | |
| Basic | 10.0 |
| 3/5-Digit | 4.8 |
| Destination Entry Discount | 7.0 |
| per Pound: | |
| BMC | 6.2 |
| SCF | 8.8 |
| 30F | 0.0 |

Schedule 321.4A Notes

- ¹ A fee of \$85.00 must be paid once each 12-month period for each bulk mailing permit.
- ² Mailer pays either the minimum piece rate or the pound rate, whichever is higher.

Standard Mail Rate Schedule 321.4B Nonprofit Subclass

Automation Categories 1 Full Rates

| | Proposed Rate (cents) |
|--------------------------------|-----------------------------|
| Letter Size: 2 | |
| Piece Rate: | |
| Basic Letter ³ | 10.5 |
| 3-Digit Letter 4 | 10.1 |
| 5-Digit Letter 5 | 8.8 |
| Destination Entry Discount per | |
| Piece: | |
| BMC | 1.3 |
| SCF | 1.8 |
| Flat Size: 6 | |
| Piece Rate: | |
| Minimum per Piece:7 | |
| Basic Flat ⁸ | 17.7 |
| 3/5-Digit Flat 9 | 12.5 |
| Destination Entry Discount | |
| per Piece: | |
| BMC | 1.3 |
| SCF | 1.8 |
| Pound Rate 7 | 48.4 |
| Plus per Piece Rate: | |
| Basic Flat | 7.6 |
| 3/5-Digit Flat | 2.4 |
| Destination Entry Discount | |
| per Pound: | |
| BMC | 6.2 |
| SCF | 8.8 |

Schedule 321.4B Notes

¹A fee of \$85.00 must be paid once each 12-month period for each bulk mailing permit.

² For letter-size automation pieces meeting applicable Postal Service regulations.

- ³ Rate applies to letter-size automation mail not mailed at 3-digit, 5-digit or carrier route rates.
- ⁴ Rate applies to letter-size automation mail presorted to single or multiple threedigit ZIP Code destinations as prescribed by the Postal Service.
- ⁵ Rate applies to letter-size automation mail presorted to single or multiple five-digit ZIP Code destinations as prescribed by the Postal Service.
- ⁶ For flat-size automation mail meeting applicable Postal Service regulations.
- ⁷ Mailer pays minimum piece rate or pound rate, whichever is higher.
- ⁸ Rate applies to flat-size automation mail not mailed at 3/5-digit rate.
- ⁹ Rate applies to flat-size automation mail presorted to single or multiple three- and five-digit ZIP Code destinations as specified by the Postal Service.

Standard Mail Rate Schedule 321.5 Nonprofit Enhanced Carrier Route Subclass ¹

Full Rates

| | Proposed rate (cents) |
|---------------------------------------|-----------------------|
| Letter Size: | |
| Piece Rate: | |
| Basic | 9.9 |
| Basic Automated Letter ² | 8.5 |
| High Density | 9.3 |
| Saturation | 8.7 |
| Destination Entry Discount per Piece: | |
| BMC | 1.3 |
| SCF | 1.8 |
| DDU ³ | 2.4 |
| Non-Letter Size: | |
| Piece Rate: | |
| Minimum per Piece: 4 | |
| Basic | 10.7 |
| High Density | 10.0 |
| Saturation | 9.4 |
| Destination Entry Discount | |
| per Piece: | |
| BMC | 1.3 |
| SCF | 1.8 |
| DDU 3 | 2.4 |
| Pound Rate 4 | 45.1 |
| Plus per Piece Rate: | |
| Basic | 1.3 |
| High Density | 0.6 |
| Saturation | 0.0 |
| Destination Entry Discount | |
| per Pound: | |
| BMC | 6.2 |
| SCF | 8.8 |
| DDU ³ | 11.4 |

Schedule 321.5 Notes

- ¹ A fee of \$85.00 must be paid each 12-month period for each bulk mailing permit.
- ² Rate applies to letter-size automation mail presorted to routes specified by the Postal Service.
- ³ Applies only to enhanced carrier route mail
- ⁴ Mailer pays either the minimum piece rate or the pound rate, whichever is higher.

Periodicals Rate Schedule 423.2 Within County

Full Rates

| | Postage rate unit | Cents |
|---------------------------|-------------------|-------|
| Per Pound: | | |
| General | Pound | 12.6 |
| Delivery Office 1 | Pound | 11.6 |
| Per Piece: | | |
| Required Presort | Piece | 8.2 |
| Carrier Route Presort | Piece | 4.4 |
| Per Piece Discounts: | | |
| Delivery Office 2 | Piece | 0.3 |
| High Density ³ | Piece | 0.5 |
| Saturation | Piece | 0.7 |
| Automation Discounts | | |
| for Automation Com- | | |
| patible Mail 4 | | |
| From Required: | | |
| 3-Digit | Piece | 0.4 |
| Prebarcoded | | |
| Letter Size. | | |
| 5-Digit | Piece | 1.7 |
| Prebarcoded | | |
| Letter Size. | D . | |
| 3/5 Prebarcoded | Piece | 1.5 |
| Flats. | | |

¹ Applicable only to the pound charge of carrier route (including high density and saturation) presorted pieces to be delivered within the delivery area of the originating post office.

² Applicable only to carrier presorted pieces

to be delivered within the delivery area of the originating post office.

³ Applicable only to high density mail, de-

ducted from carrier presorted pieces.

⁴ For automation compatible pieces meeting applicable Postal Service regulations.

Periodicals Rate Schedule 423.3 Publications of Authorized Nonprofit Organizations ¹⁰

Full Rates 1

| Pound | 14.2 |
|----------------|---|
| Pound | 16.9 |
| Pound | 19.0 |
| Pound | 21.4 |
| Pound | 22.4 |
| Pound | 25.1 |
| Pound | 29.2 |
| Pound | 33.6 |
| Pound | 38.8 |
| Pound | 43.2 |
| | |
| | 4.2 |
| Piece | 21.9 |
| Piece | 17.4 |
| Piece | 10.7 |
| Piece | 1.2 |
| Piece Piece | 0.6 0.7 2.1 |
| | Pound Piece Piece Piece |

| | Postage rate unit | Cents |
|-----------------------------|-------------------|-------|
| Automation Discounts | | |
| for Automation Com- | | |
| patible Mail:8 | | |
| From Required: | | |
| Prebarcoded | Piece | 3.0 |
| Letter Size. | | |
| Prebarcoded | Piece | 2.4 |
| Flats. | | |
| From 3/5 Digit: | | |
| 3-Digit | Piece | 2.3 |
| Prebarcoded | | |
| Letter Size. | D: | 0.0 |
| 5-Digit | Piece | 2.3 |
| Prebarcoded | | |
| Letter Size. Prebarcoded | Piece | 2.4 |
| Flats. | Fiece | 2.4 |
| | | |

Schedule 423.3 Notes

¹ Charges are computed by adding the appropriate per-piece charge to the sum of the nonadvertising portion and the advertising portion, as applicable.

² Applies to carrier route (including high density and saturation) mail delivered within the delivery area of the originating post office.

³ Applies to mail delivered within the SCF area of the originating SCF office.

⁴ For postage calculation, multiply the proportion of nonadvertising content by this factor and subtract from the applicable piece rate.

⁵ Mail presorted to 3-digit (other than 3-digit city), SCF, states, or mixed states.

⁶ Applicable to high density mail, deducted from carrier route presort rate.

⁷ Applicable to saturation mail, deducted from carrier route presort rate.

⁸ For automation compatible mail meeting applicable Postal Service regulations.

⁹ Not applicable to publications containing 10 percent or less advertising content.

¹⁰ If qualified, nonprofit publications may use Within-County rates for applicable portions of a mailing.

Attachment B to the Decision of the Governors

Changes in the Domestic Mail Classification Schedule

Docket No. MC96-2

Amend the Standard Mail Classification Schedule by Inserting the Italicized Text and Deleting the Text in Brackets, as Follows:

321.1 Single Piece Subclass

321.11 *Definition.* The Single Piece subclass consists of Standard Mail weighing less than 16 ounces that is not mailed under sections 321.2, 321.3, 321.4, 321.5 or 323.

321.2 Regular Subclass

321.21 *General.* [Definition.] The Regular subclass consists of Standard

Mail weighing less than 16 ounces that is not mailed under sections 321.1, 321.3, 321.4, 321.5 or 323. [, and that:

- a. Is prepared in a mailing of at least 200 addressed pieces or 50 pounds of addressed pieces;
- b. Is presorted, marked, and presented as prescribed by the Postal Service; and
- c. Meets the machinability, addressing, and other preparation requirements prescribed by the Postal Service.]
- 321.22 [Regular] *Presort* Rate Categories.
- 321.221 General. The presort rate categories apply to Regular subclass mail that:
- a. Is prepared in a mailing of at least 200 addressed pieces or 50 pounds of addressed pieces;
- b. Is presorted, marked, and presented as prescribed by the Postal Service; and
- c. Meets the machinability, addressing, and other preparation requirements prescribed by the Postal Service.
- 321.222[1] Basic [Sortation] Rate Categor[y] ies. The basic rate categories apply to presort rate category mail not mailed under section 321.223. [Mailers must sort Regular subclass mail as prescribed by the Postal Service. Mail which is not presorted to three-digit or five-digit ZIP Code areas or to carrier routes qualifies for the basic rates in Rate Schedule 321.2A.]
- $\{Ed.\ Note:\ Existing\ 321.222\ is\ renumbered\\ 321.232\ with\ modifications\}$
- 321.223 Three- and Five-Digit [Presort Level] Rate Categor[y]ies. The three- and five-digit [presort level] rate categor[y]ies appl[ies]y to presort rate category [Regular subclass] mail presorted to single or multiple three- and five-digit ZIP Code destinations[,] as prescribed by the Postal Service.
- {Ed. Note: Existing 321.23 is renumbered $321.24\}$
- 321.23 Automation Rate Categories
- 321.231 General. The automation rate categories apply to Regular subclass mail that:
- a. Is prepared in a mailing of at least 200 addressed pieces or 50 pounds of addressed pieces;
- b. Is presorted, marked, and presented as prescribed by the Postal Service;
- c. Bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service;
- d. Meets the machinability, addressing, barcoding, and other preparation requirements prescribed by the Postal Service.
- [321.222] 321.232 Basic [Sortation, Pre-]Barcoded Rate Category. The basic [sortation, pre-]barcoded rate category

applies to *letter-size* automation rate category mail not mailed under section 321.233 or 321.234. [mail mailed under section 321.21 which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications, and other preparation requirements prescribed by the Postal Service.]

[321.224] 321.233 Three-Digit [Presort Level, Pre-]Barcoded Rate Category. The three-digit [presort level, pre-]barcoded rate category applies to letter-size automation rate category mail [mailed under section 321.21 which is] presorted to single or multiple threedigit ZIP Code destinations as prescribed by the Postal Service. [three digits, which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.]

[321.225] 321.234 Five-Digit [Presort Level, Pre-Barcoded Rate Category. The five-digit [presort level, pre-]barcoded rate category applies to letter-size automation rate category mail [mailed under section 321.21 which is] presorted to single or multiple five-digit ZIP Code destinations as prescribed by the Postal Service. [five digits, which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.

321.235 Basic Barcoded Flats Rate Category. The basic barcoded flats rate category applies to flat-size automation rate category mail not mailed under section 321.236.

[321.226] 321.236 Three- and Five-Digit [Presort Level, Pre-]Barcoded Flats Rate Category. The three- and five-digit [presort level, pre-]barcoded flats rate category applies to flat-size automation rate category mail [mailed under section 321.21 which is presorted to single or multiple three- and five-digit ZIP Code destinations as prescribed by the Postal Service. [,which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.]

[321.23] 321.24 Destination Entry Discounts. Destination entry discounts apply to Regular subclass mail prepared as prescribed by the Postal Service and addressed for delivery within the service area of the BMC (or auxiliary service facility), or sectional center facility (SCF), at which it is entered, as defined by the Postal Service.

321.3 Enhanced Carrier Route Subclass

321.31 Definition. The Enhanced Carrier Route subclass consists of Standard Mail weighing less than 16 ounces that is not mailed under section 321.1, 321.2, 321.4, 321.5 or 323, and that:

- a. Is prepared in a mailing of at least 200 addressed pieces or 50 pounds of addressed pieces;
- b. Is prepared, marked, and presented as prescribed by the Postal Service;
- c. Is presorted to carrier routes as prescribed by the Postal Service;
- d. Is sequenced as prescribed by the Postal Service; and
- e. Meets the machinability, addressing, and other preparation requirements prescribed by the Postal Service.

321.4 Nonprofit Subclass

321.41 [Definition

321.411] General. The Nonprofit subclass consists of Standard Mail weighing less than 16 ounces that is not mailed under section 321.1, 321.2, 321.3, 321.5 or 323, and that is [prepared in quantities of at least 50 pounds or 200 pieces, presorted and marked as prescribed by the Postal Service, and] mailed by authorized nonprofit organizations or associations of the following types:

- a. Religious, as defined in section 1009.
- b. Educational, *as defined in section* 1009.
- c. Scientific, as defined in section 1009,
- d. Philanthropic, as defined in section 1009.
- e. Agricultural, *as defined in section* 1009.
- f. Labor. as defined in section 1009.
- g. Veterans', as defined in section 1009,
- h. Fraternal, as defined in section 1009
- i. Qualified political committees, j. State or local voting registration officials when making a mailing required or authorized by the National Voter Registration Act of 1993.
- 321.411[2] Qualified Political Committees. [Nonprofit Organizations and Associations. Nonprofit organizations or associations are

organizations or associations not organized for profit, none of the net income of which benefits any private stockholder or individual, and which meet the qualifications set forth below for each type of organization or association. The standard of primary purpose applies to each type of organization or association, except veterans' and fraternal. The standard of primary purpose requires that each type of organization or association be both organized and operated for the primary purpose. The following are the types of organizations or associations which may qualify as authorized nonprofit organizations or associations.

a. Religious. A nonprofit organization whose primary purpose is one of the

following:

i. To conduct religious worship;

ii. To support the religious activities of nonprofit organizations whose primary purpose is to conduct religious worship;

iii. To perform instruction in, to disseminate information about, or otherwise to further the teaching of particular religious faiths or tenets.

b. Educational. A nonprofit organization whose primary purpose is one of the following:

i. The instruction or training of the individual for the purpose of improving or developing his capabilities;

- ii. The instruction of the public on subjects beneficial to the community. An organization may be educational even though it advocates a particular position or viewpoint so long as it presents a sufficiently full and fair exposition of the pertinent facts to permit an individual or the public to form an independent opinion or conclusion. On the other hand, an organization is not educational if its principal function is the mere presentation of unsupported opinion.
- c. Scientific. A nonprofit organization whose primary purpose is one of the following:
- i. To conduct research in the applied, pure or natural sciences;
- ii. To disseminate systematized technical information dealing with applied, pure or natural sciences.
- d. Philanthropic. A nonprofit organization primarily organized and operated for purposes beneficial to the public. Philanthropic organizations include, but are not limited to, organizations which are organized for:
- i. Relief of the poor and distressed or of the underprivileged;
 - ii. Advancement of religion;
- iii. Advancement of education or science;
- iv. Erection or maintenance of public buildings, monuments, or works;

- v. Lessening of the burdens of government;
- vi. Promotion of social welfare by organizations designed to accomplish any of the above purposes or:
 - (A) To lessen neighborhood tensions;
- (B) To eliminate prejudice and discrimination;
- (C) To defend human and civil rights secured by law; or
- (D) To combat community deterioration and juvenile delinquency.
- e. Agricultural. A nonprofit organization whose primary purpose is the betterment of the conditions of those engaged in agricultural pursuits, the improvement of the grade of their products, and the development of a higher degree of efficiency in agriculture. The organization may advance agricultural interests through educational activities; the holding of agricultural fairs; the collection and dissemination of information concerning cultivation of the soil and its fruits or the harvesting of marine resources; the rearing, feeding, and management of livestock, poultry, and bees, or other activities relating to agricultural interests. The term agricultural nonprofit organization also includes any nonprofit organization whose primary purpose is the collection and dissemination of information or materials relating to agricultural pursuits.
- f. Labor. A nonprofit organization whose primary purpose is the betterment of the conditions of workers. Labor organizations include, but are not limited to, organizations in which employees or workmen participate, whose primary purpose is to deal with employers concerning grievances, labor disputes, wages, hours of employment and working conditions.
- g. Veterans'. A nonprofit organization of veterans of the armed services of the United States, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization.

h. Fraternal. A nonprofit organization which meets all of the following criteria:

- i. Has as its primary purpose the fostering of brotherhood and mutual benefits among its members;
- ii. Is organized under a lodge or chapter system with a representative form of government;
- iii. Follows a ritualistic format; and iv. Is comprised of members who are elected to membership by vote of the members.
- i. Qualified political committees.] The term "qualified political committee" means a national or State committee of a political party, the Republican and Democratic Senatorial Campaign Committees, the Democratic National

Congressional Committee, and the National Republican Congressional Committee:

[i.]a. The term "national committee" means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the national level; and

[ii.] b. The term "State committee" means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the State level.

321.412[3] Limitation on Authorization. An organization authorized to mail at the nonprofit Standard rates for qualified nonprofit organizations may mail only its own matter at these rates. An organization may not delegate or lend the use of its permit to mail at special Standard rates to any other person, organization or association.

321.42 [Nonprofit] *Presort* Rate Categories

321.421 General. The presort rate categories apply to Nonprofit subclass mail that:

a. Is prepared in a mailing of at least 200 addressed pieces or 50 pounds of addressed pieces;

b. Is presorted, marked, and presented as prescribed by the Postal Service; and

c. Meets the machinability, addressing, and other preparation requirements prescribed by the Postal Service.

321.422[1] Basic [Sortation] Rate Categories[y]. The basic rate categories apply to presort rate category mail not mailed under section 321.423. [Mailers must sort Nonprofit subclass mail as prescribed by the Postal Service. Mail which is not presorted to three-digit or five-digit ZIP Code areas or to carrier routes qualifies for the basic rates in Rate Schedule 321.4.]

[321.422 Basic Sortation, ZIP + 4 Rate Category. The basic sortation, ZIP + 4 rate category applies to mail mailed under section 321.421 which bears a proper ZIP + 4 code and which meets the machinability, address readability and other preparation requirements prescribed by the Postal Service.]

[Ed. Note: Existing 321.423 is renumbered 321.432 with modifications]

321.423[4] Three- and Five-Digit [Presort Level] Rate Categories[y]. The three- and five-digit [presort level] rate categories[y] apply[ies] to presort rate category [Nonprofit subclass] mail [which is] presorted to single or multiple three-[digit or] and five-digit ZIP Code destinations [areas. The mail must be prepared in the manner] as prescribed by the Postal Service.

- 321.43 Automation Rate Categories
- 321.431 General. The automation rate categories apply to Nonprofit subclass mail that:
- a. Is prepared in a mailing of at least 200 addressed pieces or 50 pounds of addressed pieces;
- b. Is presorted, marked, and presented as prescribed by the Postal Service;
- c. Bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service;
- d. Meets the machinability, addressing, barcoding, and other preparation requirements prescribed by the Postal Service.

321.432[23] Basic [Sortation, Pre-] Barcoded Rate Category. The basic [sortation, pre-]barcoded rate category applies to *letter-size automation rate category* mail *not* mailed under section 321.433 or 321.434. [321.421 which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.]

[321.425 Three- and Five-Digit Presort Level, ZIP + 4 Rate Category. The three- and five-digit presort level, ZIP + 4 rate category applies to mail mailed under section 321.424 which bears a proper ZIP + 4 code and which meets the machinability, address readability and other preparation requirements prescribed by the Postal Service.]

321.433[26] Three-Digit [Presort Level, Pre-Barcoded Rate Category. The three-digit [presort level, pre-]barcoded rate category applies to letter-size automation rate category mail [mailed under section 321.424 which is] presorted to single or multiple threedigit ZIP Code destinations [three digits, which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other preparation requirements] as prescribed by the Postal Service.

321.434[27] Five-Digit [Presort Level, Pre-]Barcoded Rate Category. The five-digit [presort level, pre-]barcoded rate category applies to letter-size automation rate category mail [mailed under section 321.424 which is] presorted to single or multiple five-digit ZIP Code destinations [five digits, which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the

Postal Service, and which meets the machinability, addressing, and barcoding specifications, and other preparation requirements] *as* prescribed by the Postal Service.

[321.428 Carrier Route Presort Level Rate Category. The carrier route presort level rate category applies to Nonprofit subclass mail which is presorted to a carrier route, with at least 10 pieces to each carrier route. The mail must be prepared in the manner prescribed by the Postal Service.]

321.435[29] Basic Barcoded [Prebarcoded] Flats Rate Category. The basic barcoded flats rate category applies to flat-size automation rate category mail not mailed under section 321.436. [The pre-barcoded flats rate category applies to Nonprofit subclass flat size pieces which are properly prepared and presorted, bear a barcode as prescribed by the Postal Service, and meet the flats machinability and address readability specifications of the Postal Service. Such flats must be presented for mailing in a manner which does not require cancellation.]

321.436 Three- and Five-Digit Barcoded Flats Rate Category. The three- and five-digit barcoded flats rate category applies to flat-size automation rate category mail presorted to single or multiple three- and five-digit ZIP Code destinations as prescribed by the Postal Service.

[321.43 Nonprofit Subclass Discounts

321.431 Saturation Discount. The saturation discount applies to Nonprofit subclass mail presented in a carrier route presort mailing which is walk sequenced and which meets the saturation and preparation requirements prescribed by the Postal Service.

321.432 125-Piece Walk-sequence Discount. The 125-piece walk-sequence discount applies to Nonprofit subclass mail presented in a carrier route presort mailing which is walk sequenced and contains a minimum of 125 pieces per carrier route, and which meets the preparation requirements prescribed by the Postal Service.]

321.44[33] Destination Entry Discounts. [The d] Destination entry discounts apply[ies] to Nonprofit subclass mail prepared as prescribed by the Postal Service and addressed [which is destined] for delivery within the service area of the BMC (or auxiliary service facility)[,] or sectional center facility (SCF)[, or destination delivery unit (DDU)] at which it is entered, as defined by the Postal Service.

- 321.5 Nonprofit Enhanced Carrier Route Subclass
- 321.51 Definition. The Nonprofit Enhanced Carrier Route subclass consists of Standard Mail weighing less than 16 ounces that is not mailed under section 321.1, 321.2, 321.3, 321.4 or 323, that is mailed by authorized nonprofit organizations or associations (as defined in section 321.41) under the terms and limitations stated in section 321.412, and that:
- a. Is prepared in a mailing of at least 200 addressed pieces or 50 pounds of addressed pieces;
- b. Is prepared, marked, and presented as prescribed by the Postal Service;
- c. Is presorted to carrier routes as prescribed by the Postal Service;
- d. Is sequenced as prescribed by the Postal Service; and
- e. Meets the machinability, addressing, and other preparation requirements prescribed by the Postal Service.
- 321.52 Basic Rate Category. The basic rate category applies to Nonprofit Enhanced Carrier Route subclass mail not mailed under section 321.53, 321.54 or 321.55.
- 321.53 Basic Pre-Barcoded Rate Category. The basic pre-barcoded rate category applies to letter-size Nonprofit Enhanced Carrier Route subclass mail which bears a barcode representing not more than 11 digits (not including "correction" digits), as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.
- 321.54 High Density Rate Category. The high density rate category applies to Nonprofit Enhanced Carrier Route subclass mail presented in walk-sequence order and meeting the high density requirements prescribed by the Postal Service.
- 321.55 Saturation Rate Category. The saturation rate category applies to Nonprofit Enhanced Carrier Route subclass mail presented in walk-sequence order and meeting the saturation requirements prescribed by the Postal Service.
- 321.56 Destination Entry Discounts. Destination entry discounts apply to Nonprofit Enhanced Carrier Route subclass mail prepared as prescribed by the Postal Service and addressed for delivery within the service area of the BMC (or auxiliary service facility), sectional center facility (SCF), or destination delivery unit (DDU) at which it is entered, as defined by the Postal Service.

* * * * *

323.2 Library Subclass

* * * *

323.212 Definition of Nonprofit Organizations and Associations. Nonprofit organizations or associations are defined in section 1009. [organizations or associations not organized for profit, none of the net income of which benefits any private stockholder or individual, and which meet the qualifications set forth below for each type of organization or association. The standard of primary purpose applies to each type of organization or association, except veterans' and fraternal. The standard of primary purposes requires that each type of organization or association be both organized and operated for the primary purpose. The following are the types of organizations or associations which may qualify as authorized nonprofit organizations or associations:

- a. Religious. A nonprofit organization whose primary purpose is one of the following:
 - i. To conduct religious worship;
- ii. To support the religious activities of nonprofit organizations whose primary purpose is to conduct religious worship;
- iii. To perform instruction in, to disseminate information about, or otherwise to further the teaching of particular religious faiths or tenets.
- b. Educational. A nonprofit organization whose primary purpose is one of the following:
- i. The instruction or training of the individual for the purpose of improving or developing his capabilities;
- ii. The instruction of the public on subjects beneficial to the community.

An organization may be educational even though it advocates a particular position or viewpoint so long as it presents a sufficiently full and fair exposition of the pertinent facts to permit an individual or the public to form an independent opinion or conclusion. On the other hand, an organization is not educational if its principal function is the mere presentation of unsupported opinion.

- c. Scientific. A nonprofit organization whose primary purpose is one of the following:
- i. To conduct research in the applied, pure or natural sciences;
- ii. To disseminate systematized technical information dealing with applied, pure or natural sciences.
- d. Philanthropic. A nonprofit organization primarily organized and operated for purposes beneficial to the public. Philanthropic organizations include, but are not limited to, organizations which are organized for:

- i. Relief of the poor and distressed or of the underprivileged;
 - ii. Advancement of religion;
- iii. Advancement of education or science:
- iv. Erection or maintenance of public buildings, monuments, or works;
- v. Lessening of the burdens of government;
- vi. Promotion of social welfare by organizations designed to accomplish any of the above purposes or:
 - (A) To lessen neighborhood tensions;
- (B) To eliminate prejudice and discrimination;
- (C) To defend human and civil rights secured by law; or
- (D) To combat community deterioration and juvenile delinquency.
- e. Agricultural. A nonprofit organization whose primary purpose is the betterment of the conditions of those engaged in agricultural pursuits, the improvement of the grade of their products, and the development of a higher degree of efficiency in agriculture. The organization may advance agricultural interests through educational activities; the holding of agricultural fairs; the collection and dissemination of information concerning cultivation of the soil and its fruits or the harvesting of marine resources; the rearing, feeding, and management of livestock, poultry, and bees, or other activities relating to agricultural interests. The term agricultural nonprofit organization also includes any nonprofit organization whose primary purpose is the collection and dissemination of information or materials relating to agricultural pursuits.
- f. Labor. A nonprofit organization whose primary purpose is the betterment of the conditions of workers. Labor organizations include, but are not limited to, organizations in which employees or workmen participate, whose primary purpose is to deal with employers concerning grievances, labor disputes, wages, hours of employment and working conditions.
- g. Veterans'. A nonprofit organization of veterans of the armed services of the United States, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization.
- h. Fraternal. A nonprofit organization which meets all of the following criteria:
- i. Has as its primary purpose the fostering of brotherhood and mutual benefits among its members;
- ii. Is organized under a lodge or chapter system with a representative form of government;
 - iii. Follows a ritualistic format; and

iv. Is comprised of members who are elected to membership by vote of the members.]

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330 Physical Limitations

331 Size

Standard Mail may not exceed 108 inches in length and girth combined. Additional size limitations apply to individual Standard Mail subclasses. The maximum size for mail presorted to carrier route in the Enhanced Carrier Route and Nonprofit Enhanced Carrier Route subclasses is 14 inches in length, 11.75 inches in width, and 0.75 inch in thickness. For merchandise samples mailed with detached address cards, the carrier route maximum dimensions apply to the detached address cards and not to the samples.

340 Postage and Preparation

341 Postage

Postage must be paid as set forth in section 3000. When the postage computed at a Single Piece, Regular, Enhanced Carrier Route, [or] Nonprofit or Nonprofit Enhanced Carrier Route Standard rate is higher than the rate prescribed in any of the Standard subclasses listed in 322 or 323 for which the piece also qualifies (or would qualify, except for weight), the piece is eligible for the applicable lower rate. All mail mailed at a bulk or presort rate must have postage paid in a manner not requiring cancellation.

344 Attachments and Enclosures

344.1 Single Piece, Regular, Enhanced Carrier Route, [and] Nonprofit and Nonprofit Enhanced Carrier Route Subclasses (section 321)

* * * * *

344.21 General. First-Class Mail or Standard Mail from any of the subclasses listed in section 321 (Single Piece, Regular, Enhanced Carrier Route, [or] Nonprofit or Nonprofit Enhanced Carrier Route) may be attached to or enclosed in Standard Mail mailed under sections 322 and 323. The piece must be marked as prescribed by the Postal Service. Except as provided in sections 344.22 and 344.23, additional postage must be paid for the attachment or enclosure as if it had been mailed separately. Otherwise, the entire combined piece is subject to the First-Class or section 321 Standard rate for which it qualifies (unless the rate applicable to the host piece is higher), or, if a combined piece with a section 321 Standard Mail attachment or

enclosure weighs 16 ounces or more, the piece is subject to the Parcel Post rate for which it qualifies.

* * * * *

353.1 Single Piece, Regular, Enhanced Carrier Route, [and] Nonprofit and Nonprofit Enhanced Carrier Route Subclasses (section 321)

Undeliverable-as-addressed Standard Mail mailed under section 321 will be returned on request of the mailer, or forwarded and returned on request of the mailer. Undeliverable-as-addressed combined First-Class and Standard pieces will be returned as prescribed by the Postal Service. The Single Piece Standard rate is charged for each piece receiving return only service. Charges for forwarding-and-return service are assessed only on those pieces which cannot be forwarded and are returned. The charge for those returned pieces is the appropriate Single Piece Standard rate for the piece plus that rate multiplied by a factor equal to the number of section 321 Standard pieces nationwide that are successfully forwarded for every one piece that cannot be forwarded and must be returned.

360 Ancillary Services

361 All Subclasses

All Standard Mail will receive the following services upon payment of the appropriate fees:

| Service | Sched- ule |
|---|---------------|
| a. Address correction b. Certificates of mailing indicating that a specified number of pieces has been mailed. | SS-1 SS-4 |

Certificates of mailing are not available for Regular, Enhanced Carrier Route, [and] Nonprofit *and Nonprofit Enhanced Carrier Route* subclass mail when postage is paid by permit imprint.

370 Rates and Fees

The rates and fees for Standard Mail are set forth as follows:

| | Sched- ule |
|--|------------------|
| a. Single Piece subclassb. Regular subclass | 321.1 321.2 |
| c. Enhanced Carrier Route sub- class. | 321.3 |
| d. Nonprofit subclass | 321.4 |
| e. Nonprofit Enhanced Carrier Route subclass. f[e]. Parcel Post subclass | 321.5 |
| Basic Destination BMC | 322.1A 322.1B |

| | Sched- ule |
|--|--|
| g[f]. Bound Printed Matter subclass Single Piece Bulk and Carrier Route h[g]. Special subclass i[h]. Library subclass j[i]. Fees | 322.3A 322.3B 323.1 323.2 1000 |

380 Authorizations and Licenses

381 Regular, Enhanced Carrier Route, [and] Nonprofit *and Nonprofit Enhanced Carrier Route* Subclasses

A mailing fee as set forth in Rate Schedule 1000 must be paid once each year by mailers of Regular, Enhanced Carrier Route, [and] Nonprofit and Nonprofit Enhanced Carrier Route subclass mail.

* * * * *

Amend the Periodicals Classification Schedule by Inserting the Italicized Text and Deleting the Text in Brackets, as Follows:

423 Preferred Rate Periodicals

* * * * *

423.3 Nonprofit Subclass

[423.31 Definition.] Nonprofit mail is Preferred Rate Periodicals class mail entered by authorized nonprofit organizations or associations of the following types:

- a. Religious, as defined in section 1009,
- b. Educational, as defined in section 1009.
- c. Scientific, as defined in section 1009.
- d. Philanthropic, as defined in section
- e. Agricultural, *as defined in section* 1009,
- f. Labor, as defined in section 1009,
- g. Veterans', as defined in section 1009,
- h. Fraternal, *as defined in section* 1009. and
- i. Associations of rural electric cooperatives,
- j. One publication, which contains no advertising (except advertising of the publisher) published by the official highway or development agency of a state,
- k. Program announcements or guides published by an educational radio or television agency of a state or political subdivision thereof or by a nonprofit educational radio or television station,
- l. One conservation publication published by an agency of a state which is responsible for management and conservation of the fish or wildlife resources of such state.

[423.32 Definitions of Nonprofit Organizations and Associations.

Nonprofit organizations or associations are organizations or associations not organized for profit, none of the net income of which benefits any private stockholder or individual, and which meet the qualifications set forth below for each type of organization or association. The standard of primary purpose applies to organizations listed under section 423.31a through f. The standard of primary purpose requires that each type of organization or association be both organized and operated for the primary purpose.

- a. Religious. A nonprofit organization whose primary purpose is one of the following:
 - i. To conduct religious worship;
- ii. To support the religious activities of nonprofit organizations whose primary purpose is to conduct religious worship;
- iii. To perform instruction in, to disseminate information about, or otherwise to further the teaching of particular religious faiths or tenets.
- b. Educational. A nonprofit organization whose primary purpose is one of the following:
- i. The instruction or training of the individual for the purpose of improving or developing his capabilities;
- ii. The instruction of the public on subjects beneficial to the community.

An organization may be educational even though it advocates a particular position or viewpoint so long as it presents a sufficiently full and fair exposition of the pertinent facts to permit an individual or the public to form an independent opinion or conclusion. On the other hand, an organization is not educational if its principal function is the mere presentation of unsupported opinion.

- c. Scientific. A nonprofit organization whose primary purpose is one of the following:
- i. To conduct research in the applied, pure or natural sciences;
- ii. To disseminate systematized technical information dealing with applied, pure or natural sciences.
- d. Philanthropic. A nonprofit organization primarily organized and operated for purposes beneficial to the public. Philanthropic organizations include, but are not limited to, organizations which are organized for:
- i. Relief of the poor and distressed or of the underprivileged;
 - ii. Advancement of religion;
- iii. Advancement of education or science;
- iv. Erection or maintenance of public buildings, monuments, or works;
- v. Lessening of the burdens of government;

- vi. Promotion of social welfare by organizations designed to accomplish any of the above purposes or;
 - (a) To lessen neighborhood tensions;
- (b) To eliminate prejudice and discrimination;
- (c) To defend human and civil rights secured by law; or
- (d) To combat community deterioration and juvenile delinquency.
- e. Agricultural. A nonprofit organization whose primary purpose is the betterment of the conditions of those engaged in agricultural pursuits, the improvement of the grade of their products, and the development of a higher degree of efficiency in agriculture. The organization may advance agricultural interests through educational activities; the holding of agricultural fairs; the collection and dissemination of information concerning cultivation of the soil and its fruits or the harvesting of marine resources; the rearing, feeding, and management of livestock, poultry, and bees, or other activities relating to agricultural interests. The term agricultural nonprofit organization also includes any nonprofit organization whose primary purpose is the collection and dissemination of information or materials relating to agricultural pursuits.
- f. Labor. A nonprofit organization whose primary purpose is the betterment of the conditions of workers. Labor organizations include, but are not limited to, organizations in which employees or workmen participate, whose primary purpose is to deal with employers concerning grievances, labor disputes, wages, hours of employment and working conditions.
- g. Veterans'. A nonprofit organization of veterans of the armed services of the United States, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization.
- h. Fraternal. A nonprofit organization which meets all of the following criteria:
- i. Has as its primary purpose the fostering of brotherhood and mutual benefits among its members;
- ii. Is organized under a lodge or chapter system with a representative form of government;
- iii. Follows a ritualistic format; and
- iv. Is comprised of members who are elected to membership by vote of the members.]

423.4 Classroom Subclass

Classroom mail is [of] Preferred Rate Periodicals class mail which[,] consists of religious, educational, or scientific publications designed specifically for use in school classrooms or religious instruction classes.

* * * * *

423.6 Preferred Rate Pound Rates

For Preferred Rate Periodicals entered under sections 423.3, 423.4 and 423.5, an unzoned pound rate applies to the nonadvertising portion. A zoned pound rate applies to the advertising portion and may be reduced by applicable destination entry discounts. The pound rate postage is the sum of the nonadvertising portion charge and the advertising portion charge. For Preferred Rate Periodicals entered under section 423.2, one pound rate applies to the pieces presorted to carrier route to be delivered within the delivery area of the originating post office, and another pound rate applies to all other pieces.

423.7 Preferred Rate Piece Rates

423.71 Basic Rate Category. The basic rate category applies to all Preferred Rate Periodicals not mailed under section 423.72 or 423.73.

423.72 Three-Digit City and Five-Digit Rate Category. The rates for this category apply to Preferred Rate Periodicals entered under sections 423.3, 423.4. or 423.5 that are presorted to three-digit cities and five-digit ZIP Code destinations as prescribed by the Postal Service.

423.73 Carrier Route Rate Category. The carrier route rate category applies to Preferred Rate Periodicals presorted to carrier routes as prescribed by the Postal Service.

[423.6 Preferred Rate Discounts

423.61 Destination Entry Discounts. Copies of any Preferred Rate Periodicals class mail which are destined for delivery within the destination sectional center facility (SCF) area or the destination delivery unit (DDU) area in which they are entered, as defined by the Postal Service, qualify for the applicable discount as set forth in Rate Schedules 423.2, 423.3, and 423.4.

423.62 ZIP + 4 and Pre-barcoded Letter Discounts. Copies of any automation compatible Preferred Rate Periodicals class mail which bear a proper ZIP + 4 code, or which bear a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meet the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service qualify for the applicable ZIP + 4 or prebarcoding discounts as set forth in Rate Schedules 423.2, 423.3, and 423.4.

423.63 125-piece Walk-sequence Discount. Copies of Preferred Rate

Periodicals class mail presented in mailings which are walk sequenced and contain a minimum of 125 pieces per carrier route and which meet the preparation requirements prescribed by the Postal Service are eligible for the applicable discount set forth in Rate Schedules 423.2, 423.3, and 423.4.

423.64 Saturation Discount. Saturation Preferred Rate Periodicals class mail presented in mailings which are walk sequenced and which meet the saturation and preparation requirements prescribed by the Postal Service qualifies for the applicable discount set forth in Rate Schedules 423.2, 423.3, and 423.4.

423.65 Pre-barcoded Flats Discounts. Pre-barcoded Preferred Rate Periodicals class flats which are properly prepared and presorted, which bear a barcode as prescribed by the Postal Service, and which meet the flats machinability and address readability specifications of the Postal Service, are eligible for the applicable discounts for pre-barcoded flats set forth in Rate Schedules 423.2, 423.3, and 423.4.]

423.8 Preferred Rate Discounts

423.81 Barcoded Letter Discounts. Barcoded letter discounts apply to letter size Preferred Rate Periodicals mailed under sections 423.71 and 423.72 which bear a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meet the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.

423.82 Barcoded Flats Discounts. Barcoded flats discounts apply to flat size Preferred Rate Periodicals mailed under sections 423.71 and 423.72 which bear a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and meet the flats machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.

423.83 High Density Discount. The high density discount applies to Preferred Rate Periodicals mailed under section 423.73, presented in walk sequence order, and meeting the high density and preparation requirements prescribed by the Postal Service.

423.84 Saturation Discount. The saturation discount applies to Preferred Rate Periodicals mailed under section 423.73, presented in walk-sequence order, and meeting the saturation and preparation requirements prescribed by the Postal Service.

423.85 Destination Entry Discounts. Destination entry discounts apply to Preferred Rate Periodicals which are destined for delivery within the service area of the destination sectional center facility (SCF) or the destination delivery unit (DDU) in which they are entered, as defined by the Postal Service. The DDU discount only applies to Carrier Route rate category mail; the SCF discount is not available for mail entered under section 423.2.

423.86 Nonadvertising Discount. The nonadvertising discount applies to Preferred Rate Periodicals entered under sections 423.3, 423.4, and 423.5 and is determined by multiplying the proportion of nonadvertising content by the discount factor set forth in Rate Schedules 421, 423.3 or 423.4 and subtracting that amount from the applicable piece rate.

Amend General Definitions, Terms and Conditions by Inserting the Following New Section 1009:

1009 Nonprofit Organizations and Associations

Nonprofit organizations or associations are organizations or associations not organized for profit, none of the net income of which benefits any private stockholder or individual, and which meet the qualifications set forth below for each type of organization or association. The standard of primary purpose applies to each type of organization or association, except veterans' and fraternal. The standard of primary purpose requires that each type of organization or association be both organized and operated for the primary purpose. The following are the types of organizations or associations which may qualify as authorized nonprofit organizations or associations.

a. Religious. A nonprofit organization whose primary purpose is one of the following:

i. To conduct religious worship;

ii. To support the religious activities of nonprofit organizations whose primary purpose is to conduct religious worship;

iii. To perform instruction in, to disseminate information about, or

otherwise to further the teaching of particular religious faiths or tenets.

b. Educational. A nonprofit organization whose primary purpose is one of the following:

 i. The instruction or training of the individual for the purpose of improving or developing his capabilities;

ii. The instruction of the public on subjects beneficial to the community.

An organization may be educational even though it advocates a particular position or viewpoint so long as it presents a sufficiently full and fair exposition of the pertinent facts to permit an individual or the public to form an independent opinion or conclusion. On the other hand, an organization is not educational if its principal function is the mere presentation of unsupported opinion.

c. Scientific. A nonprofit organization whose primary purpose is one of the following:

i. To conduct research in the applied, pure or natural sciences;

ii. To disseminate systematized technical information dealing with applied, pure or natural sciences.

d. Philanthropic. A nonprofit organization primarily organized and operated for purposes beneficial to the public. Philanthropic organizations include, but are not limited to, organizations which are organized for:

i. Relief of the poor and distressed or of the underprivileged;

ii. Advancement of religion;

iii. Advancement of education or science;

iv. Erection or maintenance of public buildings, monuments, or works;

v. Lessening of the burdens of government;

vi. Promotion of social welfare by organizations designed to accomplish any of the above purposes or:

(A) To lessen neighborhood tensions;

(B) To eliminate prejudice and discrimination;

(C) To defend human and civil rights secured by law; or

(D) To combat community deterioration and juvenile delinquency.

e. Agricultural. A nonprofit organization whose primary purpose is the betterment of the conditions of those

engaged in agricultural pursuits, the improvement of the grade of their products, and the development of a higher degree of efficiency in agriculture. The organization may advance agricultural interests through educational activities; the holding of agricultural fairs; the collection and dissemination of information concerning cultivation of the soil and its fruits or the harvesting of marine resources; the rearing, feeding, and management of livestock, poultry, and bees, or other activities relating to agricultural interests. The term agricultural nonprofit organization also includes any nonprofit organization whose primary purpose is the collection and dissemination of information or materials relating to agricultural pursuits.

f. Labor. A nonprofit organization whose primary purpose is the betterment of the conditions of workers. Labor organizations include, but are not limited to, organizations in which employees or workmen participate, whose primary purpose is to deal with employers concerning grievances, labor disputes, wages, hours of employment and working conditions.

g. Veterans'. A nonprofit organization of veterans of the armed services of the United States, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization.

h. Fraternal. A nonprofit organization which meets all of the following criteria:

i. Has as its primary purpose the fostering of brotherhood and mutual benefits among its members;

ii. Is organized under a lodge or chapter system with a representative form of government;

iii. Follows a ritualistic format; and

iv. Is comprised of members who are elected to membership by vote of the members.

[END]

Attachment One to Resolution No. 96-4

Phasing Schedules Steps 4, 5, and 6 Phasing Schedule (Rate Schedule 321.4A)

STANDARD NONPROFIT—PRESORT CATEGORIES [Cents]

| | Step 4 | Step 5 | Step 6 |
|---------------------------------------|--------|--------|--------|
| Letter Size: | | | |
| Piece Rate: | | | |
| Basic | 13.2 | 13.5 | 13.8 |
| 3/5-Digit | 11.4 | 11.7 | 12.0 |
| Destination Entry Discount per Piece: | | | |
| BMC | 1.3 | 1.3 | 1.3 |

STANDARD NONPROFIT—PRESORT CATEGORIES—Continued [Cents]

| | Step 4 | Step 5 | Step 6 |
|---------------------------------------|--------|--------|--------|
| SCF | 1.8 | 1.8 | 1.8 |
| Non-Letter Size: | - | | |
| Piece Rate: | | | |
| Minimum per Piece: | | | |
| Basic | 19.5 | 19.8 | 20.1 |
| 3/5-Digit | N/A | N/A | 14.9 |
| Destination Entry Discount per Piece: | | . | |
| BMC | 1.3 | 1.3 | 1.3 |
| SCF | 1.8 | 1.8 | 1.8 |
| Pound Rate: | - | | |
| Basic | 45.5 | 47.0 | 48.4 |
| 3/5–Digit | N/A | N/A | 48.4 |
| Plus per Piece Rate: | | . | |
| Basic | 10.0 | 10.0 | 10.0 |
| 3/5–Digit | N/A | N/A | 4.8 |
| Destination Entry Discount per Pound: | | . | |
| BMC | 6.2 | 6.2 | 6.2 |
| SCF | 8.8 | 8.8 | 8.8 |

Phasing Schedule (Rate Schedule 321.4B)

STANDARD NONPROFIT—AUTOMATION CATEGORIES [Cents]

| | Step 4 | Step 5 | Step 6 |
|---------------------------------------|--------|--------|--------|
| Letter Size: | | | |
| Piece Rate: | | | |
| Basic Letter | 9.9 | 10.2 | 10.5 |
| 3-Digit Letter | 9.5 | 9.8 | 10.1 |
| 5-Digit Letter | 8.2 | 8.5 | 8.8 |
| Destination Entry Discount per Piece: | | | |
| BMC | 1.3 | 1.3 | 1.3 |
| SCF | 1.8 | 1.8 | 1.8 |
| Flat Size: | | | |
| Piece Rate: | | | |
| Minimum per Piece: | | | |
| Basic Flat | 17.1 | 17.4 | 17.7 |
| 3/5-Digit Flat | N/A | N/A | 12.5 |
| Destination Entry Discount per Piece: | | | |
| BMC | 1.3 | 1.3 | 1.3 |
| SCF | 1.8 | 1.8 | 1.8 |
| Pound Rate: | | | |
| Basic Flat | 45.5 | 47.0 | 48.4 |
| 3/5-Digit Flat | N/A | N/A | 48.4 |
| Plus per Piece Rate: | | | |
| Basic Flat | 7.6 | 7.6 | 7.6 |
| 3/5-Digit Flat | N/A | N/A | 2.4 |
| Destination Entry Discount per Pound: | | | |
| BMC | 6.2 | 6.2 | 6.2 |
| SCF | 8.8 | 8.8 | 8.8 |

Phasing Schedule (Rate Schedule 321.5)

STANDARD NONPROFIT ENHANCED CARRIER ROUTE [Cents]

| | Step 4 | Step 5 | Step 6 |
|------------------------|--------|--------|--------|
| Letter Size: | | | |
| Piece Rate: | | | |
| Basic | 8.7 | 9.3 | 9.9 |
| Basic Automated Letter | 7.9 | 8.2 | 8.5 |
| High-Density | 8.1 | 8.7 | 9.3 |
| Saturation | 7.5 | 8.1 | 8.7 |

STANDARD NONPROFIT ENHANCED CARRIER ROUTE—Continued [Cents]

| | Step 4 | Step 5 | Step 6 |
|---------------------------------------|--------|--------|--------|
| Destination Entry Discount per Piece: | | | |
| BMC | 1.3 | 1.3 | 1.3 |
| SCF | 1.8 | 1.8 | 1.8 |
| DDU | 2.4 | 2.4 | 2.4 |
| Non-Letter Size: | | | |
| Piece Rate: | | | |
| Minimum per Piece: | | | |
| Basic Basic | N/A | N/A | 10.7 |
| High Density | N/A | N/A | 10.0 |
| Saturation | N/A | N/A | 9.4 |
| Destination Entry Discount per Piece: | | | |
| BMC | N/A | N/A | 1.3 |
| SCF | N/A | N/A | 1.8 |
| DDU | N/A | N/A | 2.4 |
| Pound Rate: | N/A | N/A | 45.1 |
| Plus per Piece Rate: | | | _ |
| Basic | N/A | N/A | 1.3 |
| High Density | N/A | N/A | 0.6 |
| Saturation | N/A | N/A | 0.0 |
| Destination Entry Discount per Pound: | | | |
| BMC | N/A | N/A | 6.2 |
| SCF | N/A | N/A | 8.8 |
| DDU | N/A | N/A | 11.4 |

Phasing Schedule (Rate Schedule 323.2)

STANDARD MAIL—LIBRARY RATE [Cents]

| | Step 4 | Step 5 | Step 6 |
|--|--------|--------|--------|
| First Pound | 112 | 112 | 112 |
| Each Additional Pound through 7 pounds | 41 | 41 | 42 |
| Each Additional Pound over 7 pounds | 22 | 22 | 22 |

Phasing Schedule Periodicals Rate Schedule 423.2 Within County

| | Postage rate unit | Step 4 (cents) | Step 5 (cents) | Step 6 (cents) |
|--|-------------------|-------------------|-------------------|----------------|
| Per Pound: | | | | |
| General | Pound | 12.2 | 12.2 | 12.6 |
| Delivery Office | Pound | 11.2 | 11.2 | 11.6 |
| Per Piece: | | | | |
| Required Presort | Piece | 8.1 | 8.2 | 8.2 |
| Carrier Route Presort | Piece | 4.3 | 4.4 | 4.4 |
| Per Piece Discounts: | | | | |
| Delivery Office | Piece | 0.3 | 0.3 | 0.3 |
| High Density | Piece | 0.5 | 0.5 | 0.5 |
| Saturation | Piece | 0.7 | 0.7 | 0.7 |
| Automation Discounts for Automation Compatible Mail: | | | | |
| From Required: | | | | |
| 3-Digit Prebarcoded Letter Size | | 0.4 | 0.4 | 0.4 |
| 5-Digit Prebarcoded Letter Size | Piece | 1.7 | 1.7 | 1.7 |
| 3/5 Prebarcoded Flats | Piece | 1.5 | 1.5 | 1.5 |

Phasing Schedule Periodicals Rate Schedule 423.3 Publications of Authorized Nonprofit Organizations

| | Postage rate unit | Step 4 (cents) | Step 5 (cents) | Step 6 (cents) |
|--|-------------------|-------------------|-------------------|----------------|
| Per Pound: | | | | |
| Nonadvertising portion | Pound | 13.8 | 14.2 | 14.2 |
| Advertising portion: | | | | |
| Delivery Office | Pound | 16.9 | 16.9 | 16.9 |
| SCF | Pound | 19.0 | 19.0 | 19.0 |
| 1&2 | Pound | 21.4 | 21.4 | 21.4 |
| 3 | Pound | 22.4 | 22.4 | 22.4 |
| 4 | Pound | 25.1 | 25.1 | 25.1 |
| 5 | Pound | 29.2 | 29.2 | 29.2 |
| 6 | Pound | 33.6 | 33.6 | 33.6 |
| 7 | Pound | 38.8 | 38.8 | 38.8 |
| 8 | Pound | 43.2 | 43.2 | 43.2 |
| Per Piece: | | | | |
| Less Nonadvertising Factor of | | 4.2 | 4.2 | 4.2 |
| Required Preparation | Piece | 21.6 | 21.7 | 21.9 |
| Presorted to 3-digit city/5-digit | Piece | 17.1 | 17.2 | 17.4 |
| Presorted to Carrier Route | Piece | 10.4 | 10.5 | 10.7 |
| Discounts: | | | | |
| Prepared to Delivery Office | Piece | 1.2 | 1.2 | 1.2 |
| Prepared to SCF | Piece | 0.6 | 0.6 | 0.6 |
| High Density | Piece | 0.7 | 0.7 | 0.7 |
| Saturation | Piece | 2.1 | 2.1 | 2.1 |
| Automation Discounts for Automation Compatible Mail: | | | | |
| From Required: | | | | |
| Prebarcoded Letter Size | Piece | 3.0 | 3.0 | 3.0 |
| Prebarcoded Flats | Piece | 2.4 | 2.4 | 2.4 |
| From 3/5 Digit: | | | | |
| 3-Digit Prebarcoded Letter Size | Piece | 2.3 | 2.3 | 2.3 |
| 5-Digit Prebarcoded Letter Size | Piece | 2.3 | 2.3 | 2.3 |
| Prebarcoded Flats | Piece | 2.4 | 2.4 | 2.4 |

Phasing Schedule Periodicals Rate Schedule 423.4 Classroom Publications

| | Postage rate unit | Step 4 (cents) | Step 5 (cents) | Step 6 (cents) |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
| Per Pound: | | | | |
| Nonadvertising portion: | Pound | 11.0 | 11.1 | 11.3 |
| Advertising portion: | | | | |
| Delivery Office | Pound | 18.0 | 18.0 | 18.0 |
| SCF | Pound | 19.1 | 19.1 | 19.1 |
| 1&2 | Pound | 21.2 | 21.2 | 21.2 |
| 3 | Pound | 22.3 | 22.3 | 22.3 |
| 4 | Pound | 25.0 | 25.0 | 25.0 |
| 5 | Pound | 29.2 | 29.2 | 29.2 |
| 6 | Pound | 33.5 | 33.5 | 33.5 |
| 7 | Pound | 38.8 | 38.8 | 38.8 |
| 8 | Pound | 43.2 | 43.2 | 43.2 |
| Per Piece: | | | | |
| Less Nonadvertising Factor of | | 3.5 | 3.5 | 3.5 |
| Required Preparation | Piece | 16.9 | 17.0 | 17.1 |
| Presorted to 3-digit city/5-digit | Piece | 12.6 | 12.7 | 12.8 |
| Presorted to Carrier Route | Piece | 8.8 | 8.9 | 9.0 |
| Discounts: | | | | |
| Prepared to Delivery Office | Piece | 0.5 | 0.5 | 0.5 |
| Prepared to SCF | Piece | 0.3 | 0.3 | 0.3 |
| High Density | Piece | 0.2 | 0.2 | 0.2 |
| Saturation | Piece | 0.7 | 0.7 | 0.7 |

| | Postage rate unit | Step 4 (cents) | Step 5 (cents) | Step 6 (cents) |
|--|-------------------|-------------------|-------------------|----------------|
| Automation Discounts for Automation Compatible Mail: | | | | |
| From Required: | | | | |
| ZIP + 4 Letter Size | Piece | 0.7 | 0.7 | 0.7 |
| Prebarcoded Letter Size | Piece | 1.7 | 1.7 | 1.7 |
| Prebarcoded Flats | Piece | 2.3 | 2.3 | 2.3 |
| From 3/5 Digit: | | | | |
| | Piece | 0.4 | 0.4 | 0.4 |
| 3-Digit Prebarcoded Letter Size | Piece | 1.0 | 1.0 | 1.0 |
| 5-Digit Prebarcoded Letter Size | Piece | 1.7 | 1.7 | 1.7 |
| Prebarcoded Flats | Piece | 1.5 | 1.5 | 1.5 |

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