

POSTAL SERVICE**39 CFR Part 111****Special Services Reform;
Implementation Standards****AGENCY:** Postal Service.**ACTION:** Final rule.

SUMMARY: This final rule presents the full text of the Domestic Mail Manual (DMM) standards adopted by the Postal Service to implement the Decision of the Governors of the United States Postal Service on the Recommended Decision of the Postal Rate Commission on Special Services Fees and Classifications, Docket No. MC96-3. This final rule affects only the fees for, and certain attributes of, the following special services and their users: post office box and caller service, certified mail, insurance (insured mail and Express Mail), parcel airlift, postal cards, registered mail, return receipt, return receipt for merchandise, and special delivery. As appropriate, clarifications are included.

DATES: This final rule is effective at 12:01 a.m., Sunday, June 8, 1997. Comments allowed herein must be received on or before May 27, 1997.

ADDRESSES: Mail or deliver written comments to the Manager, Mail Preparation and Standards, USPS Headquarters, 475 L'Enfant Plaza SW, Room 6800, Washington DC 20260-2405. Copies of all written comments will be available at the above address for inspection and photocopying between 9 a.m. and 4 p.m., Monday through Friday.

FOR FURTHER INFORMATION CONTACT: Neil Berger, (202) 268-2859, or John Nagla, (202) 268-4686.

SUPPLEMENTARY INFORMATION: On June 7, 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 several special service reform proposals. The PRC designated the filing as Docket No. MC96-3. The PRC published a notice of the filing, with a description of the Postal Service's proposals, on June 21, 1996, in the **Federal Register** (61 FR 31968-31979).

Pursuant to 39 U.S.C. 3624, on April 2, 1997, the PRC issued its Recommended Decision on the Postal Service's Request to the Governors of the Postal Service. The PRC's Recommended Decision made revisions to some of the restructuring of the post office box fees requested by the Postal Service. In other areas, the PRC's Recommended Decision generally

followed the requests made by the Postal Service to increase the fee for certified mail, merge the two options for return receipt service, merge the two options for return receipt for merchandise, increase the maximum available indemnity for insured mail to \$5,000, add optional insurance for Express Mail and refine the current available indemnity structure, simplify the fee schedule for registered mail, and eliminate special delivery. Although the PRC did not recommend a fee for postal cards (renamed stamped cards), it did suggest that the Postal Service remove costs unique to stamped cards from total postal and postcard subclass costs to support any proposed fee in addition to the face value of the cards.

Based on extensive analysis of the PRC's Recommended Decision and deliberation as to its consequences to the Postal Service and its customers, and pursuant to 39 U.S.C. 3625, the Governors acted on the PRC's recommendations on May 5, 1997. Decision of the Governors of the United States Postal Service on the Recommended Decision of the Postal Rate Commission on Special Services Fees and Classifications, Docket No. MC96-3.

The Governors determined to approve the PRC's recommendations, and the Board of Governors set an implementation date of June 8, 1997, for those rate and classification changes to take effect. A notice announcing the Governors' Decision and the issuance of final Domestic Mail Classification Schedule and Rate Schedule changes is published elsewhere in this issue of the **Federal Register**.

This final rule contains the DMM standards adopted by the Postal Service to implement the Governors' decision. As appropriate, clarifications are included.

In its testimony before the PRC, the Postal Service presented extensive evidence concerning the prudence and necessity of certain pricing and classification reforms that it was seeking for post office box service and certain special services. Despite the differences between the Postal Service's Request and the PRC's Recommended Decision, which the Governors have approved, the value and efficacy of many elements of the Request remain undiminished.

Using new data and analysis obtained since the last omnibus rate case, the Postal Service, with its filing, sought the reform of several special services to improve customer satisfaction and to account for cost and customer demand. The final rule does not encompass any changes to the rates or preparation standards for the classes and subclasses

of mail or to the fees for other special services, none of which were included in the filing.

Post Office Box Service

Under the final rule, the Postal Service establishes new fee groups and adjusts certain post office box fees to recover a greater proportion of cost. The changes to post office box service and fees pursue the policy of providing each customer with one form of free delivery. In post offices that do not provide carrier delivery, the final rule eliminates box fees for customers who are ineligible for any form of carrier delivery (from any post office). Fees are also eliminated for box customers who are ineligible for carrier service at delivery offices, except for those customers who reside in the immediate vicinity of the office. These latter customers will be afforded continued access to general delivery service.

Caller Service

Under the final rule, the Postal Service extends caller service to Group D post offices (formerly categorized as Group II offices) for those customers, especially commercial mailers, who desire this service. The Group D caller service fee is set at the Group C (formerly categorized as Group IC) annual rate of \$450. The fees for Groups A, B, and C do not change from the current fees.

Certified Mail

Under the final rule, the Postal Service raises the certified mail fee from \$1.10 to \$1.35 to align its price more appropriately with the cost of providing this service.

Insured Mail and Insured Express Mail

Under the final rule, the Postal Service increases from \$600 to \$5,000 the maximum indemnity available for insured mail. It should be noted that the handling of insured mail is not changed and the distinction is maintained between "unnumbered insured mail" (i.e., mail insured for \$50 or less) and "numbered insured mail" (i.e., mail insured for more than \$50). The Postal Service increases from \$500 to \$5,000 the maximum indemnity for merchandise sent by Express Mail. This increase to \$5,000 will enable the Postal Service to compete more effectively in the parcel market for higher value items such as electronic and computer equipment.

Several other reforms and clarifications are made to describe payable and nonpayable claims. In addition, for negotiable items, currency,

or bullion, mailed as Express Mail, the maximum indemnity is \$15.

Concurrently, the indemnity for Express Mail document reconstruction is reduced from \$50,000 to \$500 per piece and \$500,000 to \$5,000 per occurrence in response to industry changes from exclusive reliance on paper documents to the growing use of electronically generated documents that can be reconstructed easily. Indemnity will be paid according to value for items valued at \$15 or less.

Parcel Airlift

Under the final rule, the Postal Service increases from \$25 to \$50 the minimum insurance amount required on a parcel airlift (PAL) package if return receipt or restricted delivery service is requested.

Registered Mail

Under the final rule, the Postal Service simplifies the registered mail fee schedule by eliminating the uninsured schedule for declared values of more than \$100 for the reasons that most mailers of registered mail want insurance and the dual fee schedules differ by less than \$1 in the lower ranges to no more than \$2.70 in the topmost range of coverage. The elimination of two parallel fee schedules also conforms to the overall Postal Service goal of simplifying its services and products for consumers. The maximum insurance coverage for registered mail service remains at the current limit of \$25,000.

Return Receipt Services

Under the final rule, the two basic service offerings for return receipt service are merged and made into one service offering, available for a fee of \$1.10 (the current fee for the service showing to whom, signature, and date delivered). For return receipt for merchandise, the two basic service offerings are also merged and made into one service, available for a fee of \$1.20 (the current fee for showing to whom, signature, and date delivered). The enhanced return receipt service includes the address of delivery if different from the address on the mailpiece.

Also a classification change for return receipt for merchandise limits the availability of service in the First-Class Mail classification structure to Priority Mail. In addition, a clarification specifies the subclasses of Standard Mail for which return receipt for merchandise service is currently available.

Special Delivery Service

Under the final rule, the Postal Service eliminates domestic special delivery service because the demand for it has virtually disappeared. Consumers who request expedited delivery service most frequently use Priority Mail or Express Mail. A 2-pound Priority Mail package costs only \$3, compared with \$12.95 for the same Priority Mail package sent as special delivery (\$3 postage plus \$9.95 special delivery fee). A 2-pound Express Mail Post Office to Addressee package costs \$15.00. Express Mail, unlike special delivery service and Priority Mail, includes a delivery guarantee and insurance at no additional charge.

Stamped Cards

Under the final rule, the Postal Service renames postal cards as stamped cards. Unlike stamped envelopes, stamped cards will continue to be sold at no additional charge above their face value of postage. The designation stamped cards emphasizes the similar nature of this stationery item with stamped envelopes.

Scope of Changes

To the extent that this final rule establishes standards that were not previously published for public comment, the Postal Service has determined to seek and consider comments from customers. This opportunity for public comment is restricted to matters concerning implementing policies that are not determined directly from the PRC's Recommended Decision and the Governors' Decision. The provisions for which comments are solicited are as follows:

1. Standards for post office box service as provided in DMM D910, including eligibility for box service in offices that offer no form of carrier delivery.
2. Standards for indemnity as provided in DMM S010, S500, and S913, including the revised rate schedules for insured mail service and for Express Mail.
3. Standards for return receipt service and return receipt service for merchandise in DMM S915 and S917, including the merger of the options currently available.

After considering the potential effect of these provisions, the Postal Service has determined to allow 15 days for public comment. Although a longer comment period is usually provided, the Postal Service concluded that a 15-day comment period was warranted in this case for two reasons. First, the list

of provisions on which comment is sought is short and straightforward. Customers and mailers should have little difficulty evaluating the effect of these provisions on their personal or commercial mailing requirements. Second, the Postal Service wants to ensure that customers and mailers have sufficient time after the close of the comment period and publication of any possible revisions to this final rule to make the necessary changes to their operations before the June 8, 1997, implementation date. After review of the comments received, the Postal Service will modify the corresponding standards if such modification is determined to be appropriate.

Although exempt by 39 U.S.C. 410(a) from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553 (b), (c)) regarding rulemaking, the Postal Service invites comment on the revisions of sections D910, S010, S500, S913, S915, and S917 of the Domestic Mail Manual, incorporated by reference in the Code of Federal Regulations. See 39 CFR part 111.

PART 111—[AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 3001–3011, 3201–3219, 3403–3406, 3621, 3626, 5001.

2. In view of the foregoing, amend the following sections of Domestic Mail Manual Issue 51 as set forth below:

A ADDRESSING

A000 Basic Addressing

A010 General Addressing Standards

[In 1.2d, replace "postal cards" with "stamped cards"; no other change to text.]

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A900 Customer Support

A910 Mailing List Services

[In 1.5, 3.2, and 5.2, replace "postal card[s]" with "stamped card[s]"; no other change to text.]

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C CHARACTERISTICS AND CONTENT

C000 General Information

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C020 Restricted or Nonmailable Articles and Substances

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C022 Perishables

[In 3.1f, remove “special delivery or”; in 3.7, remove “special delivery or”; no other change to text.]

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C030 Nonmailable Written, Printed, and Graphic Matter

C031 Written, Printed, and Graphic Matter Generally

[In 3.2 and 5.6, replace “postal card” with “stamped card or postcard”; no other change to text.]

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C100 First-Class Mail

[In 2.1, 2.3, and 2.9, replace “postal card[s]” with “stamped card[s]”; no other change to text.]

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C600 Standard Mail

[In 2.2, remove “special delivery or”; no other change to text.]

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DEPOSIT, COLLECTION, AND DELIVERY

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D900 Other Delivery Services

D910 Post Office Box Service

1.0 BASIC INFORMATION

[Amend 1.0 by revising 1.1; by removing current 1.7; by redesignating current 1.6 as 1.7; and by adding new 1.6 to read as follows:]

1.1 Purpose

Post office box service is a premium service offered for a fee to any customer requiring more than free carrier delivery or general delivery and for no fee to certain customers who are not eligible for carrier delivery. The service allows a customer to obtain mail during the hours the box lobby is open. Post office box service does not include alternate means of delivery established to replace, simplify, or extend carrier delivery service. A postmaster and a box customer may not make any agreement that contravenes the regulations on post office box service or its fees.

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1.6 Box Availability

When no box of the appropriate size is available, an application for box service may be handled, at the postmaster’s discretion, in any one or more of the following ways: by referring the customer to another postal facility with available capacity; by placing the customer’s name on a waiting list for box service; by providing general delivery service until an appropriate

size box becomes available; by offering a smaller or larger box at its fee; or by offering caller service.

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2.0 SERVICE

[Amend 2.0 by revising 2.2 and 2.3 and adding new 2.4 to read as follows:]

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2.2 Transferring Service

Post office box service may be transferred, without payment of an additional fee, to any box of the same size and fee group at a different facility of the same post office. To transfer service, the box customer must submit a new application either to the facility where service is currently provided or to the facility where service is desired. A box customer may transfer service no more than once in any semiannual payment period and must submit a completed Form 3575 or Form 3575-WWW at the time of transfer.

2.3 Minor

Post office box service may be provided to a minor (a person under 18 years of age) unless the minor’s parent or guardian submits a written objection to the appropriate postmaster.

2.4 Proof of Physical Address

An applicant for post office box service or a current box customer seeking renewal must identify his or her physical address (i.e., an individual’s residence or a business’s location) to the postmaster of the office where service is sought or provided. If the postmaster cannot confirm the physical address, the applicant or box customer must provide proof of the physical address (e.g., a utility bill, current lease, mortgage, deed of trust, a driver’s license, or voter registration card). A business with multiple locations may, on providing appropriate evidence, use any one or more of such location(s) as its physical address.

3.0 CONDITIONS OF USE

[Amend 3.0 by revising 3.2, 3.3, and 3.7 to read as follows:]

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3.2 Updating

When any information required to be provided by the box customer on Form 1093 changes, the customer must notify the post office of such changes.

3.3 Mail Only

Only mail and official USPS notices may be placed into a post office box.

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3.7 Forwarding

A post office box may not be used when the primary purpose is, through change-of-address orders, to have the USPS forward or transfer mail to another address free of charge.

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[Revise 4.0 to read as follows:]

4.0 BASIS OF FEES AND PAYMENT

4.1 General

Post office box fees are based on the size of box provided and the fee group of the administering facility as identified in 5.0.

4.2 Box Size

Box sizes are standardized and the fees for boxes increase with box size. The following chart describes approximate box capacities and frontal dimensions.

Box size	Capacity (cubic inches)	Width and height (linear inches)
1	Under 296	3 by 5.5.
2	296 through 499	5 by 5.5.
3	500 through 999	11 by 5.5.
4	1,000 through 1,999.	11 by 11.
5	2,000 or more	22.5 by 12.

4.3 Definitions of Facilities for Fee Groups

All facilities administered by a single independent post office (including any classified or contract station or branch, community post office, or detached post office box unit) belong to the same fee group as that post office and use a single fee schedule, except as provided in 5.3. Additionally, the type of carrier delivery service available at any one facility administered by a post office determines the fee group applicable to all of that post office’s facilities, as provided in 5.1. All box locations administered by a single mail processing facility belong to the same fee group as identified in 5.2 and use a single fee schedule, except as provided in 5.3.

4.4 Fee Changes

A change in post office box service fees can arise from a general fee change, an administrative change in carrier service, a change in definitions in 4.3, or a change in facility groupings in 5.0. Any change in post office box service fees takes effect on the date of the action that caused the change unless an official announcement specifies another date. If a post office box service fee is increased, no customer must pay at the new rate until the end of the period already paid, and no retroactive adjustment is to be made for a payment received before the date of the change.

4.5 Payment

All fees are for a semiannual (6-month) period, and must be paid in advance for no less than one but no more than two semiannual periods, except as provided under 4.7, 4.8, and 4.11. Fees may be paid using cash, credit or debit card, or check or money order payable to the postmaster. A mailed payment must be received by the postmaster on or before the due date.

4.6 Payment Period

Except under 4.8, the beginning date for a box fee payment period is determined by the approval date of the application. The period begins on the first day of either the same month if the application is approved on or before the 15th of the month, or the next month if approved after the 15th of the month. After that, box fees for service renewal may be paid any time during the last 30 days of the service period, but no later than the last day of the service period.

4.7 U.S. Agencies

Federal agencies whose payment period coincides with the federal fiscal year may pay their box fees during the first quarter rather than in advance.

4.8 Exception for Group D and E Offices

Postmasters at Group D and Group E offices with fewer than 500 post office boxes may set April 1 and October 1 as the beginning of payment periods for box customers in their offices. Payment periods beginning other than April 1 or October 1 are brought into alignment with these respective dates by adjusting fees as follows:

a. New service, one-sixth of the semiannual fee is charged for each remaining month between the beginning of the new payment period and the next April 1 or October 1.

b. Existing service, one-sixth of the semiannual fee is charged for each remaining month between the end of all currently paid periods and the next April 1 or October 1.

c. Next one or two semiannual payment periods, an adjustment may be accepted in addition to fees.

4.9 Change of Payment Period

Except for customers at post offices subject to 4.8, a box customer of record may change the payment period by submitting a new application noting the month to be used as the start of the revised payment period. The date selected must be before the end of the current payment period. The unused fee for the period being discontinued may be refunded under 6.0, and the fee for the new payment period must be fully

paid in advance. A change of payment period date may not be used to circumvent a change in box fees.

4.10 Academic Institutions

The USPS does not set or collect fees for boxes owned by an academic institution if the boxes are separate from designated USPS areas and serviced by employees or agents of the institution.

4.11 Adjusting Fees

In postal facilities primarily serving academic institutions or their students, box fees may be adjusted to fit the semester schedules, using the matrix below. Charges are rounded up to the next multiple of \$0.10. No refund is made for discontinued service when a box is obtained under this standard.

Service period	Adjusted fee
95 days or less.	1/2 semiannual fee (or 1/4 annual fee).
96 to 140 days.	3/4 semiannual fee (or 3/8 annual fee).
141 to 190 days.	Full semiannual fee (or 1/2 annual fee).
191 to 230 days.	1 1/4 semiannual fee (or 5/8 annual fee).
231 to 270 days.	1 1/2 semiannual fee (or 3/4 annual fee).
271 days to full year.	2 semiannual fees (or full annual fee).

[Add new 5.0 and redesignate current 5.0 through 7.0 as 6.0 through 8.0, respectively.]

5.0 FEE GROUP ASSIGNMENTS

5.1 Post Offices

For purposes of fee group assignment, and as defined in 4.3, a post office includes all subordinate facilities or units administered by that post office, such as classified stations, classified branches, and contractor-operated facilities. Additionally, the type of carrier delivery service available at any one facility administered by a post office determines the fee group applicable to all facilities of that post office as follows:

a. *Post Office With City Delivery.* A post office that provides city carrier delivery at any of its administered facilities applies Group C fees, except as provided in 5.3. A customer whose physical residence or business location is within the geographic boundaries of any delivery area ZIP Code administered by that city delivery post office, who is ineligible for any form of carrier delivery service from that post office and who does not receive carrier delivery via an out-of-bounds delivery receptacle, may obtain one box of the smallest available size at the Group E fee (no fee).

b. *Post Office With Only Rural or Highway Contract Carrier Delivery.* A post office that does not provide city carrier delivery but provides only rural carrier or highway contract carrier delivery at any of its administered facilities applies Group D fees, except as provided in 5.3, with two exceptions:

(1) A customer whose physical residence or business location is within the geographic boundaries of any delivery area ZIP Code administered by that non-city delivery post office, who is ineligible for any form of carrier delivery service, who does not receive carrier delivery via an out-of-bounds delivery receptacle, and who resides outside the immediate vicinity of the post office as specified in *Postal Operations Manual* 653, may obtain one box of the smallest available size at the Group E fee (no fee).

(2) A customer whose ineligibility for carrier service arises from residing in the immediate vicinity of the post office as specified in *Postal Operations Manual* 653 is afforded continued access to general delivery service.

c. *Post Office Without Any Carrier Delivery.* A post office that does not provide any form of carrier delivery (i.e., a nondelivery post office) exists within the geographic delivery boundaries of other post offices. A nondelivery post office applies Group D fees or Group E fees (no fees), based on the box customer's physical residence or business location relative to the geographic boundaries of the post office containing the nondelivery office, as follows:

(1) If the box customer's physical residence or business location is inside the geographic ZIP Code boundaries of the post office containing the nondelivery office, and the customer is eligible for carrier delivery service, a box at the nondelivery office is provided at the Group D fee. If the customer is not eligible for carrier delivery service and does not receive carrier delivery via an out-of-bounds delivery receptacle, a box at either the nondelivery office or the containing delivery office is provided at the Group E fee (no fee).

(2) If the box customer's physical residence or business location is outside the geographic ZIP Code boundaries of the post office containing the nondelivery office, a box is provided at the Group D fee.

5.2 Mail Processing Facilities

Mail processing facilities with post office boxes apply Group C fees to post office boxes, except as provided in 5.3.

5.3 Facilities Assigned Location-Based Box Fees

The facilities defined by the ZIP Codes in Exhibit 5.3 constitute

exceptions to the fee groupings described in 5.1 and 5.2. Group A or B fees apply as identified.

EXHIBIT 5.3.—FACILITIES ASSIGNED LOCATION-BASED BOX FEES

Group	Location	ZIP codes
A	New York, NY	10001–10299.
B	Boston, MA	02113, 02115, 02117, 02128, 02134, 02135, 02139, 02140, 02142, 02146, 02158–02162, 02164–02168, 02178, 02179, 02181, 02205, 02214–02216, 02218, 02238.
	Staten Island, NY	10301–10399.
	Long Island City, NY	11101–11199.
	Brooklyn, NY	11201–11299.
	Queens (Flushing), NY	11301–11399.
	Queens (Jamaica), NY	11401–11499.
	Queens (Far Rockaway), NY	11601–11699.
	Philadelphia, PA	19101–19104, 19105, 19107.
	Washington, DC	20004–20009, 20013, 20026, 20033, 20035, 20036, 20037, 20038, 20043, 20044, 20050, 20056
	Bethesda, MD	20813, 20824, 20825, 20827
	Arlington, VA	22202, 22209, 22210, 22216.
	McLean, VA	22103.
	Chicago, IL	60606, 60610, 60611, 60654, 60664, 60680, 60681, 60684, 60690.
	Los Angeles, CA	90019, 90024, 90025, 90034, 90035, 90048, 90049, 90064, 90067, 90069.
	Beverly Hills, CA	90210–90212.
	Santa Monica, CA	90401–90405.
	San Francisco, CA	94101, 94107, 94108, 94126, 94133, 94147, 94159, 94164.
	Honolulu, HI	96801–96815, 96830.

[Revised redesignated 6.0 to read as follows:]

6.0 FEE REFUND**6.1 Calculation**

When post office box service is terminated or surrendered, the unused portion of the fee may be refunded as follows. For the current semiannual payment period, if service is discontinued any time within the first 3 months of the payment period, one-half the fee is refunded; if discontinued after the third month of the payment period, none of the fee is refunded. The entire fee is refunded for any semiannual payment period that begins after the termination or surrender date.

6.2 Discontinued Postal Facility

When a postal facility is discontinued or relocated, a box customer at that facility may obtain a refund of unused box fees if box service at that location is discontinued and additional travel of ¼ mile or more (from the physical address on the customer's Form 1093) is required to obtain equivalent service. For this purpose, one-sixth of a semiannual fee is refunded for each month left in the payment period. The refund is computed from the first day of that month (if the effective date of the facility discontinuance is on or before the 15th of the month) or from the first day of the next month (if the effective date is after the 15th of the month).

7.0 KEYS

[No change to redesignated 7.0.]
[Revise redesignated 8.0 to read as follows:]

8.0 SERVICE REFUSAL OR TERMINATION**8.1 Refusal**

A postmaster may refuse to approve post office box service if: the applicant submits a falsified or incomplete application for box service; within the 2 years immediately before submitting the application, the applicant physically abused a box or violated a standard on the care or use of a box; or there is substantial reason to believe that the box is to be used for activities as described in 3.6 or 3.7.

8.2 Termination

A postmaster may terminate post office box service, including that of a customer paying a Group E fee, if the box customer or its representative falsifies the application for the box; physically abuses the box; refuses to update information on the box application; violates any standard on the care or use of the box; conducts himself or herself in a violent, threatening, or otherwise abusive manner on postal premises; or uses it for any unlawful activity as described in 3.6. The customer is notified of the postmaster's determination to refuse or terminate service and of the appeal procedures for that determination.

8.3 Customer Appeal

The applicant or box customer may file a petition appealing the postmaster's determination to refuse or terminate service within 20 calendar days after notice, as specified in the postmaster's determination and 39 CFR 958. The filing of a petition prevents the postmaster's determination from taking effect and transfers the case to the USPS Judicial Officer. The Administrative Law Judge's or the Judicial Officer's decision under 39 CFR 958 constitutes the final USPS decision.

8.4 Surrendered Box

A post office box is deemed surrendered if the box customer submits a permanent change-of-address order, refuses or fails to pay the appropriate fees by the due date, or submits a written notice to discontinue service. A box is *not* considered surrendered if the box customer dies or disappears before the end of the period for which the box is issued, the box customer submits a temporary change-of-address order, or any person other than the box customer submits a change-of-address order for mail going to the box.

D920 Caller Service

[Revise 1.0 to read as follows:]

1.0 BASIC INFORMATION**1.1 Purpose**

Caller service is a premium service available for a fee to any customer

requiring more than free carrier service or the largest installed box size, or to any customer who is required to use caller service by standard. The service allows a customer to pick up mail at a post office call window or loading dock when the office is open. Caller service does not include general delivery service. A customer may obtain caller service for receiving the mail of a client, subject to D042. A postmaster and a caller may not make any agreement that contravenes the regulations on caller service or its fees.

1.2 Caller

A *caller* is the person signing the application as an individual, or the organization represented by the individual signing the application.

1.3 Service Types

Destination caller service is caller service provided at the postal facility to which the caller's mail is addressed. *Origin caller service* (accelerated reply mail) is described in 7.0.

1.4 Caller Service Number

Except for origin caller service, the customer (including a customer using a post office box number) is assigned a caller service number before caller service may begin. A caller number is assigned for each separation used. Except under 1.5, mail addressed to a caller service customer must include "Post Office Box" or "PO BOX" followed by the assigned number in the mailing address immediately above the city, state, and ZIP Code. A caller of record may reserve caller numbers for future use. The postmaster determines the reserved numbers and may restrict this service.

1.5 Exemption

A postmaster may exempt any customer continuously receiving firm holdout service since July 3, 1994, from the standard in 1.4 that correspondents must use the assigned post office box (caller service) number in the address.

1.6 Restriction

The USPS may restrict caller service if such service adversely affects postal operations.

1.7 Required Use

Subject to D910, when mail for a customer's post office box(es) exceeds the capacity of the box(es) on 12 of any 20 consecutive business days (excluding Saturdays, Sundays, and national holidays), or when the customer seeks multiple caller service separations, the postmaster can require the customer to use caller service, change to a larger

box, or use one or more additional boxes (subject to availability) to which mail will be addressed. A customer required to use caller service because of the mail volume received may, once per semiannual payment period, make a written request to the postmaster for a new determination of whether current mail volume requires continued use of caller service.

1.8 U.S. Agencies and Schools

Federal agencies and the various schools and departments within educational institutions are considered separate customers for 1.7.

1.9 Eligible Customers

Caller service may be provided to the following:

- A new customer planning to receive an incoming volume of mail that cannot fit into the largest available post office box.
- A customer wanting a post office box when a box is unavailable, and the postmaster determines that such service does not adversely affect postal operations.
- A customer formerly receiving firm holdout service.

[Revise 2.0 to read as follows:]

2.0 SERVICE

2.1 Application

To apply for caller service, the applicant must complete all relevant spaces on Form 1093 and submit it to any postal facility that provides public window service. The facility need not be the one where destination caller service is desired. An incomplete or falsified application is sufficient reason to deny or discontinue service. An application is not considered approved until the USPS verifies the applicant's identity.

2.2 Transferring Service

Caller service may be transferred, without payment of an additional fee, to a different facility of the same post office if that facility has caller service. To transfer service, the caller must submit a new application either to the facility where service is currently provided or to the facility where service is desired. A caller may transfer service no more than once in any semiannual payment period and must submit a completed Form 3575 or Form 3575-WWW at the time of transfer.

2.3 Minor

Caller service may be provided to a minor (a person under 18 years of age) unless the minor's parent or guardian submits a written objection to the postmaster.

[Revise 3.0 to read as follows:]

3.0 CONDITIONS OF USE

3.1 Mail Receipt

An individual caller or organization may receive mail properly addressed to the caller number. Mail addressed only to a caller number is delivered to the caller so long as no improper or unlawful business is conducted. A caller who, as a regular practice, wants to call for mail at a postal facility more than once in any 24-hour period must obtain the postmaster's approval of the pickup schedule.

3.2 Updating

When any information required to be provided by the caller on Form 1093 changes, the caller must notify the post office of such changes.

3.3 Unlawful Activity

Caller service may not be used for, or in connection with, a scheme or enterprise that violates any federal, state, or local law; breaches an agreement between the caller and a federal, state, or local agency for the caller to discontinue a specified activity; or violates or attempts to evade any order of a court or administrative body.

3.4 Forwarding

A caller number may not be used when the primary purpose is, through change-of-address orders, to have the USPS forward or transfer mail to another address free of charge.

[Revise 4.0 to read as follows:]

4.0 BASIS OF FEES AND PAYMENT

4.1 Basic Caller Fee

The caller service fee groups are shown in Exhibit 4.1 and are charged per semiannual (6-month) period. The fee must be paid for each caller number or separation used, with two exceptions:

- If a caller uses many caller numbers, but receives only a bulk delivery of mail not separated to those numbers either because this mail is sorted to the customer's unique 5-digit ZIP Code or because sortation is made by caller name or other identification, the basic caller fee is charged only for each separation actually made. The reserved number fee is charged for each of the caller numbers to which mail received by the caller is addressed.

- Caller service is available in box fee Group D post offices on the same basis and fee as Group C offices. The one exception is when a box service applicant is provided a single caller service separation instead of a box because of a shortage of available boxes (see D910), in which case the fee

charged is the fee for the largest

installed box rather than the fee for caller service.

EXHIBIT 4.1.—CALLER SERVICE GROUPS

Group	Location	ZIP Codes
A	New York, NY	10001–10299.
B	Boston, MA	02113, 02115, 02117, 02128, 02134, 02135, 02139, 02140, 02142, 02146, 02158–02162, 02164–02168, 02178, 02179, 02181, 02205, 02214–02216, 02218, 02238.
	Staten Island, NY	10301–10399.
	Long Island City, NY	11101–11199.
	Brooklyn, NY	11201–11299.
	Queens (Flushing), NY	11301–11399.
	Queens (Jamaica), NY	11401–11499.
	Queens (Far Rockaway), NY	11601–11699.
	Philadelphia, PA	19101–19104, 19105, 19107.
	Washington, DC	20004–20009, 20013, 20026, 20033, 20035, 20036, 20037, 20038, 20043, 20044, 20050, 20056.
	Bethesda, MD	20813, 20824, 20825, 20827.
	Arlington, VA	22202, 22209, 22210, 22216.
	McLean, VA	22103.
	Chicago, IL	60606, 60610, 60611, 60654, 60664, 60680, 60681, 60684, 60690.
	Los Angeles, CA	90019, 90024, 90025, 90034, 90035, 90048, 90049, 90064, 90067, 90069.
	Beverly Hills, CA	90210–90212..
	Santa Monica, CA	90401–90405.
	San Francisco, CA	94101, 94107, 94108, 94126, 94133, 94147, 94159, 94164.
	Honolulu, HI	96801–96815, 96830.
C	All post offices with city delivery and all nondelivery mail processing facilities not listed in Group A or B.	
D	All post offices with no city delivery but with only rural or highway contract delivery and not listed in Group A or B.	

4.2 Reserved Number

The required fee is charged per calendar year or any part of such a calendar year for each number reserved by a customer.

4.3 Fee Changes

A change in caller service fees can arise from a general fee change, a change in customer eligibility under 4.1b, or a change in facility groupings in 4.1. Any change in caller service fees takes effect on the date of the action that caused the change unless an official announcement specifies another date. If a caller service fee is increased, no customer must pay at the new rate until the end of the period already paid, and no retroactive adjustment is to be made for a payment received before the date of the change.

4.4 Box Number

If a caller uses a physical post office box to obtain a caller number, the applicable fees for both post office box service and caller service must be paid.

4.5 Payment

Caller fees are charged for a semiannual (6-month) period and must be paid in advance for no less than one but no more than two semiannual periods. Fees may be paid using cash, credit or debit card, or check or money order payable to the postmaster. A mailed payment must be received by the postmaster on or before the due date.

4.6 Payment Period

The beginning date for a caller fee payment period is determined by the approval date of the application. The period begins on the first day of either the same month if the application is approved on or before the 15th of the month, or the next month if approved after the 15th of the month. After that, caller fees for renewal of service may be paid any time during the last 30 days of the service period, but no later than the last day of the service period.

4.7 Change of Payment Period

A caller of record may change the payment period by submitting a new application noting the month to be used as the start of the revised payment period. The date selected must be before the end of the current payment period. The unused fee for the period being discontinued may be refunded under 5.0, and the fee for the new payment period must be fully paid in advance. A change of payment period date may not be used to circumvent a change in caller service fees.

[Revise 5.0 to read as follows:]

5.0 FEE REFUND

5.1 Discontinued Number

When a destination caller service number is discontinued or surrendered, the unused portion of the fee for that number may be refunded. The entire fee is refunded for any semiannual payment period after that in which the service is

discontinued. For the current semiannual payment period, if service is discontinued any time within the first 3 months of the payment period, one-half the fee is refunded; if discontinued after the third month of the payment period, none of the fee is refunded.

5.2 Discontinued Postal Facility

When a postal facility is discontinued or relocated, a caller service customer at that facility may obtain a refund of unused caller service fees if caller service at that location is discontinued and additional travel of ¼ mile or more (from the physical address on the caller's Form 1093) is required to obtain equivalent service. For this purpose, one-sixth of a semiannual fee is refunded for each month left in the payment period. The refund is computed from the first day of that month (if the effective date of the facility discontinuance is on or before the 15th of the month) or from the first day of the next month (if the effective date is after the 15th of the month).

[Revise 6.0 to read as follows:]

6.0 SERVICE REFUSAL OR TERMINATION

6.1 Refusal

A postmaster may refuse to approve caller service if the applicant submits a falsified or incomplete application for caller service; within the 2 years immediately before submitting the application, the applicant violated a

standard on the use of the service; or there is substantial reason to believe that the service is to be used for activities described in 3.3 or 3.4.

6.2 Termination

A postmaster may terminate caller service if the caller or its representative falsifies the application for the service; refuses to update information on the application; violates any standard on the use of the service; conducts himself or herself in a violent, threatening, or otherwise abusive manner on postal premises; or uses it for any unlawful activity as described in 3.3. The caller is notified of the postmaster's determination to refuse or terminate service and of the appeal procedures to that determination.

6.3 Customer Appeal

The applicant or caller may file a petition opposing the postmaster's determination to refuse or terminate service within 20 calendar days after notice, as specified in the postmaster's determination and 39 CFR 958. The filing of a petition prevents the postmaster's determination from taking effect and transfers the case to the USPS Judicial Officer. The Administrative Law Judge's or Judicial Officer's decision under 39 CFR 958 constitutes the final USPS decision.

6.4 Surrendered Service

Caller service is deemed surrendered if the caller submits a permanent change-of-address order, fails or refuses to pay the appropriate fees by the due date, or submits a written notice to discontinue service.

* * * * *

D930 General Delivery and Firm Holdout

1.0 GENERAL DELIVERY

[Amend 1.0 by revising 1.1 and 1.2 to read as follows:]

1.1 Purpose

General delivery is intended primarily as a temporary means of delivery:

- a. For transients and customers not permanently located.
- b. For customers who want post office box service when boxes are unavailable.
- c. For customers whose eligibility for carrier delivery is restricted by *Postal Operations Manual* 653.

1.2 Service Restrictions

General delivery is available at only one facility under the administration of a multifacility post office. A postmaster may refuse or restrict general delivery:

- a. To a customer who is unable to present suitable identification.

- b. To a customer whose mail volume or service level (e.g., mail accumulation) cannot reasonably be accommodated.

* * * * *

E ELIGIBILITY

E000 Special Eligibility Standards

* * * * *

E020 Department of State Mail

[In 2.3, remove "special delivery"; no other change to text.]

E030 Mail Sent by U.S. Armed Forces

[In 2.6, remove the second sentence; no other change to text.]

* * * * *

E060 Official Mail (Penalty)

[In 9.2 and 9.6d, replace "postal card[s]" with "stamped card[s]"; no other change to text.]

* * * * *

E100 First-Class Mail

E110 Basic Standards

[In 3.1, 3.2, and 3.2a, replace "postal card[s]" with "stamped card[s]"; no other change to text.]

* * * * *

E600 Standard Mail

E610 Basic Standards

* * * * *

E612 Additional Standards for Standard Mail (A)

[In 4.1, remove "special delivery" in the third sentence; no other change to text.]

* * * * *

E620 Nonautomation Nonpresort Rates

[In 2.2d, remove "special delivery"; in 2.5 introductory text, remove "special delivery or"; no other change to text.]

E630 Nonautomation Presort Rates

[In 3.1, remove "special delivery" in the last sentence; no other change to text.]

* * * * *

F FORWARDING AND RELATED SERVICES

F000 Basic Services

F010 Basic Information

[In 3.0a, remove "special delivery"; in 4.5, remove 4.5c and redesignate current 4.5d and 4.5e as 4.5c and 4.5d, respectively; in 5.1, replace "postal cards" with "stamped cards"; no other change to text.]

F020 Forwarding

[In 3.3, replace "postal cards" with "stamped cards"; in 3.7, remove the second sentence; no other change to text.]

F030 Address Correction, Address Change, FASTforwardSM, and Return Services

[In 5.3, replace "postal cards" with "stamped cards"; no other change to text.]

G GENERAL INFORMATION

G000 The USPS and Mailing Standards

G010 Basic Business Information

G011 Post Offices and Postal Services

[Amend Exhibit 1.5 by replacing the seventh column heading "Special Delivery" with "Express Mail"; replacing "Holiday schedule" with "Holiday"; and by adding under "Definition of Terms," "Holiday—Service determined by national, area, and/or district guidelines"; no other change to text.]

G013 Trademarks and Copyrights

[In 2.1, replace "postal cards" with "stamped cards"; no other change to text.]

* * * * *

P POSTAGE AND PAYMENT METHODS

P000 Basic Information

P010 General Standards

* * * * *

P014 Refunds and Exchanges

1.0 STAMP EXCHANGES

[In 1.5, 1.6, 1.6c, 1.6d, 1.8b, 1.8c, and 1.8d, replace "postal card[s]" with "stamped card[s]"; no other change to text.]

2.0 POSTAGE AND FEES REFUNDS

* * * * *

2.4 Full Refund

[In 2.4f, remove "special delivery,"; no other change to text.]

* * * * *

2.7 Unallowable Refunds

[Amend 2.7 by revising 2.7b to read as follows:]

Refunds are not made for the following:

* * * * *

- b. Collect on delivery (COD), Express Mail insurance, insured, and registered fees after the USPS accepts the article,

even if the article is later withdrawn from the mail.

* * * * *

P020 Postage Stamps and Stationery

P021 Stamped Stationery

[In 3.1, revise the heading to read "Stamped Card" and replace "P[p]ostal cards" with "S[s]tamped cards"; in 4.0, replace "postal cards" with "stamped cards (formerly called postal cards)"; no other change to text.]

P022 Adhesive Stamps

[In 2.2d, replace "postal cards" with "stamped cards"; no other change to text.]

P023 Precanceled Stamps

[In 1.1 and 1.3, replace "P[p]ostal cards" with "S[s]tamped cards"; in 3.1, replace "postal cards" with "stamped cards"; no other change to text.]

P030 Postage Meters and Meter Stamps

[In 4.8, remove "special delivery,"; in 4.10, remove "or special delivery mail,"; in 5.4b, remove "special delivery mail or"; no other change to text.]

* * * * *

P100 First-Class Mail

[In 2.1, replace "postal cards" with "stamped cards"; no other change to text.]

* * * * *

R RATES AND FEES

R000 Stamps and Stationery

* * * * *

[Revise the heading and text of 3.0 to read as follows:]

3.0 STAMPED CARDS

Stamped cards are priced as follows:

Configuration	Postage	Fee	Total price
Cut single card	\$0.20	\$0.00	\$0.20
Sheet of 40 cards	8.00	0.00	8.00
Double reply-paid card	0.40	0.00	0.40

* * * * *

R100 First-Class Mail

[In 1.1 and in the Summary of First-Class Rates, replace "postal cards" with "stamped cards"; no other change to text.]

* * * * *

R900 Services

[Remove current 19.0; renumber current 7.0 through 18.0 as 8.0 through 19.0, respectively; add new 7.0; and revise other sections to read as follows:]

* * * * *

[Revise 3.0 to read as follows:]

3.0 CALLER SERVICE

Fees are charged as follows:

a. For service provided, per semiannual period:

Fee group	Fee
A	\$250.00
B	240.00
C	225.00
D	225.00

b. For each reserved call number, per calendar year (all post offices): \$30.00.

* * * * *

[Revise 5.0 to read as follows:]

5.0 CERTIFIED MAIL

Fee, in addition to postage and other fees, per mailpiece: \$1.35.

* * * * *

[Add new 7.0 to read as follows:]

7.0 EXPRESS MAIL INSURANCE

Fee, in addition to postage and other fees, for additional Express Mail insurance:

a. For amount of merchandise insurance liability:

Insurance coverage desired	Fee
\$0.01 to 500.00	None
500.01 to 5,000.00	\$0.90 for each \$100 or fraction thereof over \$500 in insurance coverage desired

Merchandise maximum liability: \$5,000.00.

b. Document reconstruction maximum liability: \$500.00.

[Revise redesignated 8.0 to read as follows:]

8.0 INSURED MAIL

Fee, in addition to postage and other fees, for merchandise insurance liability:

Insurance coverage desired	Fee
\$0.01 to 50.00	\$0.75
50.01 to 100.00	1.60
100.01 to 5,000.00	1.60 plus \$0.90 for each \$100 or fraction thereof over first \$100 in insurance coverage desired

Insurance coverage desired	Fee
Insured mail maximum liability: \$5,000.00.	

9.0 MAILING LIST SERVICE

[No change to redesignated 9.0.]

10.0 MERCHANDISE RETURN SERVICE

[No change to redesignated 10.0.]

11.0 METER SERVICE

[No change to redesignated 11.0.]

12.0 MONEY ORDER

[No change to redesignated 12.0.]

13.0 PARCEL AIRLIFT (PAL)

[No change to redesignated 13.0.]

14.0 PERMIT IMPRINT

[No change to redesignated 14.0.]

[Revise redesignated 15.0 to read as follows:]

15.0 POST OFFICE BOX SERVICE

For service provided as described in D910:

a. Deposit per key issued: \$1.00.

b. Box fee per semiannual (6-month) period:

Fee group	Box size and fee				
	1	2	3	4	5
A	\$24.00	\$37.00	\$64.00	\$121.00	\$209.00
B	22.00	33.00	56.00	109.00	186.00
C	20.00	29.00	52.00	86.00	144.00
D	6.00	10.00	18.00	26.50	41.50
E	0.00	0.00	0.00	0.00	0.00

[Revise redesignated 16.0 to read as follows:]

16.0 REGISTERED MAIL

The mailer must declare the full value of the article at the time of mailing and must pay the appropriate fee based on

that value as shown in Exhibit 16.0. Any article sent as registered mail is insured, except that the mailer may elect not to insure articles valued up to and including \$100.

EXHIBIT 16.0.—REGISTRY FEES

Declared value (dollars)	Fee (in addition to postage)
(Without Insurance):	
0.00 to 100.00	\$ 4.85
(With Insurance):	
0.00 to 100.00	4.95
100.01 to 500.00	5.40
500.01 to 1,000.00	5.85
1,000.01 to 2,000.00	6.30
2,000.01 to 3,000.00	6.75
3,000.01 to 4,000.00	7.20
4,000.01 to 5,000.00	7.65
5,000.01 to 6,000.00	8.10
6,000.01 to 7,000.00	8.55
7,000.01 to 8,000.00	9.00
8,000.01 to 9,000.00	9.45
9,000.01 to 10,000.00	9.90
10,000.01 to 11,000.00	10.35
11,000.01 to 12,000.00	10.80
12,000.01 to 13,000.00	11.25
13,000.01 to 14,000.00	11.70
14,000.01 to 15,000.00	12.15
15,000.01 to 16,000.00	12.60
16,000.01 to 17,000.00	13.05
17,000.01 to 18,000.00	13.50
18,000.01 to 19,000.00	13.95
19,000.01 to 20,000.00	14.40
20,000.01 to 21,000.00	14.85
21,000.01 to 22,000.00	15.30
22,000.01 to 23,000.00	15.75
23,000.01 to 24,000.00	16.20
24,000.01 to 25,000.00	16.65
	(Additional fees for articles valued over \$25,000 are for handling only.)
25,000.01 to 1,000,000.00	\$16.65 plus handling charge of \$0.45 per \$1,000 or fraction over first \$25,000.
1,000,000.01 to 15,000,000.00	\$455.40 plus handling charge of \$0.45 per \$1,000 or fraction over first \$1,000,000.
Over 15,000,000.00	\$6,755.40 plus additional charges may be made based on weight, space, and value.

Registered mail maximum insurance liability: \$25,000.00.

17.0 RESTRICTED DELIVERY

[No change to redesignated 17.0.]

[Revise redesignated 18.0 to read as follows:]

18.0 RETURN RECEIPT

Fee, in addition to postage and other fees, per mailpiece:

Type	Fee
Requested at time of mailing showing to whom, signature, date, and addressee's address (if different)	\$1.10
Requested after mailing showing only to whom and date delivered ..	6.60

[Revise redesignated 19.0 to read as follows:]

19.0 RETURN RECEIPT FOR MERCHANDISE

Fee, in addition to postage and other fees, per mailpiece:

Type	Fee
Showing to whom, signature, date, and addressee's address (if different)	\$1.20

Type	Fee
Delivery record	6.60

20.0 SPECIAL HANDLING

[No change to 20.0.]

S SPECIAL SERVICES**S000 Miscellaneous Services****S010 Indemnity Claims**

* * * * *

2.0 GENERAL FILING INSTRUCTIONS

* * * * *

2.5 Evidence of Insurance

[Revise 2.5 to read as follows:]

For a claim involving insured, COD, registered, or Express Mail service, the customer must present any of the following evidence showing that the particular service was purchased:

a. The original mailing receipt issued at the time of mailing (reproduced copies are not acceptable).

b. The wrapper showing the names and addresses of the sender and the addressee and the proper mail endorsement, tag, or label showing that the article was sent insured, COD, registered with postal insurance, or Express Mail. If only the wrapper is submitted, indemnity can be limited to \$100 for insured, \$50 for COD, \$100 for registered mail, and \$500 for Express Mail.

* * * * *

2.9 Proof of Loss

[Revise 2.9 to read as follows:]

To file a claim, the sender must provide proof of loss of insured or registered mail. Proof of loss is not required for COD or Express Mail claims. Any one of these documents is acceptable:

a. A letter or statement from the addressee, dated at least 30 days (15 days for registered mail) after the date that the article was mailed, reporting that the addressee did not receive the article. The statement or a copy of it must be attached to the claim.

* * * * *

2.11 Payable Claim

[Amend 2.11 by revising 2.11d to read as follows:]

Insurance for loss or damage to insured, registered, or COD mail within the amount covered by the fee paid or within the indemnity limits for Express Mail explained in 2.12 is payable for the following:

* * * * *

d. Reasonable costs incurred duplicating documents such as:

* * * * *

2.12 Payable Express Mail Claims

[Revise 2.12 to read as follows:]

In addition to the payable claims in 2.11, the following are payable for Express Mail:

a. For Express Mail insurance, nonnegotiable documents are insured against loss, damage, or rifling while in transit. Coverage is limited to \$500 per piece (the unit on which postage is paid), subject to a maximum limit per occurrence as provided in 2.12a(4). Claims for document reconstruction insurance must be supported by a statement of expense incurred in reconstruction. For this standard, *while in transit* begins when the USPS receives custody of the insured material and ends when the material is delivered to the addressee or, if undeliverable, when the sender receives the material on return. Nonnegotiable documents include audit and business records, commercial papers, and such other written instruments for the conduct and operation of banks and banking institutions that have not been made negotiable or cannot be negotiated or converted into cash without forgery. Nonnegotiable documents can be in hard copy, disk, tape, microfilm, or other forms of data storage. Articles such as artwork, collector or antique items, books, pamphlets, readers proofs, repro proofs, separation negatives, engineering drawings, blueprints, circulars, advertisements, film, negatives, and photographs are considered merchandise, not documents. Indemnity for document reconstruction is paid as follows:

(1) For payments made (or which are payable) for reasonable costs incurred in the reconstruction of the exact duplicate of a lost or damaged nonnegotiable document. Indemnity is not paid for the cost of preparing the document mailed, or for the mailer's time in preparing the document mailed or reconstructed. Except for the per page copying cost, indemnity is not paid for documents if copies of the lost document are available or if they could have been made before mailing.

(2) Reasonable reconstruction expenses incurred or obligated between the time of guaranteed or scheduled delivery and actual delivery.

(3) Loss sustained by the use of funds to maintain cash balances during the period of document reconstruction (based on the applicable Federal Reserve discount rate). The period begins at the scheduled delivery time and may not exceed 15 days.

(4) Catastrophic loss for multiple Express Mail items, such as a major fire, limited to \$5,000, regardless of the number of Express Mail items, or the identity or number of customers involved. Each claim resulting from a catastrophic loss first is adjudicated individually. If the preliminary adjudication exceeds \$5,000, the percentage of the sum represented by each individual settlement is applied to the \$5,000 to determine each claimant's pro rata share of the final settlement, not to exceed \$500 per piece.

b. Merchandise insurance coverage is provided against loss, damage, or rifling and is limited to \$500. (Additional insurance, up to a maximum liability of \$5,000, may be purchased for merchandise valued at more than \$500.)

c. For negotiable items, currency, or bullion, the maximum indemnity is \$15.

* * * * *

2.14 Nonpayable Claims

[Amend 2.14 by revising the introductory text and 2.14r, 2.14s, and 2.14t to read as follows:]

Indemnity is not paid for collect on delivery (COD), insured, or registered service or for Express Mail in these situations:

* * * * *

r. Negotiable items (defined as instruments that can be converted to cash without resort to forgery), currency, or bullion valued in total at more than \$15 per shipment sent by Express Mail, except under 2.12c.

s. Consequential loss of Express Mail claimed, except under 2.12a(3).

t. Nonmailable items, prohibited items, or restricted items not prepared and mailed according to postal standards, or any item packaged in such a manner that it could not have reached its destination undamaged in the normal course of the mail.

* * * * *

S070 Mixed Classes**1.0 BASIC INFORMATION**

[Revise 1.1 to read as follows:]

For a Priority Mail drop shipment, enclosed First-Class Mail may be sent certified; enclosed Standard Mail may be sent special handling. Enclosed mail, regardless of class, may not be sent registered, insured, or collect on delivery (COD). No special services may be given to the Priority Mail segment of the drop shipment.

[Revise the heading and text of 1.2 to read as follows:]

1.2 Special Handling

A combination mailpiece sent as a Standard Mail parcel may be sent using

special handling; only one special handling fee applies to the parcel.

* * * * *

S500 Special Services for Express Mail

1.0 AVAILABLE SERVICES

* * * * *

1.5 Insurance and Indemnity

[Amend 1.5 by removing current 1.5a, 1.5d, and 1.5e and redesignating and revising current 1.5b as 1.5a, current 1.5c as 1.5b, current 1.5f as 1.5c, and current 1.5g as 1.5d to read as follows:]

Express Mail is insured against loss, damage, or rifling, subject to these standards:

a. Insurance coverage for Express Mail drop shipment ends on receipt at the destination postal facility.

b. All Express Mail signed for by the addressee, the addressee's agent, or the delivery employee constitutes a valid delivery, and no indemnity for loss is paid. A waiver of signature may not be used for Express Mail COD or Express Mail with additional insurance.

c. Merchandise insurance coverage is provided against loss, damage, or rifling and is limited to \$500. (Additional insurance under 1.6 may be purchased, up to a maximum liability of \$5,000, for merchandise valued at more than \$500.) Nonnegotiable documents are insured against loss, damage, or rifling, up to \$500 per piece, subject to the maximum limit per occurrence as defined in S010.

d. Additional terms, coverage, and procedures of indemnity claims are in S010.

[Add new 1.6 to read as follows:]

1.6 Additional Insurance

Additional insurance, up to a maximum coverage of \$5,000, may be purchased for merchandise valued at more than \$500 sent by Express Mail. The insurance fee is entered in the block marked "Insurance" on the mailing label. If the label does not contain this specific block, the mailer uses the "COD" block by crossing out "COD," writing "INS" to the right, and entering the fee for the applicable coverage. Coverage is limited to the actual value of the contents, regardless of the fee paid, or the highest insurance value increment for which the fee is fully paid, whichever is lower. If a waiver of signature is requested, additional insurance coverage is void.

* * * * *

[Revise 3.0 to read as follows:]

3.0 EXPRESS MAIL DROP SHIPMENT

Mail enclosed in an Express Mail drop shipment may be sent certified (if First-Class Mail) or special handling (if

Standard Mail). The enclosed mail may not be sent collect on delivery (COD), insured, or registered. For Express Mail indemnity coverage, the content of each Express Mail pouch is considered one mailpiece.

S900 Special Postal Services

S910 Security and Accountability

S911 Registered Mail

1.0 BASIC INFORMATION:

[Revise 1.1 to read as follows:]

1.1 Description

Registered mail is the most secure service that the USPS offers. It incorporates a system of receipts to monitor the movement of the mail from the point of acceptance to delivery. Registered mail service provides the sender with a mailing receipt, and a delivery record is kept at the post office of address.

* * * * *

2.0 FEES AND LIABILITY

* * * * *

[Remove current 2.4 and redesignate current 2.5 as 2.4, current 2.6 as 2.5, current 2.7 as 2.6, and current 2.8 as 2.7; revise 2.3 and redesignated 2.4 to read as follows:]

2.3 Postal Insurance

Postal insurance is provided for articles valued at more than \$100, up to a maximum insured value of \$25,000, and is included in the fee. For articles valued at \$100 or less, postal insurance may be purchased by the sender at the time of mailing, subject to the standards for registered mail and payment of the corresponding fee.

2.4 Refund

A fee for registered mail is not refunded after the USPS accepts the mail even if the sender later withdraws the mail under 3.9. A fee for return receipt service or restricted delivery service is not refunded unless the USPS fails to provide the service. The sender must present the registered mail receipt showing payment for these services.

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S912 Certified Mail

1.0 BASIC INFORMATION

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[Revise 1.2 to read as follows:]

1.2 Eligible Matter

Only mailable matter on which postage is paid at a First-Class Mail rate (including Priority Mail) may be accepted as certified mail.

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2.0 MAILING

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[Amend 2.5 by revising 2.5b and 2.5c to read as follows:]

2.5 Procedure

A mailer of certified mail must:

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b. If a return receipt is requested, check the block on the mailing receipt to show the fee. Near the certified mail endorsement on the address side, add the endorsement "Return Receipt Requested." Enter the certified mail number on the return receipt card, address it to himself or herself, and attach it to the back of a small envelope or on the front of a package or large envelope, if the card does not cover the address. Enter the name and delivery address on the reverse of the return receipt to show where the receipt is to be sent. When a return receipt is requested, a complete return address (sender's name and delivery address) is required on the mailpiece. The name and delivery address entered on the reverse of the return receipt do not have to match the sender's name and return address on the mailpiece.

c. Affix to the envelope enough postage to pay for the certified mail fee and First-Class Mail rate and, if requested, the return receipt fee.

* * * * *

S913 Insured Mail

1.0 BASIC INFORMATION

[Revise 1.1 and 1.5 to read as follows:]

1.1 Description

Insured mail provides up to \$5,000 indemnity coverage for a lost, rifled, or damaged article, subject to the standards for the service and payment of the applicable fee. No record of insured mail is kept at the office of mailing. Insured mail service provides the sender with a mailing receipt. For mail insured for more than \$50, a delivery record is kept at the post office of address. Insured mail is dispatched and handled in transit as ordinary mail.

* * * * *

1.5 Additional Services

Subject to applicable standards and fees, special handling, parcel airlift, and merchandise return services may also be used with insured mail. Restricted delivery service and return receipt service (Form 3811) may be obtained for parcels insured for more than \$50.

* * * * *

S915 Return Receipt**1.0 BASIC INFORMATION**

[Revise the heading of 1.3 and text of 1.1, 1.2, and 1.3 to read as follows:]

1.1 Description

Return receipt service provides a mailer with evidence of delivery. A return receipt also supplies the recipient's actual delivery address if it is different from the address used by the sender. A return receipt may be requested before or after mailing.

1.2 Availability

The service is available only for Express Mail and mail sent as certified, collect on delivery (COD), insured for more than \$50, or registered mail. After delivery, the USPS mails the return receipt to the sender.

1.3 Endorsement

Mail for which return receipt service is requested must be endorsed "Return Receipt Requested" above the delivery address and to the right of the return address.

* * * * *

S917 Return Receipt for Merchandise**1.0 BASIC INFORMATION**

[Revise the heading of 1.4 and text of 1.1, 1.2, 1.3, and 1.4 to read as follows:]

1.1 Description

Return receipt for merchandise service is a form of return receipt service that provides the sender with a mailing receipt and a return receipt. A delivery record is kept at the post office of address, but no record is kept at the office of mailing. A return receipt for merchandise also supplies the recipient's actual delivery address if it is different from the address used by the sender. Mail using this service is dispatched and handled in transit as ordinary mail. This service does not include insurance coverage. A return receipt for merchandise may not be

requested after mailing, and restricted delivery service is not available.

1.2 Availability

The service is available only for merchandise sent at the postage rates for Priority Mail, Single-Piece Standard Mail, Parcel Post, Bound Printed Matter, Special Standard Mail, or Library Mail. This service may not be used on international mail.

1.3 Additional Services

Special handling is available for Single-Piece Standard Mail, Parcel Post, Bound Printed Matter, Special Standard Mail, and Library Mail, subject to payment of the applicable fee.

1.4 Endorsement

Form 3804 is used for return receipt for merchandise service. The form and the endorsement "Return Receipt Requested" must be placed above the address and to the right of the return address.

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2.0 MAILING

[In 2.2d, remove "special delivery or"; no other change to text.]

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S930 Handling

[Remove current 1.0; renumber 2.0 and 3.0 as 1.0 and 2.0, respectively, and revise redesignated 1.1, 1.2, and 1.5 to read as follows:]

1.0 SPECIAL HANDLING**1.1 Description**

Special handling service provides preferential handling, but not preferential delivery, to the extent practicable in dispatch and transportation. The service does not itself insure the article against loss or damage. Special handling service is mandatory for material that requires extra care in handling, transportation, and delivery. Unless the special handling fee is paid, a nonmachinable

surcharge applies to certain categories of items mailed at Parcel Post inter-BMC rates as required in E620.

1.2 Availability

Special handling service is available only for Single-Piece Standard Mail, Parcel Post, Bound Printed Matter, Special Standard Mail, and Library Mail.

* * * * *

1.5 Fee and Postage

The applicable special handling fee must be paid in addition to postage for each addressed piece for which special handling service is desired. Except for official mail, the special handling fee must be paid at the time of mailing. For official mail, the special handling fee is collected under established reimbursement procedures.

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2.0 PARCEL AIRLIFT (PAL)

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[Redesignate current 3.3 and 3.4 as 2.4 and 2.5, respectively; add new 2.3 to read as follows:]

2.3 Additional Services

The following services are available if the applicable standards for the services are met and the additional service fees paid:

- a. Certificate of mailing.
- b. Insured mail.
- c. Restricted delivery (if insured for more than \$50).
- d. Return receipt (if insured for more than \$50).
- e. Special handling.

* * * * *

An appropriate amendment to 39 CFR 111.3 to reflect these changes will be published.

Stanley F. Mires,

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