

Commission fails to act in the time and manner required by paragraph (1) shall be treated in the same way as if it had been dismissed under an order issued by the Commission on the last day allowable for the issuance of such order under paragraph (1).

“(c) ACTION REQUIRED IF COMPLAINT FOUND TO BE JUSTIFIED.—If the Postal Regulatory Commission finds upon clear and convincing evidence the complaint to be justified, it shall order that the Postal Service take such action as is necessary to achieve compliance with the applicable requirements and to remedy the effects of any noncompliance.

“(d) AUTHORITY TO ORDER FINES IN CASES OF DELIBERATE NONCOMPLIANCE.—In addition, in cases of deliberate noncompliance by the Postal Service with the requirements of this title, the Postal Regulatory Commission may order, based on the nature, circumstances, extent, and seriousness of the noncompliance, a fine (in the amount specified by the Commission in its order) for each incidence of noncompliance. Fines resulting from the provision of competitive products shall be paid from the Competitive Products Fund established in section 2011. All receipts from fines imposed under this subsection shall be deposited in the general fund of the Treasury of the United States.

On page 168, line 11, strike “Commission” and insert “Postal Service”.

AMENDMENT NO. 2751

(Purpose: To provide for procedures by the Postal Service to give notice on certain actions affecting communities)

On page 171, line 6, strike “and”.

On page 171, line 10, strike the period and insert “; and”.

On page 171, between lines 10 and 11, insert the following:

(D) procedures that the Postal Service will use to—

(i) provide adequate public notice to communities potentially affected by a proposed rationalization decision;

(ii) make available, upon request, any data, analyses, or other information considered by the Postal Service in making the proposed decision;

(iii) afford affected persons ample opportunity to provide input on the proposed decision; and

(iv) take such comments into account in making a final decision.

On page 172, between lines 22 and 23, insert the following:

(5) EXISTING EFFORTS.—Effective on the date of enactment of this Act, the Postal Service may not close or consolidate any processing or logistics facilities without using procedures for public notice and input consistent with those described under paragraph (3)(D).

AMENDMENT NO. 2752

(Purpose: To modify qualifications and terms of Governors of the United States Postal Service)

On page 202, lines 10 through 14, strike “demonstrated ability in managing organizations or corporations (in either the public or private sector) of substantial size. Experience in the fields of law and accounting shall be considered in making appointments of Governors.” and insert “experience in the fields of public service, law or accounting or on their demonstrated ability in managing organizations or corporations (in either the public or private sector) of substantial size.”

On page 203, line 14, strike “5” and insert “7”.

On page 203, line 17, strike “5” and insert “7”.

On page 205, line 9, strike “3” and insert “2”.

AMENDMENT NO. 2753

(Purpose: To modify contracts for the transportation of mail by air, and for other purposes)

On page 256, add after line 3, the following:
SEC. 1005. CONTRACTS FOR TRANSPORTATION OF MAIL BY AIR.

(a) DEFINITIONS.—Section 5402(a) of title 39, United States Code, is amended—

(1) in paragraph (4), by striking “(g)(1)(D)(i)” and inserting “(g)(1)(A)(iv)(I)”;

(2) in paragraph (5), by striking “(g)(1)(D)(i)” and inserting “(g)(1)(A)(iv)(I)”;

(3) in paragraph (6), by striking “only”;

(4) in paragraph (8), by striking “rates paid to a bush carrier” and inserting “linehaul rates and a single terminal handling payment at a bush terminal handling rate paid to a bush carrier”;

(5) in paragraph (11), by striking “(g)(1)(D)(ii)” and inserting “(g)(1)(A)(iv)(II)”;

(6) in paragraph (13)—

(A) in subparagraph (A)—

(i) by striking “clause (i) or (ii) of subsection (g)(1)(D)” and inserting “subclause (I) or (II) of subsection (g)(1)(A)(iv)”;

(ii) by striking “and” after the semicolon;

(B) in subparagraph (B), by adding “and” after the semicolon; and

(C) by adding at the end the following:
“(C) is not comprised of previously qualified existing mainline carriers as a result of merger or sale.”;

(7) in paragraph (18), by striking “bush routes” and inserting “routes”; and

(8) in paragraph (22), by striking “bush routes” and inserting “routes”.

(b) NONPRIORITY BYPASS MAIL.—Section 5402(g) of title 39, United States Code, is amended—

(1) in paragraph (2)(C), by inserting “or a destination city” after “acceptance point and a hub”;

(2) in paragraph (3), by adding at the end the following:

“(C) When a new hub results from a change in a determination under subparagraph (B), mail tender from that hub during the 12-month period beginning on the effective date of that change shall be based on the passenger and freight shares to the destinations of the affected hub or hubs resulting in the new hub.”; and

(3) in paragraph (5)(A)(i), by striking “(g)(1)(D)(ii)” and inserting “(g)(1)(A)(iv)(II)”.

(c) EQUITABLE TENDER.—Section 5402(h) of title 39, United States Code, is amended—

(1) in paragraph (1), by inserting “bush” after “providing scheduled”;

(2) by striking paragraph (3) and inserting the following:

“(3)(A) Except as provided under subparagraph (C), a new or existing 121 bush passenger carrier qualified under subsection (g)(1) shall be exempt from the requirements under paragraphs (1)(B) and (2)(A) on a city pair route for a period which shall extend for—

“(i) 1 year;

“(ii) 1 year in addition to the extension under clause (i) if, as of the conclusion of the first year, such carrier has been providing not less than 5 percent of the passenger service on that route (as calculated under paragraph (5)); and

“(iii) 1 year in addition to the extension under clause (ii) if, as of the conclusion of the second year, such carrier has been providing not less than 10 percent of the passenger service on that route (as calculated under paragraph (5)).

“(B)(i) The first 3 121 bush passenger carriers entitled to the exemptions under subparagraph (A) on any city pair route shall divide no more than an additional 10 percent of

the mail, apportioned equally, comprised of no more than—

“(I) 5 percent of the share of each qualified passenger carrier servicing that route that is not a 121 bush passenger carrier; and

“(II) 5 percent of the share of each nonpassenger carrier servicing that route that transports 25 percent or more of the total nonmail freight under subsection (i)(1).

“(ii) Additional 121 bush passenger carriers entering service on that city pair route after the first 3 shall not receive any additional mail share.

“(iii) If any 121 bush passenger carrier on a city pair route receiving an additional share of the mail under clause (ii) discontinues service on that route, the 121 bush passenger carrier that has been providing the longest period of service on that route and is otherwise eligible but is not receiving a share by reason of clause (ii), shall receive the share of the carrier discontinuing service.

“(C) Notwithstanding the requirements of this subsection, if only 1 passenger carrier or aircraft is qualified to be tendered nonpriority bypass mail as a passenger carrier or aircraft on a city pair route in the State of Alaska, the Postal Service shall tender 20 percent of the nonpriority bypass mail described under paragraph (1) to the passenger carrier or aircraft providing at least 10 percent of the passenger service on such route.”;

(3) in paragraph (5)(A)—

(A) by striking “(i)” after “(A)”;

(B) by striking clause (ii).

(d) PERCENT OF NONMAIL FREIGHT.—Section 5402(i)(6) of title 39, United States Code, is amended—

(1) by striking “(A)” after “(6)”;

(2) by striking subparagraph (B).

(e) PERCENT OF TENDER RATE.—Section 5402(j)(3)(B) of title 39, United States Code, is amended by striking “bush routes in the State of Alaska” and inserting “routes served exclusively by bush carriers in the State of Alaska”.

(f) DETERMINATION OF RATES.—Section 5402(k) of title 39, United States Code, is amended by striking paragraph (5).

(g) TECHNICAL AND CONFORMING AMENDMENT.—Section 5402(p)(3) of title 39, United States Code, is amended by striking “(g)(1)(D)” and inserting “(g)(1)(A)(iv)”.

(h) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided under paragraph (2), this section shall take effect on the date of enactment of this Act.

(2) EQUITABLE TENDER.—Subsection (c) shall take effect on July 1, 2006.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. FRIST. Mr. President, I further ask unanimous consent that the Senate now proceed to Calendar No. 176, H.R. 22.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 22) to reform the postal laws of the United States.

Mr. FRIST. Mr. President, I now ask consent that all after the enacting clause be stricken, the text of S. 662, as amended, be inserted in lieu thereof, and the bill, as amended, be read a third time and passed, and the Senate insist on its amendment, request a conference with the House, and the Chair