

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To amend the section 2011(h) of title 39, United States Code, relating to Postal Service accounting practices for competitive products.

**IN THE SENATE OF THE UNITED STATES—108th Cong., 2d Sess.**

**S. 2468**

To reform the postal laws of the United States.

Referred to the Committee on \_\_\_\_\_  
and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. SUNUNU

Viz:

1 On page 52, strike line 18 and all that follows  
2 through page 55, line 17, and insert the following:

3 “(h)(1) The Secretary of the Treasury, in consulta-  
4 tion with the Postal Service, an independent, certified pub-  
5 lic accounting firm, and such other advisers as the Sec-  
6 retary considers appropriate, shall develop recommenda-  
7 tions regarding—

8 “(A) the accounting practices and principles  
9 that should be followed by the Postal Service with  
10 the objectives of—

1           “(i) identifying and valuing the assets and  
2 liabilities of the Postal Service associated with  
3 providing, and the capital and operating costs  
4 incurred by the Postal Service in providing,  
5 competitive products; and

6           “(ii) preventing the subsidization of such  
7 products by market-dominant products; and

8           “(B) the substantive and procedural rules that  
9 should be followed in determining the Postal Serv-  
10 ice’s assumed Federal income tax on competitive  
11 products income for any year (within the meaning of  
12 section 3634).

13 Such recommendations shall be submitted to the Postal  
14 Regulatory Commission not earlier than 6 months, and  
15 not later than 12 months, after the effective date of this  
16 section.

17           “(2)(A) Upon receiving the recommendations of the  
18 Secretary of the Treasury under paragraph (1), the Com-  
19 mission shall give interested parties, including the Postal  
20 Service, users of the mails, and an officer of the Commis-  
21 sion who shall be required to represent the interests of  
22 the general public, an opportunity to present their views  
23 on those recommendations through submission of written  
24 data, views, or arguments with or without opportunity for

1 oral presentation, or in such other manner as the Commis-  
2 sion considers appropriate.

3 “(B) After due consideration of the views and other  
4 information received under subparagraph (A), the Com-  
5 mission shall by rule—

6 “(i) provide for the establishment and applica-  
7 tion of the accounting practices and principles which  
8 shall be followed by the Postal Service;

9 “(ii) provide for the establishment and applica-  
10 tion of the substantive and procedural rules de-  
11 scribed in paragraph (1)(B); and

12 “(iii) provide for the submission by the Postal  
13 Service to the Postal Regulatory Commission of an-  
14 nual and other periodic reports setting forth such in-  
15 formation as the Commission may require.

16 Final rules under this subparagraph shall be issued not  
17 later than 12 months after the date on which the Sec-  
18 retary of the Treasury makes his submission to the Com-  
19 mission under paragraph (1) (or by such later date as  
20 agreed to by the Commission and the Postal Service). The  
21 Commission is authorized to promulgate regulations revis-  
22 ing such rules.

23 “(C) Reports described in subparagraph (B)(iii) shall  
24 be submitted at such time, in such form, and shall include  
25 such information, as the Commission by rule requires. The

1 Commission may, on its own motion or on request of an  
2 interested party, initiate proceedings (to be conducted in  
3 accordance with such rules as the Commission shall pre-  
4 scribe) to improve the quality, accuracy, or completeness  
5 of Postal Service data under such subparagraph whenever  
6 it shall appear that—

7           “(i) the quality of the information furnished in  
8           those reports has become significantly inaccurate or  
9           can be significantly improved; or

10           “(ii) such revisions are, in the judgment of the  
11           Commission, otherwise necessitated by the public in-  
12           terest.

13           “(D) A copy of each report described in subpara-  
14 graph (B)(iii) shall also be transmitted by the Postal Serv-  
15 ice to the Secretary of the Treasury and the Inspector  
16 General of the United States Postal Service.