

106TH CONGRESS
1ST SESSION

H. R. 2589

To provide for the privatization of the United States Postal Service.

IN THE HOUSE OF REPRESENTATIVES

JULY 22, 1999

Mr. CRANE (for himself, Mr. ROHRABACHER, and Mr. COX) introduced the following bill; which was referred to the Committee on Government Reform

A BILL

To provide for the privatization of the United States Postal Service.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. TRANSFER TO A PRIVATE CORPORATION.**

4 (a) IN GENERAL.—In accordance with the plan pre-
5 scribed under section 3, all right, title, and interest of the
6 United States in and to all property of the Postal Service
7 shall be transferred to a corporation if, within 1 year after
8 the date of the enactment of this Act, such corporation
9 satisfies the requirements set forth in section 2.

10 (b) SPECIFIC REQUIREMENT.—The plan prescribed
11 under section 3 shall include such provisions as may be

1 necessary to ensure that no payment shall be required in
2 consideration for any rights or assets of the Postal Service
3 which are transferred pursuant to this Act.

4 **SEC. 2. REQUIREMENTS FOR THE CORPORATION.**

5 (a) IN GENERAL.—A corporation shall be considered
6 to satisfy the requirements of this section if such
7 corporation—

8 (1) is incorporated under the laws of a State;

9 (2) is not a department, agency, or establish-
10 ment of the United States;

11 (3) is incorporated by not more than 9 individ-
12 uals who are especially qualified to establish and op-
13 erate an effective mail system by virtue of their edu-
14 cation, training, or experience, and who are chosen
15 by the employees of the Postal Service in an election
16 which shall be held at such time and in such manner
17 as the President shall by regulation prescribe;

18 (4) includes among its purposes the delivery of
19 postal services in a manner consistent with section
20 101(b) of title 39, United States Code, at rates es-
21 tablished in a manner consistent with section 101(d)
22 of such title;

23 (5) issues securities in a manner consistent
24 with subsection (b); and

1 (6) satisfies such other requirements as the
2 President may by regulation prescribe in order to
3 carry out the purposes of this Act.

4 (b) **SECURITIES.**—Any securities issued by the
5 corporation—

6 (1) shall, during the 1-year period beginning on
7 the date of the enactment of this Act, be issued—

8 (A) only to employees of the Postal
9 Service; and

10 (B) in a manner to be determined by the
11 Postal Privatization Commission.

12 (c) **RETIREMENT BENEFITS.**—Retirement benefits
13 provided to individuals who become employees of the cor-
14 poration by transfer from the Postal Service must be com-
15 parable to those which would have been afforded to those
16 individuals as employees of the Postal Service had this
17 Act not been enacted.

18 **SEC. 3. TRANSFER PLAN; PRESIDENTIAL DETERMINATION;**

19 **RATE-SETTING AUTHORITY.**

20 (a) **TRANSFER PLAN.**—Not later than the sixtieth
21 day after the date on which a corporation first satisfies
22 the requirements of section 2, as determined under sub-
23 section (b), the President shall, in conformance with the
24 requirements of section 1, and after consultation with the
25 Postal Privatization Commission, transmit to Congress—

1 (1) a comprehensive plan providing for the or-
2 derly transfer of all property subject to this Act, in-
3 cluding a timetable under which such transfer is
4 completed not later than 180 days after the date on
5 which such corporation first satisfies such require-
6 ments; and

7 (2) such recommendations for legislation as the
8 President considers necessary in order to carry out
9 the plan described in paragraph (1), including
10 recommendations—

11 (A) for the abolishment of the Postal
12 Service;

13 (B) for the continuation of the private ex-
14 press statutes with respect to the corporation
15 during the first 5 years of its existence; and

16 (C) for the repeal or modification of appro-
17 priate Federal statutes.

18 (b) **PRESIDENTIAL DETERMINATION.**—The Presi-
19 dent shall, for purposes of this section, determine the date
20 on which a corporation first satisfies the requirements of
21 section 2.

22 (c) **RATE-SETTING AUTHORITY.**—After consulting
23 with the Postal Rate Commission, the President shall de-
24 velop and include as part of the recommendations sub-
25 mitted under subsection (a) proposals relating to the

1 means by which rates of postage would be established dur-
2 ing the 5-year period referred to in subsection (a)(2)(B).
3 Such recommendations may include continuing any oper-
4 ations of the Postal Rate Commission (whether on a modi-
5 fied basis or otherwise) which may be appropriate.

6 **SEC. 4. POSTAL PRIVATIZATION COMMISSION.**

7 (a) ESTABLISHMENT.—In order to carry out the
8 functions set forth in sections 2(b)(1)(B) and 3(a), there
9 is established a commission to be known as the “Postal
10 Privatization Commission”.

11 (b) MEMBERSHIP.—The Commission shall consist of
12 9 members, to be selected by the President. Of those
13 members—

14 (1) 3 shall be selected from among individuals
15 recommended jointly by the Speaker of the House of
16 Representatives and the President pro tempore of
17 the Senate;

18 (2) 2 shall be selected to represent the interests
19 of employees of the Postal Service;

20 (3) 2 shall be selected to represent the interests
21 of postal management; and

22 (4) 2 shall be selected from such other postal
23 experts as the President considers appropriate.

24 (c) COMPENSATION.—

1 (1) IN GENERAL.—Except as provided in para-
2 graph (2), members of the Commission shall be paid
3 at the daily equivalent of a rate, not to exceed the
4 rate of basic pay payable for level IV of the Execu-
5 tive Schedule, for each day (including travel time)
6 during which they are engaged in the performance
7 of duties of the Commission.

8 (2) EXCEPTION.—Members of the Commission
9 who are full-time officers or employees of the United
10 States shall receive no additional pay by reason of
11 their service on the Commission.

12 (d) TERMINATION.—The Commission shall cease to
13 exist as of the date on which the work of the Commission
14 has been completed.

15 **SEC. 5. DEFINITIONS.**

16 For purposes of this Act—

17 (1) the term “Postal Service” means the United
18 States Postal Service and the Postal Rate Commis-
19 sion;

20 (2) the term “property”, when used with re-
21 spect to the Postal Service, means all assets and
22 rights, and all liabilities and obligations, of the Post-
23 al Service;

1 (3) the term “State” means each of the several
2 States, the District of Columbia, and the Common-
3 wealth of Puerto Rico; and

4 (4) the term “Postal Privatization Commission”
5 refers to the commission established under section 4.

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