

SUPPLY OUR SOLDIERS ACT OF 2005

NOVEMBER 3, 2005.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. TOM DAVIS of Virginia, from the Committee on Government Reform, submitted the following

R E P O R T

[To accompany H.R. 923]

[Including cost estimate of the Congressional Budget Office]

The Committee on Government Reform, to whom was referred the bill (H.R. 923) to amend title 39, United States Code, to provide for free mailing privileges for personal correspondence and parcels sent by family members from within the United States to members of the Armed Forces serving on active duty in Iraq or Afghanistan, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

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The amendments are as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Supply Our Soldiers Act of 2005”.

SEC. 2. POSTAL BENEFITS PROGRAM FOR MEMBERS OF THE ARMED FORCES.

(a) **IN GENERAL.**—The Secretary of Defense, in consultation with the United States Postal Service, shall provide for a program under which postal benefits shall be provided to qualified individuals in accordance with succeeding provisions of this Act.

(b) **QUALIFIED INDIVIDUAL.**—For purposes of this Act, the term “qualified individual” means an individual who is—

(1) a member of the Armed Forces of the United States on active duty (as defined in section 101 of title 10, United States Code); and

(2)(A) serving in Iraq or Afghanistan; or

(B) hospitalized at a facility under the jurisdiction of the Armed Forces of the United States as a result of a disease or injury incurred as a result of service in Iraq or Afghanistan.

(c) **POSTAL BENEFITS DESCRIBED.**—

(1) **IN GENERAL.**—The postal benefits provided under this Act shall consist of such coupons or other similar evidence of credit (whether in printed, electronic, or other format, and hereinafter in this Act referred to as “vouchers”) as the Secretary of Defense (in consultation with the Postal Service) shall determine, entitling the bearer or user to make qualified mailings free of postage.

(2) **QUALIFIED MAILING.**—For purposes of this Act, the term “qualified mailing” means the mailing of any mail matter which—

(A) is described in subparagraph (A), (B), (C), or (D) of paragraph (3);

(B) is sent from within an area served by a United States post office; and

(C) is addressed to a qualified individual.

(3) **MAIL MATTER DESCRIBED.**—The mail matter described in this paragraph is—

(A) any letter mail not exceeding 13 ounces in weight and having the character of personal correspondence;

(B) any sound- or video-recorded communications not exceeding 15 pounds in weight and having the character of personal correspondence;

(C) any ground parcel not exceeding 15 pounds in weight; and

(D) any bound printed matter not exceeding 15 pounds in weight.

(4) **LIMITATIONS.**—

(A) **NUMBER.**—An individual shall be eligible for 1 voucher for each month in which such individual is a qualified individual.

(B) **USE.**—Any such voucher may not be used—

(i) for more than a single qualified mailing; or

(ii) after the earlier of—

(I) the expiration date of such voucher, as designated by the Secretary of Defense; or

(II) the last day of the 1-year period referred to in section 4.

(5) **COORDINATION RULE.**—Postal benefits under this Act shall be in addition to, and not in lieu of, any reduced rates of postage or other similar benefits which might otherwise be available by or under law, including any rates of postage resulting from the application of section 3401(b) of title 39, United States Code.

(d) **REGULATIONS.**—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense (in consultation with the Postal Service) shall prescribe any regulations necessary to carry out this Act, including—

(1) procedures by which vouchers will be provided or made available (including measures to allow vouchers to reach, in a timely manner, the persons selected by qualified individuals to use the vouchers); and

(2) procedures to ensure that the number of vouchers provided or made available with respect to any qualified individual complies with subsection (c)(4)(A).

SEC. 3. FUNDING.

(a) **IN GENERAL.**—There is authorized to be appropriated to the Department of Defense a sum determined by the Department of Defense to be equal to the expenses incurred by the Department in providing the benefits described in section 2(c).

(b) **TRANSFERS TO POSTAL SERVICE.**—

(1) **BASED ON ESTIMATES.**—The Department of Defense shall transfer to the Postal Service, out of any amount so appropriated and in advance of each calendar quarter during which postal benefits under this Act may be used, an amount equal to the amount of postal benefits that the Department of Defense estimates will be used during such quarter, reduced or increased (as the case may be) by any amounts by which the Department finds that a determination under this Act for a prior quarter was greater than or less than the amount finally determined for such quarter.

(2) **BASED ON FINAL DETERMINATION.**—A final determination of the amount necessary to correct any previous determination under this section, and any transfer of amounts between the Postal Service and the Department of Defense based on that final determination, shall be made not later than 6 months after the end of the 1-year period referred to in section 4.

(c) **CONSULTATION REQUIRED.**—All estimates and determinations under this section of the amount of postal benefits under this Act used in any period shall be made by the Department of Defense in consultation with the Postal Service.

SEC. 4. DURATION.

The postal benefits under this Act shall apply with respect to mail matter sent during the 1-year period beginning on the date on which the regulations under section 2(d) take effect.

Amend the title so as to read:

A bill to provide for free mailing privileges for personal correspondence and certain other mail matter sent from within the United States to members of the Armed Forces serving on active duty in Iraq or Afghanistan.

COMMITTEE STATEMENT AND VIEWS

H.R. 923, introduced on February 17, 2005 by Rep. Vito Fossella, would establish a program providing for free postage on certain mail matter being sent to members of the armed forces serving in Iraq and Afghanistan, as well as those hospitalized due to disease or injury received as a result of service in Iraq or Afghanistan. Under an amendment in the nature of a substitute that was adopted by the Committee, the Secretary of Defense, in consultation with the Postal Service, is required to establish a one-year program under which qualified members of the armed forces receive a monthly voucher that can be redeemed to pay the postal expenses of sending one letter or parcel to the service member. The service member can then send these vouchers to anyone they choose, such as family members or loved ones. H.R. 923, as amended, allows our fighting men and women to receive more mail from their families and loved ones back home—letters, videotapes, or care packages—while lessening the financial burden on those family members or loved ones.

In addition to H.R. 923, sponsored by Rep. Vito Fossella, Rep. Harold Ford sponsored two bills, H.R. 887 and H.R. 2874 (both titled “Supply Our Soldiers Act of 2005”), which also provide for programs under which postal benefits are available for letters and packages sent from the U.S. to members of the Armed Forces serving on active duty in military operations around the world. Although the Committee did not act on H.R. 887 or H.R. 2874, Mr. Fossella’s and Mr. Ford’s bills share similar core concepts.

SECTION-BY-SECTION

Section 1. Short title

This section provides that the bill may be cited as the “Supply Our Soldiers Act of 2005.”

Section 2. Postal benefits program for members of the armed forces

Section 2(a) of the bill directs the Secretary of Defense, in consultation with the United States Postal Service, to establish a postal benefits program for certain members of the armed forces of the United States. The Committee expects that the Department of Defense and the United States Postal Service will work together to provide the benefits established by the bill in the most cost-effective

tive manner possible, while ensuring that the benefits are not subsidized by postal ratepayers.

Section 2(b) of the bill defines the individuals qualified to receive the benefit as active duty members of the armed forces of the United States who are either serving in Iraq or Afghanistan, or who are hospitalized at a United States armed forces facility as a result of disease or injury incurred as a result of service in Iraq or Afghanistan.

Section 2(c) of the bill establishes that the benefit under the bill shall consist of a voucher redeemable at United States post offices to send a letter up to 13 ounces, a media mail piece up to 15 pounds, a bound printed matter mail piece up to 15 pounds, or a ground parcel up to 15 pounds to a qualified individual, as defined in Section 2(b). Section 2(c) directs the Department of Defense to provide to qualified individuals one voucher for each month of eligibility. Section 2(c) directs the Department of Defense, in coordination with the Postal Service prescribe regulations within 30 days of enactment establishing the procedures by which the vouchers will be distributed to qualified individuals and, in turn, to the final users of the vouchers. The bill provides considerable flexibility to the Department of Defense and the Postal Service to determine the form which these vouchers will take (which could include electronic cards or paper coupons), and the means by which they are distributed. Again, the Committee expects the Department of Defense and the United States Postal Service to work together to determine the best means by which the benefits are to be distributed and redeemed.

Section 3. Funding

Section 3 of the bill authorizes to be appropriated to the Department of Defense sufficient funds to cover its expenses under the legislation. Section 3 also requires the Department of Defense to estimate, on a quarterly basis, the postage that will be used under the program, and transfer such amounts to the Postal Service in advance. Section 3 provides for quarterly and final reconciliations of the Department of Defense's advance payments to the Postal Service.

Section 4. Duration

Section 4 provides that the benefits under the bill will be made available for a one-year period only.

EXPLANATION OF AMENDMENTS

The provisions of the substitute are explained in this report.

COMMITTEE CONSIDERATION

On September 29, 2005, the Committee met in open session and ordered reported favorably the bill, H.R. 923, as amended, by voice vote, a quorum being present.

ROLLCALL VOTES

No rollcall votes were held.

CORRESPONDENCE

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, October 13, 2005.

Hon. TOM DAVIS,
*Chairman, Committee on Government Reform,
Rayburn House Office Building, Washington, DC.*

DEAR MR. CHAIRMAN: On September 29, 2005, the Committee on Government Reform ordered H.R. 923, the "Supply Our Soldiers Act of 2005" to be reported. As you know, H.R. 923, as amended, falls largely within the jurisdiction of the Committee on Armed Services.

Our Committee recognizes the importance of H.R. 923 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over these provisions the Committee on Armed Services will waive further consideration of H.R. 923. In the event of a conference with the Senate on this bill, the Committee on Armed Services reserves the right to seek the appointment of conferees.

I would appreciate inclusion this letter and a copy of the response in your Committee's report on H.R. 923 and the Congressional Record during consideration of the measure on the House floor.

With best wishes.
Sincerely,

DUNCAN HUNTER,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, October 20, 2005.

Hon. DUNCAN HUNTER,
*Chairman, Committee on Armed Services,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: Thank you for your recent letter regarding the Committee on Armed Services' jurisdictional interest in H.R. 923, The Supply Our Soldiers Act of 2005, and your willingness to forego consideration of H.R. 923 by the Committee.

I agree that the Committee on Armed Services has a valid claim to jurisdiction over H.R. 923. In the event of a conference with the Senate on this bill, I will support your request for the appointment of outside conferees from the Committee on Armed Services.

As you have requested, I will include a copy of your letter and this response in the Government Reform Committee's report on H.R. 923 and in the Congressional Record during consideration of the legislation on the House floor. Thank you for your assistance as we work towards the enactment of H.R. 923.

Sincerely,

TOM DAVIS,
Chairman.

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch where the bill relates to the terms and conditions of employment or access to public services and accommodations. This bill would establish a program providing for free postage on certain mail matter being sent to members of the armed forces serving in Iraq and Afghanistan.

Legislative branch employees and their families, to the extent that they are otherwise eligible for the benefits provided by this legislation, have equal access to its benefits.

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are reflected in the descriptive portions of this report.

CONSTITUTIONAL AUTHORITY STATEMENT

Under clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee must include a statement citing the specific powers granted to Congress to enact the law proposed by H.R. 923. Article I, Section 8, Clause 7 of the Constitution of the United States grants the Congress the power to enact this law.

FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandate Reform Act, P.L. 104–4) requires a statement whether the provisions of the report include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

COMMITTEE ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 923. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST
ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 923 from the Director of Congressional Budget Office:

OCTOBER 14, 2005.

Hon. TOM DAVIS,
*Chairman, Committee on Government Reform,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 923, the Supply Our Soldiers Act of 2005.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Mark Grabowicz, for costs relating to the U.S. Postal Service, and Matthew Schmit, for costs to the Department of Defense.

Sincerely,

DOUGLAS HOLTZ-EAKIN,
Director.

Enclosure.

H.R. 923—Supply Our Soldiers Act of 2005

Summary: H.R. 923 would authorize the appropriation of such sums as necessary for the Department of Defense (DoD) to cover the costs of providing free postage for one year for monthly mailings sent to certain members of the U.S. Armed Forces. CBO estimates that implementing H.R. 923 would cost \$30 million over the 2006–2007 period, assuming appropriation of the necessary amounts. Enacting the bill would not affect revenues or direct spending.

H.R. 923 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 923 is shown in the following table. The costs of this legislation fall within budget function 050 (national defense).

	By fiscal year, in millions of dollars—				
	2006	2007	2008	2009	2010
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	21	9	0	0	0
Estimated Outlays	19	11	0	0	0

Basis of Estimate

H.R. 923 would authorize the appropriation of such sums as necessary for DoD to cover the costs of providing free postage for one year for monthly mailings sent to certain members of the U.S.

Armed Forces. CBO estimates that implementing H.R. 923 would cost \$30 million over fiscal years 2006 and 2007, including \$17 million for postage and \$13 million for DoD's transportation and administrative costs, assuming appropriation of the necessary amounts. For this estimate, we assume that the bill will be enacted in December 2005 and that free mailings will begin early in calendar year 2006 and end after one year.

Postage costs

For members of the U.S. Armed Forces on active duty in Iraq or Afghanistan, or hospitalized as a result of such service, H.R. 923 would provide certain mailing privileges for one year. Each of those servicemembers could receive one free mailing each month from family or friends in the United States, subject to certain conditions. The monthly mailing would be restricted to: a letter not exceeding 13 ounces in weight and having the character of personal correspondence, or a sound- or video-recorded communication, ground parcel, or bound printed matter not exceeding 15 pounds in weight.

CBO estimates that about 145,000 troops in Iraq, Afghanistan, and military hospitals would be eligible for the bill's mailing privileges. We assume that nearly all of these individuals (at least 90 percent) would participate each month. We expect that the majority of monthly mailings would be ground parcels of (or near) 15 pounds because it is likely that family and friends would take full advantage of the free postage. Based on rates that the United States Postal Service (USPS) is expected to charge in 2006 for ground parcels and other mail sent to U.S. servicemembers overseas, we estimate that each monthly mailing would cost, on average, about \$11. Thus, CBO estimates that postage for the mailing privilege offered by the bill would cost about \$17 million.

DoD transportation and administration costs

The rates charged by USPS include only the cost of handling and transporting the parcels to centralized DoD collection points within the continental United States. Transportation of the parcels overseas and final distribution is the responsibility of DoD. Because this bill would likely increase the amount of mail sent to servicemembers in Iraq and Afghanistan, DoD would incur additional costs for transportation, handling, and administration.

Based on information from the Government Accountability Office and DoD, CBO estimates that the cost to transport and distribute mail to Iraq and Afghanistan averages about \$5,000 per ton. In 2003, DoD shipped about 30,000 tons of mail to Iraq and Afghanistan. Since we expect that most friends and family members would use the full 15-pound allotment as permitted by the bill, CBO estimates that the amount of mail sent free of postage under H.R. 923 would total in excess of 10,000 tons. CBO expects, however, that much of this mail would be sent regardless of cost (i.e., much of it would likely be sent under current law). Absent information from the Department of Defense regarding the increase in the total amount of mail that would require transportation overseas under this legislation, CBO assumes an overall increase of about 25 percent, or about 2,500 tons. Therefore, CBO estimates that implementing this bill would increase DoD's transportation, handling, and administrative costs by \$13 million over the 2006–2007 period.

Intergovernmental and private-sector impact: H.R. 923 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

Estimate prepared by: Federal costs: DoD: Matthew Schmit; USPS: Mark Grabowicz; impact on state, local, and tribal governments: Sarah Puro; impact on the private sector: Paige Piper/Bach.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW MADE BY THE BILL AS REPORTED

H.R. 923 makes no changes to existing law.

