

## **POSTAL SERVICE**

### **39 CFR Part 111**

#### **Postage Payment for Bound Printed Matter Limited to Permit Imprint**

**AGENCY:** Postal Service™.

**ACTION:** Final rule.

**SUMMARY:** In this final rule, the Postal Service is revising mailing standards for all Bound Printed Matter (BPM). In March we filed a notice with the Postal Regulatory Commission for a classification change requiring all mailings of Bound Printed Matter be paid by permit only. The Commission agreed, and we are moving forward with the change.

Postage payment for BPM mailings: carrier route, presorted, and nonpresorted (single-piece) flats and parcels, regardless of volume, are limited to permit imprint. Mailers can no longer affix postage by adhesive stamps, postage meter, or PC Postage®. BPM will not be accepted at retail counters, in collection boxes, or by carriers and must be deposited and accepted at the Post Office™ facility that issued the permit. Merchandise Return Service (MRS) permit holders may continue to pay nonpresorted BPM prices on eligible items returned with a MRS label.

**EFFECTIVE DATE:** September 11, 2008.

**FOR FURTHER INFORMATION CONTACT:** Carol A. Lunkins at 202-268-7262.

#### **SUPPLEMENTARY INFORMATION:**

Mailers who are presently authorized to pay postage via permit imprint may use their existing permit to mail BPM at the Post Office where the permit is held. Mailers who wish to obtain a new authorization to pay postage via permit imprint must complete an application and pay a one-time application fee at each office of mailing to mail BPM on or after September 11, 2008. Authorization is obtained by submitting PS Form 3615, *Mailing Permit Application and Customer Profile*, and the applicable fee to the Post Office where mailings are to be deposited. As long as a permit remains active, there is no additional fee for use of a permit imprint indicia, but other fees (e.g., an annual destination entry mailing fee) may be due depending on where the mail is deposited.

Payment for postage must be made for each mailing through an advance deposit account before the mailing can be released for processing. Funds to pay postage must be deposited as directed by the USPS®.

Nonpresorted BPM mailings, except discount mailings (e.g., barcode discounts), will be exempt from the general minimum volume requirement for a permit

imprint mailing of at least 200 pieces or 50 pounds of mail and will not have a minimum volume requirement. However, the current requirements for all other commercial nonpresorted and presorted minimum volumes will remain (e.g., nonpresorted barcoded – 50 pieces and presorted – 300 pieces).

As a reminder, prices for BPM pieces vary by weight and zone of destination. Supporting documentation of postage is required for all nonidentical-weight pieces and for identical-weight pieces that are not separated by price and zone.

This requirement, which limits the payment of postage for all BPM to permit imprint, is effective September 11, 2008.

The Postal Service adopts the following changes to the DMM, which is incorporated by reference in the *Code of Federal Regulations*. See 39 CFR 111.1.

### **List of Subjects in 39 CFR Part 111**

Administrative practice and procedure, Postal Service.  
Accordingly, 39 CFR Part 111 is proposed to be amended as follows:

### **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, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise the following sections of the *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) as follows:

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### **300 Commercial Flats**

\* \* \* \* \*

### **360 Bound Printed Matter**

### **363 Prices and Eligibility**

#### **1.0 Prices and Fees for Bound Printed Matter**

#### **1.1 Nonpresorted Bound Printed Matter**

\* \* \* \* \*

*[Delete 1.1.7 in its entirety.]*

\* \* \* \* \*

*[Revise the title of 363.1.2, as follows:]*

## 1.2 Commercial Bound Printed Matter

\* \* \* \* \*

*[Delete 1.2.8 in its entirety and renumber current 1.2.9 as new 1.2.8.]*

\* \* \* \* \*

## 4.0 Price Eligibility for Bound Printed Matter Flats

\* \* \* \* \*

### 4.2 Nonidentical Weight Pieces

*[Revise the text of 4.2 to eliminate affixed postage payment, as follows:]*

Mailings may contain nonidentical-weight pieces only if Business Mailer Support (BMS) has authorized payment of postage by permit imprint under 705.2.0, *Manifest Mailing System*, 705.3.0, *Optional Procedure*, or 705.4.0, *Alternate Mailing System*.

\* \* \* \* \*

## 364 Postage Payment and Documentation

### 1.0 Basic Standards for Postage Payment

#### 1.1 Nonpresorted Bound Printed Matter

##### 1.1.1 Payment Method

*[Revise the text of 1.1.1 to eliminate postage payment methods other than permit imprint, as follows:]*

The mailer is responsible for proper postage payment. Subject to the corresponding standards, postage and fees for Bound Printed Matter must be paid by permit imprint, as defined in 604.5.0. Permit imprint may be used for mailings that contain nonidentical-weight pieces only when authorized by Business Mailer Support. Identical-weight pieces must be separated at acceptance into groups that contain pieces all subject to the same zone and same combination of prices (e.g., all are zone 4), unless mailed under 705.2.0 through 705.4.0 in *Advanced Preparation and Special Postage Payment Systems*.

*[Delete current 1.1.2 in its entirety and renumber current 1.1.3 as new 1.1.2.]*

##### 1.1.2 Postage Paid with Permit Imprint

The following standards apply for postage paid with permit imprint:

\* \* \* \* \*

*[Revise renumbered 1.1.2b, as follows:]*

- b. Minimum Quantity. Nonpresorted, non-discounted mailings are not subject to a minimum volume requirement.

*[Revise the title of 364.1.2, as follows:]*

## 1.2 Commercial Bound Printed Matter

### 1.2.1 Postage Payment Options

*[Revise the text of 1.2.1, as follows:]*

The mailer is responsible for proper postage payment. Subject to the corresponding standards, postage for Bound Printed Matter may be paid by permit imprint only (see 604.5.0). Permit imprint may be used for mailings that contain nonidentical-weight pieces only when authorized by Business Mailer Support. Identical-weight pieces must be separated at acceptance into groups that contain pieces all subject to the same zone and same combination of prices (e.g., all are zone 4), unless mailed under 705.2.0 through 705.4.0, in *Advanced Preparation and Special Postage Payment Systems*.

## 2.0 Mailing Documentation

### 2.1 Completing Postage Statements

*[Revise the text of 2.1, as follows:]*

All mailings must be accompanied by a completed postage statement signed by the mailer (in duplicate if the mailer wants a receipted copy). A change made to any postage statement requires the mailer to correct the postage statement accordingly and document the correction.

### 2.2 Basic Documentation Standards

*[Revise the text of 2.2, as follows:]*

Generally, documentation is required from a mailer when a mailing is presented to the USPS, and supporting documentation of postage is required. Documentation describes the preparation, price levels, content of the mailing and it details the volume and postage data. By comparison with the actual mailing, it describes and supports the claims contained on the postage statement, which accompanies the mailing. It allows the USPS to validate the accuracy of the mailing. Documentation must be submitted when specified for the price claimed.

### 2.3 Documentation for Mail Claiming the Barcode Discount

*[Revise the text of 2.3, as follows:]*

A complete postage statement must accompany each mailing, and it must be supported by documentation produced by PAVE-certified or MAC-certified software or standardized documentation. Mailers may use a single postage statement and a single documentation report for all price levels in a mailing. Documentation of postage is not required if each piece is of identical weight and the pieces are separated by zone and price when presented for acceptance.

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## 365 Mail Preparation

\* \* \* \* \*

## 5.0 Preparing Presorted Flats

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**5.3 Sacking**

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**5.3.2 Separation by Zone**

*[Revise the text of 5.3.2 by deleting 5.3.2a in its entirety and combining 5.3.2b with the paragraph, as follows:]*

Pieces for each zone must be sacked separately. When presented for verification, sacks must be separated by zone. *Exception:* Pieces for different zones may be sacked together, and the sacks do not have to be separated by zone for verification if the mailing is prepared under 705.2.0, *Manifest Mailing System*, 705.3.0, *Optional Procedure*, 705.4.0, *Alternate Mailing System*, or 5.3.3, *Commingling Zones*.

**5.3.3 Commingling Zones**

*[Revise the introductory paragraph of 5.3.3, as follows:]*

Subject to this section, when zoned BPM is presented as individual pieces, the mailing must be separated by zone. Nonidentical-weight pieces may not be commingled unless authorized by the Business Mailer Support manager. The mail must be prepared and documented:

\* \* \* \* \*

**6.0 Preparing Carrier Route Flats**

\* \* \* \* \*

**6.3 Sacking**

\* \* \* \* \*

**6.3.2 Separation by Zone**

*[Revise the text of 6.3.2 by deleting 6.3.2a in its entirety and combining 6.3.2b with the paragraph, as follows:]*

Pieces for each zone must be sacked separately. When presented for verification, sacks must be separated by zone. *Exception:* Pieces for different zones may be sacked together, and the sacks do not have to be separated by zone for verification if the mailing is prepared under 705.2.0, *Manifest Mailing System*, 705.3.0, *Optional Procedure*, 705.4.0, *Alternate Mailing System*, or 5.3.3, *Commingling Zones*.

**6.3.3 Commingling Zones**

*[Revise the introductory paragraph of 6.3.3, as follows:]*

Subject to this section, when zoned BPM is presented as individual pieces, the mailing must be separated by zone. Nonidentical-weight pieces may not be commingled unless authorized by the Business Mailer Support manager. The mail must be prepared and documented:

\* \* \* \* \*

**366 Enter and Deposit**

## **1.0 Deposit of Nonpresorted Bound Printed Matter**

*[Revise the title of 366.1.1, as follows:]*

### **1.1 Nonpresorted Mailings**

*[Revise the text of 1.1 as follows:]*

Nonpresorted Bound Printed Matter postage must be paid via permit imprint and be deposited and accepted at the Post Office that issued the permit, at a time and place designated by the postmaster, except as otherwise provided for plant-verified drop shipments under 604.5.0.

## **2.0 Presenting a Mailing**

### **2.1 Verification and Entry—Presorted, Carrier Route, Destination Entry, and Barcoded Mailings**

*[Revise the first sentence to delete “or license” and delete the last sentence of 2.1 in its entirety as follows:]*

All presorted, carrier route, destination entry, and barcoded commercial mailings must be presented for verification and acceptance at the Post Office where the permit is held. \*\*\*

### **2.2 Verification and Entry—Nonpresorted Mailings**

*[Revise the text of 2.2, as follows:]*

Nonpresorted Bound Printed Matter is not accepted at retail counters, in collection boxes, or by carriers. Mailers must deposit nonpresorted Bound Printed Matter only at the Post Office where the permit is held at the time and place specified by the postmaster at the office of mailing (see 604.5.0).

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### **2.5 BMC Acceptance**

A mailer may present Bound Printed Matter at a BMC for acceptance if:

*[Revise the text of 2.5a, as follows:]*

a. Permit imprint postage is paid through an advance deposit account at the BMC parent Post Office or another Post Office in the BMC service area, unless otherwise permitted by standard.

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## **400 Commercial Parcels**

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## **460 Bound Printed Matter**

### **463 Prices and Eligibility**

## **1.0 Prices and Fees for Bound Printed Matter**

\* \* \* \* \*

*[Delete 1.1.6 in its entirety.]*

*[Revise the title of 463.1.2, as follows:]*

## **1.2 Commercial Bound Printed Matter**

\* \* \* \* \*

*[Delete current 1.2.6 in its entirety and renumber current 1.2.7 as new 1.2.6.]*

\* \* \* \* \*

## **4.0 Price Eligibility for Bound Printed Matter Parcels**

\* \* \* \* \*

### **4.2 Nonidentical Weight Pieces**

*[Revise the text of 4.2. to eliminate affixed postage payment, as follows:]*

Mailings may contain nonidentical-weight pieces only if Business Mailer Support (BMS) has authorized payment of postage by permit imprint under 705.2.0, *Manifest Mailing System*, 705.3.0, *Optional Procedure*, or 705.4.0, *Alternate Mailing System*.

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## **464 Postage Payment and Documentation**

### **1.0 Basic Standards for Postage Payment**

#### **1.1 Nonpresorted Bound Printed Matter**

##### **1.1.1 Payment Method**

*[Revise the text of 1.1.1 to eliminate postage payment methods other than permit imprint, as follows:]*

The mailer is responsible for proper postage payment. Subject to the corresponding standards, postage and fees for Bound Printed Matter must be paid by permit imprint, as defined in 604.5.0. Identical and nonidentical-weight permit imprint mailings may be mailed under 705, *Advanced Preparation and Special Postage Payment Systems*. Permit imprint may be used for mailings that contain nonidentical-weight pieces only when authorized by Business Mailer Support. Identical-weight pieces must be separated at acceptance into groups that contain pieces all subject to the same zone and same combination of prices (e.g., all are zone 4), unless mailed under 705.2.0 through 705.4.0, in *Advanced Preparation and Special Postage Payment Systems*.

*[Delete current 1.1.2 in its entirety and renumber current 1.1.3 as new 1.1.2.]*

##### **1.1.2 Postage Paid with Permit Imprint**

The following standards apply for postage paid with permit imprint:

\* \* \* \* \*

*[Revise renumbered 1.1.2.b, as follows:]*

b. Minimum Quantity. Nonpresorted, non-discounted mailings are not subject to a minimum volume requirement.

## **1.2 Commercial Bound Printed Matter**

### **1.2.1 Postage Payment Options**

*[Revise the text of 1.2.1, as follows:]*

The mailer is responsible for proper postage payment. Subject to the corresponding standards, postage for Bound Printed Matter must be paid by permit imprint only (see 604.5.0). Permit imprint may be used for mailings that contain nonidentical-weight pieces only when authorized by Business Mailer Support. Identical-weight pieces must be separated at acceptance into groups that contain pieces all subject to the same zone and same combination of prices (e.g., all are zone 4, with a BMC entry discount and a barcoded discount), unless mailed under 705.2.0 through 705.4.0.

## **2.0 Mailing Documentation**

### **2.1 Completing Postage Statements**

*[Revise the text of 2.1, as follows:]*

All mailings must be accompanied by a completed postage statement signed by the mailer (in duplicate if the mailer wants a receipted copy). A change made to any postage statement requires the mailer to correct the postage statement accordingly and document the correction.

### **2.2 Basic Documentation Standards**

*[Revise the text of 2.2, as follows:]*

Documentation is required from a mailer when a mailing is presented to the USPS, and supporting documentation of postage is also required. Documentation describes the preparation, price levels, content of the mailing, and it details the volume and postage data. By comparison with the actual mailing, it describes and supports the claims contained on the postage statement that accompanies the mailing. It allows the USPS to validate the accuracy of the mailing. When specified, documentation must be submitted for the price claimed.

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## **465 Mail Preparation**

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## **5.0 Preparing Presorted Parcels**

### **5.1 Basic Standards**

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#### **5.1.2 Separation**

*[Revise the text of 5.1.2 by deleting 5.1.2a in its entirety and combining 5.1.2b with the paragraph, as follows:]*

Pieces for each zone must be sacked separately. When presented for verification, sacks must be separated by zone. *Exception:* Pieces for different zones may be sacked together, and the sacks do not have to be separated by zone for verification if the mailing is prepared under 705.2.0, *Manifest Mailing System*, 705.3.0, *Optional Procedure*, 705.4.0, *Alternate Mailing System*, or 5.1.3, *Commingling Zones*.

### **5.1.3 Commingling Zones**

*[Revise the introductory paragraph of 5.1.3, as follows:]*

Subject to this section, when zoned BPM is presented as individual pieces, the mailing must be separated by zone. Nonidentical-weight pieces may not be commingled unless authorized by the BMS manager. The mail must be prepared and documented:

\* \* \* \* \*

## **6.0 Preparing Carrier Route Parcels**

### **6.1 Basic Standards**

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#### **6.1.2 Separation**

*[Revise the text of 6.1.2 by deleting 6.1.2a in its entirety and combining 6.1.2b with the paragraph, as follows:]*

Pieces for each zone must be sacked separately. When presented for verification, sacks must be separated by zone. *Exception:* Pieces for different zones may be sacked together, and the sacks do not have to be separated by zone for verification if the mailing is prepared under 705.2.0, *Manifest Mailing System*, 705.3.0, *Optional Procedure*, 705.4.0, *Alternate Mailing System*, or 6.1.3, *Commingling Zones*.

#### **6.1.3 Commingling Zones**

*[Revise the introductory paragraph of 6.1.3, as follows:]*

Subject to this section, when zoned BPM is presented as individual pieces, the mailing must be separated by zone. Nonidentical-weight pieces may not be commingled unless authorized by the BMS manager. The mail must be prepared and documented:

\* \* \* \* \*

## **466 Enter and Deposit**

### **1.0 Deposit of Nonpresorted Bound Printed Matter**

*[Revise the title of 466.1.1, as follows:]*

#### **1.1 Nonpresorted Mailings**

*[Revise the text of 1.1 as follows:]*

Nonpresorted Bound Printed Matter postage must be paid via permit imprint and be deposited and accepted at the Post Office that issued the permit, at a time and place designated by the postmaster, except as otherwise provided for plant-verified drop shipments under 604.5.0.

## **2.0 Presenting a Mailing**

### **2.1 Verification and Entry—Presorted, Carrier Route, Destination Entry, and Barcoded Mailings**

*[Revise the text of 2.1 as follows:]*

All presorted, carrier route, destination entry, and barcoded commercial mailings must be presented for verification and acceptance at the Post Office where the permit is held. All such mailings must be deposited at locations and times specified by the postmaster or designee at the office that verifies and accepts the mailing. Plant-verified drop shipment (PVDS) mailings must be presented for verification, acceptance, and entry under 705.15.0. Plant-loaded mailings must be presented as specified by the applicable standards and the plant-load agreement.

### **2.2 Verification and Entry—Nonpresorted Mailings**

*[Revise the text of 2.2, as follows:]*

Nonpresorted Bound Printed Matter is not accepted at retail counters, in collection boxes, or by carriers. Mailers must deposit nonpresorted Bound Printed Matter only at the Post Office where the permit is held at the time and place specified by the postmaster at the office of mailing (see 604.5.0).

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### **2.5 BMC Acceptance**

A mailer may present Bound Printed Matter at a BMC for acceptance if:

*[Revise the text of 2.5a, as follows:]*

a. Permit imprint postage is paid through an advance deposit account at the BMC parent Post Office or another Post Office in the BMC service area, unless otherwise permitted by standard.

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## **3.0 Destination Entry**

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### **3.3 Postage Payment**

Postage payment for Bound Printed Matter destination price mailings is subject to the same standards that apply generally to Bound Printed Matter and to the following:

*[Revise the text of 3.3a, as follows:]*

a. Mailers must pay postage and correct mailing fees at each Post Office where they are authorized to present mailings for verification unless using the Electronic Verification System (eVS) under 705.2.9. Except for plant-verified

drop shipments (see 705.15.0) and eVS shipments (see 705.2.9); mailers must have a permit imprint authorization at the parent Post Office for mailings deposited for entry at a DBMC, ASF, DSCF, or DDU. Correct mailing fees must be paid for the current 12-month period at the USPS facility where postage is paid for the mailing.

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## **600 Basic Standards for All Mailing Services**

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## **604 Postage Payment Methods**

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### **4.0 Postage Meters and PC Postage Products (“Postage Evidencing Systems”)**

#### **4.1 Basic Information**

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##### **4.1.5 Authorized Classes of Mail**

*[Revise the text of 4.1.5 to add “Bound Printed Matter”, as follows:]*

Mailers may use postage evidencing systems to affix or imprint indicia on any class of mail except Periodicals and Bound Printed Matter.

\* \* \* \* \*

### **5.0 Permit Imprint (Indicia)**

#### **5.1 General Standards**

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##### **5.1.2 Minimum Volume**

*[Revise the text of the introductory paragraph, and add new 5.1.2e, as follows:]*

Permit imprint mailings must contain at least 200 pieces or 50 pounds of mail, except:

\* \* \* \* \*

e. Bound Printed Matter nonpresorted, non-discounted mailings.

\* \* \* \* \*

**Neva R. Watson,**  
*Attorney, Legislative.*  
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