

2004. At that time, mailings consisting of flat-size pieces that weigh more than 5 ounces or automation rate pieces that are more than 3/4 inch thick regardless of weight would no longer be permitted to use a 5-digit package minimum greater than 10 pieces. Also on that date, mailings of flat-size pieces that weigh no more than 5 ounces (and measure no more than 3/4 inch thick) would not be permitted to use a 5-digit package minimum other than 15 pieces.

The April 4, 2004 required implementation date would allow mailers adequate time to install any software changes needed for compliance with the new standards and to test their systems. It will also ensure that all Postal Service personnel and systems are prepared for the change. April 4 is the first Sunday following the required use date (April 1, 2004) of the Postal Service Address Information System (AIS) database released February 1, 2004. This should enable software vendors to include the proposed changes in a regularly scheduled release of their software. Although mailers using the new 15-piece 5-digit package minimum would not be required to use Presort Accuracy Validation and Evaluation (PAVE)-certified software (except for palletized mailings prepared under the package reallocation option in DMM M045, or mailings prepared under DMM M920, M930 or M940), PAVE tests would be available for presort software vendors to test this new minimum.

Although exempt from the notice and comment requirements of the Administrative Procedure Act [5 U.S.C. 553 (b), (c)] regarding proposed rulemaking by 39 U.S.C. 410(a), the Postal Service invites comments on the following proposed revisions of the *Domestic Mail Manual* (DMM) incorporated by reference in the *Code of Federal Regulations*. See 39 CFR part 111.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

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, 3626, 5001.

2. Revise the following sections of the *Domestic Mail Manual* (DMM) as follows:

Domestic Mail Manual (DMM)

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E Eligibility

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E600 Standard Mail

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E620 Presorted Rates

1.0 BASIC STANDARDS

1.1 All Pieces

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[Revise 1.1b to read as follows:]

b. Except as provided in 1.2, be part of a single mailing of at least 200 pieces or 50 pounds of pieces qualifying for Presorted Standard Mail. Basic rate and 3/5 rate pieces prepared as part of the same mailing are subject to a single minimum volume standard. Regular and Nonprofit mailings must meet separate minimum volumes.

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2.0 RATES

[Revise 2.0 by reorganizing text to read as follows:]

2.1 Application

Presorted rates for Regular and Nonprofit Standard Mail apply to letters, flats, and machinable and irregular parcels that meet the eligibility standards in E610 and the preparation standards in M045, M610, or, for flat-size mail only, M900.

2.2 Basic Rate

The basic rate applies to pieces that do not meet the standards for 3/5 rates described in 2.3.

2.3 3/5 Rates

The 3/5 rate applies to qualifying pieces if they are presented:

a. For letter-size pieces (see C050.2.0), in quantities of 150 or more pieces for a single 3-digit area, prepared in 5-digit or 3-digit trays.

b. For flat-size pieces (see C050.3.0):

(1) In a 5-digit or 5-digit scheme (under M950) package of 10 or more pieces, or 15 or more pieces, as applicable; or in a 3-digit package of 10 or more pieces; placed in a 5-digit, 5-digit scheme (under M920), or 3-digit sack containing at least 125 pieces or 15 pounds of pieces.

(2) In a 5-digit package of 10 or more pieces, or 15 or more pieces, as applicable, that is part of a group of packages sorted to a merged 5-digit sack or merged 5-digit scheme sack (under M920) that contains either at least one qualifying carrier route package of 10 or more pieces, or contains at least 125 pieces or 15 pounds of pieces prepared in 5-digit packages (both automation and Presorted rate 5-digit packages

count toward the 125-piece or 15-pound sack minimum).

(3) In a 5-digit or 5-digit scheme package of 10 or more pieces, or 15 or more pieces, as applicable; or in a 3-digit package of 10 or more pieces; palletized under M045, M920, M930, or M940.

c. For machinable parcels (see C050.4.0):

(1) In a 5-digit scheme, 5-digit, ASF, or BMC sack containing at least 10 pounds of parcels. (The 3/5 rates are available for parcels in 5-digit scheme or 5-digit sacks only when all possible 5-digit scheme and 5-digit sacks are prepared.)

(2) On a 5-digit scheme, 5-digit, ASF, or BMC pallet. (The 3/5 rates are available for parcels on 5-digit scheme or 5-digit pallets only when all possible 5-digit scheme and 5-digit pallets are prepared.)

d. For irregular parcels (see C050.5.0), in a 5-digit scheme, 5-digit, or 3-digit sack containing at least 125 parcels or 15 pounds of parcels.

e. For commingled machinable and irregular parcels, in a 5-digit scheme or 5-digit sack containing at least 10 pounds of parcels. (The 3/5 rates are available for parcels in 5-digit scheme or 5-digit sacks only when all possible 5-digit scheme and 5-digit sacks are prepared.)

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E640 Automation Rates

1.0 REGULAR AND NONPROFIT RATES

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1.5 Rate Application—Flats

Automation rates apply to each piece that is sorted under M045, M820, or M900 into the qualifying groups:

[Revise 1.5a to read as follows:]

a. Pieces in 5-digit or 5-digit scheme packages of 10 or more pieces, or 15 or more pieces, as applicable; or in 3-digit packages of 10 or more pieces qualify for the 3/5 automation rate.

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M Mail Preparation and Sortation

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M600 Standard Mail (Nonautomation)

M610 Presorted Standard Mail

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4.0 PREPARATION—FLAT-SIZE PIECES

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