thority is available to the Postal Service under section 2011'' for ''title'' in first sentence.

Subsec. (a)(3). Pub. L. 109–435, § 502(c)(1), added par. (3).

Subsec. (b). Pub. L. 109–435, § 502(d), substituted ''obligations issued by the Postal Service under this section,'' for ''such obligations,'', designated existing provisions as par. (1), and added par. (2).

1989—Subsec. (a). Pub. L. 101–227 designated existing provisions as par. (1), substituted ''the maximum amount then allowable under paragraph (2) of this subsection'' for ''$10,000,000,000'', ''$2,000,000,000'' for ''$1,500,000,000'', and ''$1,000,000,000'' for ''$500,000,000'' and added par. (2).

EFFECTIVE DATE OF 1989 AMENDMENT

Section 3(b) of Pub. L. 101–227 provided that:

''(1) Subject to the provisions of paragraph (2), the amendments made by subsection (a) [amending this section] shall take effect on October 1, 1990.

''(2) Notwithstanding any other provision of this section, the amendments made by subsection (a) shall not take effect, if no law to provide for reconciliation pursuant to section 5 of the concurrent resolution on the budget for the fiscal year 1990 is enacted before October 1, 1990.'' [Omnibus Budget Reconciliation Act of 1989, Pub. L. 101–239, Dec. 19, 1989, 103 Stat. 2106, was enacted Dec. 19, 1989.]

§ 2006. Relationship between the Treasury and the Postal Service

(a) At least 15 days before selling any issue of obligations under section 2005 or 2011 of this title, the Postal Service shall advise the Secretary of the Treasury of the amount, proposed date of sale, maturities, terms and conditions, and expected maximum rates of interest of the proposed issue in appropriate detail and shall consult with him or his designee thereon. The Secretary may elect to purchase such obligations under such terms, including rates of interest, as he and the Postal Service may agree, but at a rate of yield no less than the prevailing yield on outstanding marketable Treasury securities of comparable maturity, as determined by the Secretary. If the Secretary does not purchase such obligations, the Postal Service may proceed to issue and sell them to a party or parties other than the Secretary upon notice to the Secretary and upon consultation as to the date of issuance, maximum rates of interest, and other terms and conditions.

(b) Subject to the conditions of subsection (a) of this section, the Postal Service may require the Secretary of the Treasury to purchase obligations of the Postal Service under section 2005 in such amounts as will not cause the holding by the Secretary of the Treasury resulting from such required purchases to exceed $2,000,000,000 at any one time. This subsection shall not be construed as limiting the authority of the Secretary to purchase obligations of the Postal Service under section 2005 in excess of such amount.

(c) Notwithstanding section 2005(d)(5) or 2011(e)(4)(E) of this title, obligations issued by the Postal Service shall be obligations of the Government of the United States, and payment of principal and interest thereon shall be fully guaranteed by the Government of the United States, such guaranty being expressed on the face thereof, if and to the extent that—

(1) the Postal Service requests the Secretary of the Treasury to pledge the full faith and credit of the Government of the United States for the payment of principal and interest thereon; and

(2) the Secretary, in his discretion, determines that it would be in the public interest to do so.

(Pub. L. 91–375, Aug. 12, 1970, 84 Stat. 741; Pub. L. 109–435, title IV, § 401(b)(4), Dec. 20, 2006, 120 Stat. 3225.)

AMENDMENTS

2006—Subsec. (a). Pub. L. 109–435, § 401(b)(4)(A), inserted ''or 2011'' after ''section 2005'' in first sentence.

Subsec. (b). Pub. L. 109–435, § 401(b)(4)(B), inserted ''under section 2005'' before ''in such amounts'' in first sentence and before ''in excess of such amount.'' in second sentence.

Subsec. (c). Pub. L. 109–435, § 401(b)(4)(C), inserted ''or 2011(e)(4)(E)'' after ''section 2005(d)(5)''.

§ 2007. Public debt character of the obligations of the Postal Service

For the purpose of any purchase of the obligations of the Postal Service, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, as now or hereafter in force, and the purposes for which securities may be issued under chapter 31 of title 31, as now or hereafter in force, are extended to include any purchases of the obligations of the Postal Service under this chapter. The Secretary of the Treasury may, at any time, sell any of the obligations of the Postal Service acquired by him under this chapter. All redemptions, purchases, and sales by the Secretary of the obligations of the Postal Service shall be treated as public debt transactions of the United States.

(Pub. L. 91–375, Aug. 12, 1970, 84 Stat. 741; Pub. L. 97–452, § 2(f), Jan. 12, 1983, 96 Stat. 2479.)

AMENDMENTS

1983—Pub. L. 97–452 substituted ''chapter 31 of title 31'' for ''the Second Liberty Bond Act'' wherever appearing.

§ 2008. Audit and expenditures

(a) The accounts and operations of the Postal Service shall be audited by the Comptroller General and reports thereon made to the Congress to the extent and at such times as he may determine.

(b) The Postal Service shall maintain an adequate internal audit of the financial transactions of the Postal Service.

(c) Subject only to the provisions of this chapter, the Postal Service is authorized to make such expenditures and to enter into such contracts, agreements, and arrangements, upon such terms and conditions and in such manner as it deems necessary, including the final settlement of all claims and litigation by or against the Postal Service.

(d) Nothing in this section shall be construed as denying to the Postal Service the power to obtain audits of the accounts of the Postal Service and reports concerning its financial condition and operations by certified public accounting firms. Such audits and reports shall be in addition to those required by this section.