

portion of the discount in excess of the cost that the Postal Service avoids as a result of the workshare activity will be phased out over a limited period of time;

(B) the amount of the discount above costs avoided—

- (i) is necessary to mitigate rate shock; and
- (ii) will be phased out over time;

(C) the discount is provided in connection with subclasses of mail consisting exclusively of mail matter of educational, cultural, scientific, or informational value; or

(D) reduction or elimination of the discount would impede the efficient operation of the Postal Service.

(3) **LIMITATION.**—Nothing in this subsection shall require that a work share discount be reduced or eliminated if the reduction or elimination of the discount would—

(A) lead to a loss of volume in the affected category or subclass of mail and reduce the aggregate contribution to the institutional costs of the Postal Service from the category or subclass subject to the discount below what it otherwise would have been if the discount had not been reduced or eliminated; or

(B) result in a further increase in the rates paid by mailers not able to take advantage of the discount.

(4) **REPORT.**—Whenever the Postal Service establishes a workshare discount rate, the Postal Service shall, at the time it publishes the workshare discount rate, submit to the Postal Regulatory Commission a detailed report that—

(A) explains the Postal Service's reasons for establishing the rate;

(B) sets forth the data, economic analyses, and other information relied on by the Postal Service to justify the rate; and

(C) certifies that the discount will not adversely affect rates or services provided to users of postal services who do not take advantage of the discount rate.

(f) **TRANSITION RULE.**—For the 1-year period beginning on the date of enactment of this section, rates and classes for market-dominant products shall remain subject to modification in accordance with the provisions of this chapter and section 407, as such provisions were last in effect before the date of enactment of this section. Proceedings initiated to consider a request for a recommended decision filed by the Postal Service during that 1-year period shall be completed in accordance with subchapter II of chapter 36 of this title and implementing regulations, as in effect before the date of enactment of this section.

(Added Pub. L. 109-435, title II, §201(a), Dec. 20, 2006, 120 Stat. 3201.)

#### REFERENCES IN TEXT

The date of enactment of this section and the date of enactment of the Postal Accountability and Enhancement Act, referred to in subsecs. (a), (d)(2)(A), (3), and (f), are the date of enactment of Pub. L. 109-435, which was approved Dec. 20, 2006.

#### PRIOR PROVISIONS

A prior section 3622, Pub. L. 91-375, Aug. 12, 1970, 84 Stat. 760; Pub. L. 94-421, §10, Sept. 24, 1976, 90 Stat. 1311; Pub. L. 105-241, §5, Sept. 28, 1998, 112 Stat. 1573; Pub. L. 106-384, §1(a), Oct. 27, 2000, 114 Stat. 1460, related to rates and fees, prior to repeal by Pub. L. 109-435, title II, §201(a), Dec. 20, 2006, 120 Stat. 3200.

**[§§ 3623 to 3625. Repealed. Pub. L. 109-435, title II, § 201(b), Dec. 20, 2006, 120 Stat. 3205]**

Section 3623, Pub. L. 91-375, Aug. 12, 1970, 84 Stat. 761; Pub. L. 94-421, §8, Sept. 24, 1976, 90 Stat. 1310, related to mail classification.

Section 3624, Pub. L. 91-375, Aug. 12, 1970, 84 Stat. 761; Pub. L. 94-421, §5(a), Sept. 24, 1976, 90 Stat. 1306, related to recommended decisions of the Postal Rate Commission.

Section 3625, Pub. L. 91-375, Aug. 12, 1970, 84 Stat. 762; Pub. L. 103-123, title VII, §708(d), Oct. 28, 1993, 107 Stat. 1273, related to action of the Board of Governors of the Postal Service.

#### § 3626. Reduced rates

(a)(1) Except as otherwise provided in this section, rates of postage for a class of mail or kind of mailer under former section 4358, 4452(b), 4452(c), 4554(b), or 4554(c) of this title shall be established in accordance with section 3622.

(2) For the purpose of this subsection, the term “regular-rate category” means any class of mail or kind of mailer, other than a class or kind referred to in section 2401(c).

(3) Rates of postage for a class of mail or kind of mailer under former section 4358(a) through (c) of this title shall be established so that postage on each mailing of such mail reflects its preferred status as compared to the postage for the most closely corresponding regular-rate category mailing.

(4)(A) Except as specified in subparagraph (B), rates of postage for a class of mail or kind of mailer under former section 4358 (d) or (e) of this title shall be established so that postage on each mailing of such mail shall be as nearly as practicable 5 percent lower than the postage for a corresponding regular-rate category mailing.

(B) With respect to the postage for the advertising portion of any mail matter under former section 4358 (d) or (e) of this title, the 5-percent discount specified in subparagraph (A) shall not apply if the advertising portion exceeds 10 percent of the publication involved.

(5) The rates for any advertising under former section 4358(f) of this title shall be equal to 75 percent of the rates for advertising contained in the most closely corresponding regular-rate category of mail.

(6) The rates for mail matter under former sections 4452 (b) and (c) of this title shall be established as follows:

(A) The estimated average revenue per piece to be received by the Postal Service from each subclass of mail under former sections 4452 (b) and (c) of this title shall be equal, as nearly as practicable, to 60 percent of the estimated average revenue per piece to be received from the most closely corresponding regular-rate subclass of mail.

(B) For purposes of subparagraph (A), the estimated average revenue per piece of each regular-rate subclass shall be calculated on the basis of expected volumes and mix of mail for