published in the **Federal Register** at 68 FR 55317 on September 25, 2003, is adopted as a final rule without change.

[FR Doc. 04–5410 Filed 3–10–04; 8:45 am]

BILLING CODE 8320–01–P

POSTAL SERVICE

39 CFR Part 111

Refund Procedures for Metered Postage

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: This final rule revises the *Domestic Mail Manual* (DMM™) to allow refunds for unused, undated metered postage. This mailing standard will benefit any mailer who generates significant quantities of unused, undated metered postage and is able to meet the refund criteria. This final rule also implements minor clarifications to the procedures for requesting refunds for unused, dated metered postage. The final rule also includes the terms under which a contract postal unit (CPU) will be eligible for refunds for its unused printed postage.

DATES: This revision is effective March 4, 2004.

FOR FURTHER INFORMATION CONTACT: Chuck Tricamo at (212) 613–8754, New York Rates and Classification Service Center, United States Postal Service®.

SUPPLEMENTARY INFORMATION: The proposed rule was published in the **Federal Register** on October 29, 2003 (68 FR 61647–61650). 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 invited public comments on the following proposed amendments to the *Domestic Mail Manual,* incorporated by reference in the Code of Federal Regulations. *See* 39 CFR part 111. Comments were due by November 28, 2003.

Discussion of Comments

The Postal Service received six comments in reference to this proposed DMM revision. Three of the commenters were mailing houses, two were commercial mail customers, and one was from a retail mail customer.

One commercial mail customer and one mailing house concurred with the proposed revision since it reduced their risk of losing the amount paid for undated metered postage while enhancing their flexibility in choosing when the mail is deposited.

Two mailing houses and one commercial mail customer commented on the effort required to segregate mailpieces in a refund request by meter license numbers and to submit a separate PS Form 3533, *Application and Voucher for Refund of Postage, Fees, and Services,* for each meter. The commercial customer also asked why this was a new regulation for refunds for unused, dated metered postage refunds.

The Postal Service understands the mailers' concerns; however, segregating the unused, metered mail by meter, with a separate PS Form 3533 for each meter for which a refund is requested, is not a new requirement. No change to the proposed rule was made as a result of this comment.

One commercial customer questioned whether the minimum piece/postage minimum requirement for refunds for undated metered mail applies to dated meter postage refunds. The proposed rule included no change to the current mailing standards for refunds for dated metered mail. There is no minimum requirement for dated meter postage refunds. No change to the proposed rule was made as a result of this comment.

One retail mail customer referred to mistakes made when applying dates on metered postage. The proposed rule made no changes to the procedures for handling refunds for dated metered postage.

■ For the reasons stated in the preamble, the *Domestic Mail Manual* is revised as follows. The changes are 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 *Domestic Mail Manual* (DMM) as set forth below:

Domestic Mail Manual (DMM)

* * * * *

P Postage and Payment Methods

P000 Basic Information

P010 General Standards

* * * * *

P014 Refunds and Exchanges

* * * * *

2.0 Postage and Fees Refunds

2.1 Refund Standards

A refund for postage and fees may be made:

* * * * *

[Add new item e to read as follows:]

e. Under the terms of a contract between the contract postal unit (CPU) and the USPS® for unused postage printed by the CPU.

* * * * *

[Delete 2.5 and 2.6. Renumber current 2.7 through 2.12 as new 2.5 through 2.10, respectively.]

* * * * *

2.7 Applying for Refund

[Revise text of renumbered 2.7 to read as follows:]

For refunds under 2.0, the customer must apply for a refund on Form 3533; submit it to the postmaster; and provide the envelope, wrapper, or a part of it showing the names and addresses of the sender and addressee, canceled postage and postal markings, or other evidence of postage and fees paid. Refunds for metered postage are submitted under 3.0.

2.8 Ruling on Refund Request

[Revise text of renumbered 2.8 to read as follows:]

Refund requests are decided based on the specific type of postage or mailing:

a. Refunds under 2.0. The local postmaster grants or denies refunds under 2.0. The customer may appeal an adverse ruling through the postmaster to the rates and classification service center (RCSC) manager who issues the final agency decision.

b. Dated metered postage, except for PC Postage® systems, under 3.0. The postmaster at the licensing Post Office™ grants or denies requests for refunds for dated metered postage under 3.0. The licensee may appeal an adverse ruling within 30 days through the manager, Postage Technology Management, USPS Headquarters (see G043 for address), who issues the final agency decision. The original meter indicia must be submitted with the appeal.

c. Undated metered postage under 3.0. The manager, business mail entry (MBME), at the district Post Office overseeing the mailer's licensing Post Office, or designee authorized in writing, grants or denies requests for refunds for undated metered postage under 3.0. The customer may appeal a decision on undated metered postage within 30 days through the MBME, or designee, to the RCSC manager who issues the final agency decision. The

original meter indicia must be submitted with the appeal.

d. PC Postage systems under 3.0. The system provider grants or denies a request for a refund for dated indicia printed by PC Postage systems under 3.0 using established USPS criteria. For dated PC Postage indicia only, the licensee may appeal an adverse ruling within 30 days through the manager, Postage Technology Management, USPS Headquarters, who issues the final agency decision. The original indicia must be submitted with the appeal.

e. Optional procedure (OP) mailings. Mailer's request for a refund must be submitted to the manager, Business Mailers Support (BMS), USPS Headquarters (*see* G043 for address).

* * * * *

3.0 Refund Request for Postage Evidencing Systems and Metered Postage

* * * * *

[Revise title and text of 3.2 to read as follows:]

3.2 Unused, Dated Postage Evidencing System Indicia, Except for PC Postage Indicia

Unused, dated postage meter indicia are considered for refund only if complete, legible, and valid. PC Postage indicia refunds are processed under 3.3. All other metered postage refund requests must be submitted as follows:

a. The licensee must submit the request. The refund request must include proof that the person or entity requesting the refund is the licensee for the postage meter that printed the indicia. Acceptable proof includes a copy of the lease, rental agreement, or contract.

b. The licensee must submit the request, along with the items bearing the unused postage, to the licensing Post Office. The items must be sorted by meter used and then by postage value shown in the indicia, and must be properly faced and packaged in groups of 100 identical items when quantities allow. The request is processed by the USPS. The postmaster approves or denies the refund request.

c. The licensee must submit the refund request within 60 days of the date(s) shown in the indicia.

d. When the unused metered postage is affixed to a mailpiece, the refund request must be submitted with the entire envelope or wrapper. The unused metered postage must not be removed from the mailpiece once applied.

e. Indicia printed on labels or tapes not stuck to wrappers or envelopes must be submitted loose and must not be stapled together or attached to any paper or other medium. However, self-adhesive labels printed without a backing may be submitted on a plain sheet of paper.

f. If a part of one indicium is printed on one envelope or card and the remaining part on one or more others, the envelopes or cards must be fastened together to show that they represent one indicium.

g. Refunds are allowable for indicia on metered reply envelopes only when it is obvious that an incorrect amount of postage was printed on them.

h. The refund request must be submitted with a properly completed Form 3533 (*see* I021). A separate Form 3533 must be completed for each meter for which a refund is requested. All identifying information and all sections related to the refund requested must be completed. Charges for processing a refund request for unused, dated meter indicia are as follows:

(1) If the total face value of the indicia is $350 or less, the amount refunded is 90% of the face value. USPS may process the refund payment locally via a no-fee postal money order.

(2) If the total face value is more than $350, the amount refunded is reduced by a figure representing $35 per hour, or fraction thereof, for the actual hours to process the refund, with a minimum charge of $35. The postmaster will submit the approved Form 3533 to the USPS Imaging and Scanning Center for payment processing through the Accounting Service Center.

[Renumber current 3.3 and 3.4 as new 3.5 and 3.6, respectively. Add new 3.3 and 3.4 to read as follows:]

3.3 Unused, Dated PC Postage Indicia

Unused, dated PC Postage indicia are considered for refund only if complete, legible, and valid. The refund request must be submitted as follows:

a. Only the PC Postage licensee may request the refund. The licensee must submit the request, along with the items bearing the unused postage, to the system provider. The request is processed by the provider, not the USPS.

b. The licensee must submit the refund request within 30 days of the date(s) shown in the indicia.

c. The refund request must be submitted as required by 3.2.d through 3.2.g.

d. The provider may, at its discretion, charge for processing a refund request.

3.4 Undated Metered Postage

Unused, undated postage evidencing system indicia are considered for refund only if complete, legible, and valid. The refund request must be submitted as follows:

a. Only the meter licensee or the commercial entity that prepared the mailing for the licensee using the licensee's meter may request the refund. The request must include a letter signed by the meter licensee or the commercial entity that prepared the mailing for the licensee explaining why the mailpieces were not mailed.

b. The minimum quantity of unused, undated metered postage that may be submitted for refund is 500 pieces from a single mailing or, as an alternative, indicia with a total postage value of at least $500 from a single mailing.

c. The meter licensee, or the commercial entity that prepared the mailing for the licensee using the licensee's meter, must submit the request, along with the items bearing the unused postage and the required documentation, to the manager, business mail entry, at the district Post Office overseeing the mailer's licensing Post Office, or to a designee authorized in writing. The manager or designee approves or denies the refund request.

d. The request must include the items bearing the unused postage, sorted by meter used and then by postage value shown in the indicia. The items must be properly faced and packaged in groups of 100 identical items, when quantities allow, and must meet the requirements of 3.2.d through 3.2.g.

e. The request must be submitted within 60 days of the date the mail was metered. Supporting documentation must be submitted to validate the date. Examples of supporting documentation include the job order from the customer, production records, the USPS qualification report, spoilage report, and reorders created report, as well as customer billing records, postage statements, and a sample mailpiece.

f. The refund request must be submitted with a properly completed Form 3533 (*see* I021). All identifying information and all sections related to the refund requested must be completed. When more than one meter was used to prepare the mailing, a separate Form 3533 must be completed for each.

(1) If the total face value of the indicia for a single mailing submitted for refund is $350 or less, the amount refunded is 90% of the face value. USPS may process the refund payment locally via a no-fee postal money order.

(2) If the total face value of the indicia for a single mailing submitted for refund is more than $350, the amount refunded is reduced by a figure representing $35 per hour, or fraction thereof, for the actual hours to process the refund, with

a minimum charge of $35. The MBME will submit the approved Form 3533 to the USPS Imaging and Scanning Center for payment processing through the Accounting Service Center.

3.5 Ineligible Metered Postage Items

The following metered postage items are ineligible for refunds:

* * * * *

[Revise text of renumbered item d to read as follows:]

d. Indicia lacking identification of the licensing Post Office, or other required information.

* * * * *

We will publish an appropriate amendment to 39 CFR 111 to reflect these changes.

Neva Watson,

Attorney, Legislative.

[FR Doc. 04–5567 Filed 3–10–04; 8:45 am]

BILLING CODE 7710–12–P

POSTAL SERVICE

39 CFR Part 111

Alternative Addressing Formats

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: This final rule revises *Domestic Mail Manual* (DMM™) A020 to standardize when alternative addressing formats may be used and to clarify the differences between the various formats. In addition, postage payment options for use on mailpieces with simplified addresses are specified, prohibiting the use of uncanceled stamps, to enable efficient handling and processing of this mail. Corresponding sections of DMM E050 and F010 also are revised.

EFFECTIVE DATE: April 1, 2004.

FOR FURTHER INFORMATION CONTACT: Bill Chatfield, *William.A.Chatfield@usps.gov* or 703–292–3964.

SUPPLEMENTARY INFORMATION: In a proposed rule published in the **Federal Register** on May 30, 2003 (68 FR 32448–32450), the Postal Service presented for public comment revised DMM language that would clarify the mailing standards defining the use of alternative addressing formats. Three types of alternative addressing formats may be used in lieu of the typical addressing format (*i.e.*, addressee name, address, city, state, and ZIP Code). These alternative addressing formats include a simplified address format (such as ''Postal Customer'') with no actual delivery address, an occupant address format with a generic customer reference and a specific delivery address, and an exceptional address format with traditional addressing elements and a current resident alternative to provide for delivery to the address even if the specific addressee is no longer at the address.

Restrictions on the type of mail for which these formats may be used were more stringent for the exceptional address format than for the simplified or occupant address formats, although the same complications (such as accountable mail being addressed to a generic addressee) could arise for mail addressed using any of the three alternative addressing formats.

New section A020.1.0 is added to the DMM to standardize the types of mail that may be mailed with any alternative addressing format. A020.1.2 extends the current prohibitions for combining exceptional address mail with certain categories of mail and services to all types of alternatively addressed mail. Since each type of alternative address provides for a nonspecific addressee name, the same restrictions currently placed only on mail with the exceptional address format are extended to any mail with an alternative address format.

A020.1.3 explains treatment of all undeliverable mail having alternative addresses. A qualifying phrase (''related solely to the address'') is added after ''undeliverable for another reason,'' since there are reasons indicated in Exhibit F010.4.1 that have to do with the name (*e.g.*, ''Attempted-Not Known'' and ''Deceased'') that are not valid reasons to return this type of mail. A020.1.3 expands the treatment of undeliverable mail to include undeliverable mail with any alternative address format.

A020.2.1 explains the use of the term ''Rural Route Boxholder'' as compared with ''Postal Customer''.

Under A020.2.4, regarding postage payment, the rewording prohibits the use of uncanceled stamps on simplified address mail. Cancellation would require taking apart the packaging and repackaging the mail, which is inefficient.

DMM F010.4.0 and 5.0 amend the limitations on using mail with alternative address formats as noted in A020.1.2.

Comments

The Postal Service received one comment to its proposed rule. The commenter was a newspaper publisher who wanted to verify that simplified addresses were still allowed on saturation mail to rural route addresses. This is affirmed.

For the reasons presented in the proposed rule and those noted above, the Postal Service adopts the following changes to the *Domestic Mail Manual,* which is incorporated by reference in the *Code of Federal Regulations. See* 39 CFR 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, 3001–3011, 3201–3219, 3403–3406, 3621, 3626, 5001.

■ 2. Amend the following sections of the *Domestic Mail Manual* as set forth below:

Domestic Mail Manual (DMM)

A—ADDRESSING

A000 Basic Addressing

* * * * *

A020 Alternative Addressing Formats

Summary

[Revise text to read as follows:]

A020 specifies the conditions for use and treatment of mail bearing alternative addressing formats. These formats are the simplified address format (*i.e.*, ''Postal Customer'' in lieu of specific name and address); the occupant address format (*i.e.*, ''Occupant'' in lieu of specific name, followed by specific address); and the exceptional address format (*i.e.*, ''Jane Doe or Current Occupant,'' followed by specific address).

[Renumber current 1.0 through 3.0 as new 2.0 through 4.0. Add new 1.0 to read as follows:]

1.0 General Use and Treatment

1.1 Use

Alternative addressing formats may be used as described in 2.0 through 4.0.

1.2 Prohibited Use

Alternative addressing formats may not be used on:

a. Express Mail® pieces.

b. Mail with any special service under S900.

c. Mail with any ancillary service endorsement under F010.

d. Periodicals intended to count as subscriber or requester copies to meet the applicable circulation standards.

e. Mail addressed to an overseas military post office under A010.6.0.