AN ACT

Relating to the transportation of mail by highway post office service, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Highway Post Office Service Act of 1955".

Sec. 2. The Postmaster General may provide highway post office service, either by contract or Government-owned motor vehicle, for carrying the mails and postal employees on routes between points where in his judgment conditions justify the operation of such service. The motor vehicles shall be especially designed and equipped for the distribution of mail en route and shall be constructed, fitted up, maintained, and operated in accordance with such specifications, rules, and regulations as the Postmaster General may prescribe.

Sec. 3. Contracts for highway post office service shall be obtained in accordance with section 3709 of the Revised Statutes as amended (41 U. S. C. 5).

Sec. 4. (a) The Postmaster General may make contracts for highway post office service for terms not to exceed six years.

(b) The Postmaster General may make provisions in contracts for highway post office service for increasing or decreasing the mileage, increasing or decreasing the hours of service required or for other service changes. He may also provide in such contracts for the readjustment of compensation paid thereunder, either upward or downward to reflect such changes, and to reflect increased or decreased costs attributable to changed conditions occurring during the contract term over which the Postmaster General or the contractor have no control and which could not reasonably have been foreseen at the time the original bid was made or the proposal for renewal filed.

(c) Contracts for highway post office service may provide for the imposition or remission of fines and penalties by the Postmaster General for delinquencies in the performance of the contract. Each such contract shall contain a provision providing for its cancellation by the Postmaster General and may provide for an indemnity payment by the Postmaster General in the event of such cancellation.

(d) Contracts for highway post office service may contain such other provisions as the Postmaster General deems appropriate.

Sec. 5. (a) The Postmaster General, by mutual agreement with the holder of a contract for highway post office service and without submitting the service for bids, may renew the contract for successive periods of not more than six years at the rates of compensation prevailing at the end of the preceding contract term.

(b) If the holder of a contract for highway post office service has sublet his contract in accordance with its terms and does not indicate in writing to the Postmaster General at least ninety days before the end of contract term that he desires to renew the contract, the Postmaster General may enter into a contract with a subcontractor then performing the service, in the same manner and upon the same terms as prescribed in subsection (a) of this section, if such subcontractor has performed the service required under the contract to the satisfaction of the Postmaster General for a period of at least six months.

Sec. 6. Where there is no contractor legally bound or required to perform the service desired by the Postmaster General or when an accepted bidder or contractor shall fail or refuse to perform the service on a route according to his accepted proposal or his contract the Postmaster General, without advertising, may contract for the
service desired or continue the service originally contracted for in such manner and in such equipment as he may deem to be in the public interest for a term of not to exceed one year.

Sec. 7. The Postmaster General may require such bond or bonds as he deems necessary to protect the interests of the Government. Such bond shall be in the form and amount and contain such conditions as he may prescribe.

Sec. 8. Sections 1 and 2 of the Act of July 11, 1940, entitled "An Act to provide for the transportation and distribution of mails on motor-vehicle routes" (54 Stat. 756; 39 U. S. C. 505, 506) are hereby repealed.

Approved August 1, 1956.

Public Law 863

AN ACT

To improve governmental budgeting and accounting methods and procedures, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AMENDMENTS TO THE BUDGET AND ACCOUNTING ACT, 1921

SEC. 1. (a) Section 201 of the Budget and Accounting Act, 1921, as amended (31 U. S. C. 11), is further amended by inserting "(a)" after the words "SEC. 201."; by changing subsection (a) to subparagraph (1); by adding after subparagraph (1) a new subparagraph "(2) at such times as may be practicable, information on program costs and accomplishments"; by changing subsections (b) through (j) to subparagraphs (3) through (11), respectively.

(b) Section 216 of such Act, as amended (31 U. S. C. 24), is further amended by inserting "(a)" after the words "SEC. 216." and by adding the following new subsections:

"(b) The requests of the departments and establishments for appropriations shall, in such manner and at such times as may be determined by the President, be developed from cost-based budgets.

"(c) For purposes of administration and operation, such cost-based budgets shall be used by all departments and establishments and their subordinate units. Administrative subdivisions of appropriations or funds shall be made on the basis of such cost-based budgets."

AMENDMENTS TO THE BUDGET AND ACCOUNTING PROCEDURES ACT OF 1950

SEC. 2. (a) The Budget and Accounting Procedures Act of 1950 is amended by inserting after section 105 thereof the following new section:

"ACCOUNTING AND BUDGET CLASSIFICATIONS

"Sec. 106. The head of each executive agency shall, in consultation with the Director of the Bureau of the Budget, take whatever action may be necessary to achieve, insofar as is possible, (1) consistency in accounting and budget classifications, (2) synchronization between accounting and budget classifications and organizational structure, and (3) support of the budget justifications by information on performance and program costs by organizational units."

(b) Section 113 of such Act (31 U. S. C. 66a) is amended by adding at the end thereof the following new subsection: