



POSTAL SERVICE

39 CFR Part 111

Seamless Changes for Detached Mail Unit (DMU) and Full-Service Mailings

AGENCY: Postal Service™.

ACTION: Proposed rule.

SUMMARY: The Postal Service is proposing to revise *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) to require Detached Mail Unit (DMU) mailers and mailers that enter full-service mailings at a Business Mail Entry Unit (BMEU) to participate in Seamless Parallel by March 1, 2020 and enroll in the Seamless Acceptance Program by February 1, 2021 at all DMU sites. All full-service mailings entered at a BMEU would then be verified using automated sampling and verification processes by July 1, 2021.

DATES: Submit comments on or before [INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: Mail or deliver written comments to the Manager, Product Classification, U.S. Postal Service, 475 L'Enfant Plaza SW, Room 4446, Washington, DC 20260-5015. If sending comments by email, include the name and address of the commenter and send to ProductClassification@usps.gov, with a subject line of "Seamless Changes for Detached Mail Unit and Full-Service Mailings". Faxed comments are not accepted.

All submitted comments and attachments are part of the public record and subject to disclosure. Do not enclose any material in your comments that you consider to be confidential or inappropriate for public disclosure.

You may inspect and photocopy all written comments, by appointment only, at USPS® Headquarters Library, 475 L'Enfant Plaza SW, 11th Floor North, Washington, DC, 20260. These records are available for review on Monday through Friday, 9 am - 4 pm, by calling 202-268-2906.

FOR FURTHER INFORMATION CONTACT: Lance Bell at (407) 782-2972, or Jacqueline Erwin at (202) 268-2158.

SUPPLEMENTARY INFORMATION: Seamless Acceptance leverages electronic documentation (eDoc) and the Intelligent Mail barcodes (IMbs) on containers, handling units, and mailpieces required under full-service. Mailpiece scans collected from mail processing equipment (MPE) and samples from hand-held scanning devices are reconciled to the mailer eDoc to confirm proper mail preparation for the discounts claimed and postage paid. This capability avoids the need for verification of mail at acceptance.

For purposes of clarification, the Postal Service provides the following definitions of key terms/concepts used in this document:

TERMS:

90 Percent Full-Service Volume: eDoc submitter must apply a unique Intelligent Mail barcode (IMb) to each postcard, letter, and flat, tray or sacks, and placards for containers when required, for 90 percent of all mailing volume submitted.

Auto-finalization: Postage statements are finalized by the *PostalOne!* system on the mailing date indicated within the eDoc. At this time, permit balance checks are performed. Beginning January 26, 2020, Seamless Acceptance mailings will auto-finalize without presort fees being paid.

Census Verification: The comparison of eDoc to MPE scans for a mailing.

Census verifications validate that the delivery point and nesting/sortation information reflected in the eDoc aligns with the information captured by MPE. Census verifications also check for undocumented mailpieces within a mailing.

Electronic Induction (eInduction): An electronic alternative to the manual preparation and submission of PS Forms 8125, 8125-C, 8125-CD, and 8017. Additional information, including verification and associated assessments, is provided in Publication 685, *Publication for Streamlined Mail Acceptance for Letters and Flats*, at:

<https://postalpro.usps.com/StreamlinedMailAcceptLettersFlatsPub685>.

Sampling Verification: Hand-held scanners are used to collect mailing characteristics that are not collected during automated mail processing. These characteristics include the following information about the payment method, piece weight, mailpiece content, nonprofit eligibility, mail class, and processing category of the mailing. The information collected in the sample is used later in the process to check the mail preparation quality. A complete sample includes one container, three handling units from that container, and 30 mailpieces from the container (10 mailpieces are selected from each handling unit).

Seamless Mailing: Any mailing submitted by an eDoc submitter whose Customer Registration ID (CRID) is enrolled in Seamless Acceptance.

Seamless Parallel: A pre-requisite for Seamless Acceptance participation. During Seamless Parallel, there are no changes to the mailer's current acceptance and verification procedures. Mailings continue to be accepted without interruption (except in cases of manual verification failures). At the same

time, Seamless monitoring, sampling, and reporting features are activated to evaluate mail quality. Mailers can utilize the Mailer Scorecard to monitor and improve mail quality, business processes, and software prior to enrollment in Seamless Acceptance. Mailers need to work with their local BMEU, Business Acceptance Performance Specialist (BAPS), or Major Mailer Support Analyst (MMSA) to resolve any Seamless mail quality and electronic documentation (eDoc) submission errors prior to enrolling in Seamless Acceptance.

Undocumented Mailpiece: Any mailpiece scanned by MPE that is not associated with a valid eDoc submission over the past 45 days.

PROPOSAL:

The Postal Service proposes to require:

1. Participation in Seamless Acceptance for all mailers with an authorized Detached Mail Unit (DMU) by February 1, 2021.
 - Mailers with an authorized DMU consistently submitting at least 90 percent full-service eligible volume for First-Class Mail, Periodicals, USPS Marketing Mail letters and flats, and Bound Printed Matter (BPM) barcoded flats will have their mailings verified under the Seamless Acceptance Program on February 1, 2021.
2. Performance of Seamless Acceptance verifications on all BMEU entered mailings that claim the full-service discount by July 1, 2021.
 - While BMEU mailers will not be required to enroll in Seamless Acceptance, all full-service mailings will be verified using the automated verification processes utilized by the Seamless Acceptance program. Current manual verification processes will be

retired for full-service mailings of First-Class Mail, Periodicals, USPS Marketing Mail letters and flats, and BPM barcoded flats and replaced with the automated processes beginning July 1, 2021.

DMU and BMEU mailers will be required to:

- Meet all content and price eligibility standards for the price claimed.
- Participate in eInduction for DMU-verified origin entry and destination entry drop-shipments (would be applicable to DMUs only).
- Participate in Seamless Parallel by March 1, 2020.

Any DMU mailer that anticipates they will be unable to comply with Seamless Acceptance requirements by February 1, 2021 must request an extension by November 1, 2020. Extension requests must be sent to the Mail Entry and Payment Technology (MEPT) mailbox at HQMailEntry@usps.gov, certifying the date that compliance with Seamless Acceptance requirements will be achieved. Beginning July 1, 2021, manual verifications will be retired for all BMEU-entered full-service mailings. The Postal Service will begin utilizing automated census and sampling verifications for all mailings claiming the full-service discount. Postage assessments will be based on the data received through census and sampling verifications for each calendar month. Verification results will be documented on the Mailer Scorecard for each mailer Customer Registration ID (CRID). Non-full-service mailings will continue to be accepted and will be verified using traditional manual verifications.

Information regarding verification and associated assessments for the eInduction and Seamless Acceptance Programs, is available in Publication 685, *Publication*

for Streamlined Mail Acceptance for Letters and Flats, available at:

<https://postalpro.usps.com/StreamlinedMailAcceptLettersFlatsPub685>.

Benefits of Seamless Acceptance include:

- Longer mail production cycle
- Mailer control over postage statement finalization date
- Mailer control over mail release timing
- Elimination of the need for postal employees to release containers in the Drop Shipment Management Systems (DSMS)
- Seamless Acceptance and eInduction eliminates the need for PS Forms 8125-C, 8125-CD (Plant-Verified Drop Shipment (PVDS) Consolidated Verification and Clearance), PS Form 8125 (Plant-Verified Drop Shipment (PVDS) Verification and Clearance), and PS Form 8017 (Expedited Plant-Load Shipment Clearance)
 - o Note: Participation in eInduction is required for mailers participating in the Seamless Acceptance program
- Elimination of Special Postage Payment System (SPPS) Authorizations
 - o Elimination of hard copy/electronic itemized or batched manifests for letter and flats
- Seamless Mailers no longer have to use Manifest key-lines when using the traditional ACS product
- Standardization of acceptance and electronic verification procedures
- Elimination of all manual verifications for Seamless mailings
- Improved mail quality feedback

- Trend-based verifications measuring mail quality across a calendar month

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 public comments on the following proposed revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the Code of Federal Regulations. See 39 CFR 111.1.

We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes if our proposal is adopted.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Accordingly, 39 CFR part 111 is proposed to be amended as follows:

PART 111 — [AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise the following sections of *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), as follows:

***Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM)**

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700 Special Standards

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705 Advanced Preparation and Special Postage Payment Systems

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22.0 Seamless Acceptance Program

22.1 Description

[Revise the first and add new second sentence of 22.1; to read as follows:]

Seamless Acceptance leverages electronic documentation (eDoc) and Intelligent Mail barcodes (IMbs) on containers, handling units and mailpieces that full-service provides. Mailpiece scans collected from USPS mail processing equipment (MPE) and samples from hand held scanning devices are reconciled to the mailer eDoc to confirm proper mail preparation for the discounts claimed and postage paid. Seamless Acceptance is available for First-Class Mail cards, letters, and flats, Periodicals, USPS Marketing Mail letters and flats, and Bound Printed Matter flats.***

[Revise the title of 22.2; to read as follows:]

22.2 Seamless Participation

[Revise the text of 22.2 to read as follows:]

Mailers may initiate participation in the Seamless Acceptance Program by contacting a local BMEU or the *PostalOne!* Helpdesk at 1-800-522-9085.

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[Revise the title of subsection 22.3.1; to read as follows:]

22.3.1 Seamless Parallel Program

[Revise the text of subsection 22.3.1; to read as follows:]

Detached Mail Unit (DMU) mailers and mailers that enter full-service mailings at a Business Mail Entry Unit (BMEU) must participate in the Seamless Parallel Program. Additional information on the Seamless Parallel Program is available in Publication 685, *Publication for Streamlined Mail Acceptance for Letters and Flats*, available at:

<https://postalpro.usps.com/StreamlinedMailAcceptLettersFlatsPub685>.

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23.0 Full-Service Automation Option

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23.3 Fees

23.3.1 Eligibility for Exception to Payment of Annual Fees and Waiver of Deposit of Permit Imprint Mail Restrictions

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c. *** (i.e. the percentage of all the permit holder's full-service eligible pieces that were actually mailed as full-service items) to fall:

[Revise the text of item 23.3.1c1; to read as follows:]

1. The annual mailing fee will be due and the mailing verification date will become the renewal or anniversary date of the permit fees. The full – service percentage will automatically set to 0 percent on each subsequent anniversary date. The first mailing presented after the anniversary date begins the cumulative process for the full-service percentage calculation. If the first mailing presented after the anniversary date is below 90 percent, the annual fee will need to be paid prior to the mail being finalized. Once the annual fees are paid, the next validation date will be the next anniversary date.

[Remove subsection 23.3.1c2; in its entirety:]

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

Joshua J. Hofer,

Attorney, Federal Compliance.

[END DOCUMENT]

[FR Doc. 2019-28505 Filed: 1/7/2020 8:45 am; Publication Date: 1/8/2020]