SEC. 621. REVISION TO AUTHORITIES RELATING TO MAIL SERVICE FOR MEMBERS OF THE ARMED FORCES AND DEFENSE CIVILIANS OVERSEAS.

(a) ELIGIBILITY FOR FREE MAIL.—Subsection (a) of section 3401 of title 39, United States Code, is amended to read as follows:

"(a) First Class letter mail correspondence shall be carried, at no cost to the sender, in the manner provided by this section, when mailed by an individual who is a member of the Armed Forces of the United States on active duty, as defined in section 101 of title 10, or a civilian, otherwise authorized to use postal services at Armed Forces installations, who is providing support to military operations, as designated by the military theater commander, and addressed to a place within the delivery limits of a United States post office, if—

"(1) such letter mail is mailed by such individual at an Armed Forces post office established in an overseas area designated by the President, where the Armed Forces of the United States are deployed for a contingency operation as determined by the Secretary of Defense; or

"(2) such individual is hospitalized as a result of disease or injury incurred as a result of service in an overseas area designated by the President under paragraph (1).".

(b) SURFACE SHIPMENT OF MAIL AUTHORIZED.—Subsection (b) of such section is amended to read as follows:

"(b) There shall be transported by either surface or air, between Armed Forces post offices or from an Armed Forces post office to a point of entry into the United States, the following categories of mail matter which are mailed at any such Armed Forces post office:

"(1) Letter mail communications having the character of personal correspondence.

"(2) Any parcel exceeding one pound in weight but less than 70 pounds in weight and less than130 linear inches (length plus girth).

"(3) Publications published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public.".

(c) CLERICAL AMENDMENT.—The heading for such section, and the item relating to such section in the table of sections at the beginning of chapter 34 of such title, are each amended by striking the last five words.

[Please note: The "Changes to Existing Law" section below sets out in red-line format how the legislative text above would amend existing law.]

Section-by-Section Analysis

This proposal would amend 39 U.S.C. 3401 to provide flexibility to the Department of Defense (DoD) in managing and implementing the "free mail" program and authorize surface transportation as an option for mail returning to the United States from Military Post Offices (MPOs), potentially saving tens of millions of dollars in mail transportation costs for Army.

Subsection (a) of the proposal would modify the "free mail" program under 39 U.S.C. 3401(a), which is intended as a mechanism for members of the Armed Forces to remain in touch with friends and loved ones using personal correspondence for a temporary period of time or as long as the member does not have access to stamps and envelopes, usually in what is currently defined as a contingency operation. Subsection (a) would make three changes to simplify the administration of the program and enable DoD to develop workable procedures to reduce the potential for abuse.

First, subsection (a) would replace the five circumstances when free may be available to U.S. service members. Rather than having to characterize the nature of an operation to determine if a service member is eligible for free mail, the proposal would narrow the question to whether or not it is a contingency operation in an area designated by the President. The Department of Defense would no longer have to determine for purposes of the Free Mail program whether U.S. forces were engaged in an action against an enemy of the U.S., engaged in military operations involving armed conflict with a hostile armed force, engaged in temporary military operations under arduous circumstances, serving with a friendly foreign force in an armed conflict in which the U.S. is not a belligerent, or temporarily deployed overseas for an operational contingency in arduous circumstances.

Since there is no language in 39 U.S.C. 3401 citing when the authorization for free mail should sunset, subsection (a) of the proposal would clarify which service members have access to the free mail program – namely those deployed overseas in a contingency operation. This would help dissuade the perception that the free mail program is an entitlement (for example, recently commanders, citing arduous circumstances, requested free mail at a location where service members lived in condominiums in a city with pizza delivery and ample recreational activities). Furthermore, by significantly streamlining eligibility for the program, this one change would relieve field commanders, who are sometimes reluctant to turn off the privilege even when operations have stabilized and full access to mail service is established, from having to make that decision.

Second, subsection (a) would eliminate free mail benefits for foreign soldiers working alongside our troops. Current language allows international free mail, which is administratively challenging to manage within the modern worldwide postal community. Such international mail has to be returned to the United States Postal Service (USPS) in the U.S. to be transported back to the foreign country, increasing transportation costs to both the Army (as the sole bill payer for the free mail program) and USPS. Since the statute applies to mail entering the U.S., benefits should align with this requirement and not to a third country. The international mail system exists to provide mail services between countries. If a foreign soldier mails a letter from a third country outside the military postal service, they would be required to purchase international postage for delivery—charges that are shared between the delivery and accepting postal services. DoD should not subsidize this postage and transportation cost while at the same time limiting the privilege for some of our wounded warriors.

Third, subsection (a) would extend the free mail program to all hospitalized service members who were wounded in a designated area. Currently, the law limits the free mail privilege to service members wounded in a designated area who are in hospitals under DoD control. This unintentionally excludes wounded service members who may be transferred to a civilian hospital for specialty care. The proposed text would allow any hospitalized service member who was wounded in a designated area to send free mail.

Subsection (b) of the proposal would allow mail coming back to the United States from an MPO to be transported by surface shipment and would reduce mail transportation costs. Currently, 39 U.S.C. 3401 allows mail being sent to MPOs to be sent via surface transportation consistent with the type of service purchased by the mailer, but the statute prohibits surface transportation when sending mail from an MPO back to the U.S. or to another MPO. The forced upgrade of sending all mail from MPOs via air transportation (only to have it then shipped via surface transport once it enters the U.S.) is costly to DoD and exceeds the service the mailer purchased for moving the item. There is a significant cost difference between surface and air modes of transportation, with the air mode costing over five times more. Allowing flexibility in modes of transportation consistent with the service purchased by the mailer would allow DoD to avoid the increased costs incurred as a result of upgrading transportation of these items to air mode.

The changes to the free mail program under subsection (a) of the proposal would clarify the law and eliminate the administrative challenges in managing the program. Additionally,

these changes to the program would likely reduce free mail administrative costs as the time spent on managing the program would decrease and the conditions to implement would be better defined to eliminate any potential abuse of the privilege.

Subsection (b) of the proposal would result in service members (outside of the free mail program) paying for the type of mail service they desired. A service member (or authorized civilian) could choose to mail their items using air transport at higher postage rates (with revenue going only to USPS) rather than slower, less expensive surface transportation. Anecdotal information from the field suggests that mailers will choose the lower cost when mailing and incur the increased delivery time.

Budget Implications: This proposal would not cost the Department any money for the free mail portion and anecdotally should reduce administrative costs for time spent managing this program. Current expenditures by the Army for free mail are $3.4 million per year, with that expected to be reduced as the conflicts in Southwest Asia draw down. Essentially, Free Mail under subsection (a) is a revenue neutral proposal.

The second part of the proposal, related to modes of transportation, would avoid costs for DoD. Depending on the policies developed and consistent with the mailer's choice of transportation, DoD savings would vary. DoD moved over 36.3 million pounds (16.5M kilograms (kgs)) of mail from MPOs back to the U.S. in 2013 at a cost of $90.3 million. Military Postal Service Agency estimates that approximately one third of this mail 12.1 million pounds (5.5M kgs) could qualify for surface shipment based on the criteria in the proposal (parcels >15 lbs) and customer choice of cheaper postage and slower delivery time. The average cost for mail moving by air from MPOs back to the U.S. is $12.03 per pound ($5.47 per kg). The average cost of surface shipment is less than $2 per pound ($1 per kg) and varies since the container fills up due to the size of items before it reaches its weight limit from those same items. The movement of the estimated 12.1 million pounds (5.5M kgs) by air would cost approximately $30,085,000. Moving these items by surface container would cost less than $5.5 million, resulting in a cost avoidance of over $24.5 million. The three military departments share the costs for mail transportation, with Army having 74 percent of the cost, Navy having18 percent, and Air Force having 8 percent. Based on the above example, when this could be implemented after FY17, this would result in reducing Army costs from $22.3 million to $4.1 million, Navy costs from $5.4 million to $1.0 million, and Air Force costs from $2.4 million to approximately $.4 million. The cost avoidance for Army is $18.1 million, Navy is $4.4 million, and Air Force is over $1.9 million. These are conservative figures based on estimates of qualified mail and cost avoidance may be much greater depending on mailer choices. This does not affect personnel other than choice of paying for air transport or surface transport.

RESOURCE REQUIREMENTS Surface transportation ($Millions)									
	FY 2016	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**	**Appropriation From**	**Budget Activity**	**Dash 1 Line Item**	**Program Element**
Army	22.3	22.3	4.1	4.1	4.1	Operation and Maintenance, Army	4	421	0708010A

Navy/Marine Corps	5.4	5.4	1.0	1.0	1.0	Operation and Maintenance, Navy	4	4B1N	0708010N
USAF	2.4	2.4	.4	.4	.4	Operation and Maintenance, Air Force	4	41A	0708010F
Total	30.1	30.1	5.5	5.5	5.5				

RESOURCE REQUIREMENTS Free Mail Only ($Millions)									
	FY 2016	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**	**Appropriation From**	**Budget Activity**	**Dash-1 Line Item**	**Program Element**
Army	3.4	1.5	1.5	1.5	1.5	Operation and Maintenance, Army	4	421	0708010A
Total	3.4	1.5	1.5	1.5	1.5	Operational and Maintenance, Army	4	421	0708010A

* The Army is the Executive Agent for the Military Postal Service and free mail was given to the Army as part of this process. No other service pays for the free-mail.

PERSONNEL AFFECTED Free Mail (estimated recipients)									
	FY 2016	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**	**Appropriation From**	**Budget Activity**	**Dash-1 Line Item**	**Program Element**
Army	60,000	40,000	40,000	40,000	40,000	Operation and Maintenance, Army	4	421	0708010A
Navy	20,000	4,000	4,000	4,000	4,000	Operational and Maintenance, Army	4	421	0708010A
USAF	10,000	2,000	2,000	2,000	2,000	Operation and Maintenance, Army	4	421	0708010A
USMC	10,000	0	0	0	0	Operation and Maintenance, Army	4	421	0708010A
Total	100,000	46,000	46,000	46,000	46,000	Operation and Maintenance, Army	4	421	0708010A

Changes to Existing Law: This proposal would make the following changes to section 3401 of title 39, United States Code:

§ 3401. Mailing privileges of members of Armed Forces of the United States ~~and of friendly foreign nations~~

~~(a) Letter mail or sound- or video-recorded communications having the character of personal correspondence shall be carried, at no cost to the sender, in the manner provided by this section, when mailed by—~~

~~(1) an individual who is a member of the Armed Forces of the United States on active duty, as defined in section 101 of title 10, or a civilian, otherwise authorized to use postal services at Armed Forces installations, who holds a position or performs one or more functions in support of military operations, as designated by the military theater commander, and addressed to a place within the delivery limits of a United States post office, if—~~

~~(A) such letter mail or sound- or video-recorded communication is mailed by such individual at an Armed Forces post office established in an overseas area, as designated by the President, where the Armed Forces of the United States are engaged in action against an enemy of the United States, engaged in military operations involving armed conflict with a hostile foreign force, engaged in temporary military operations under arduous circumstances, serving with a friendly foreign force in an armed conflict in which the United States is not a belligerent, or temporarily deployed overseas for an operational contingency in arduous circumstances, as determined by the Secretary of Defense; or~~

~~(B) such individual is hospitalized in a facility under the jurisdiction of the Armed Forces of the United States as a result of disease or injury incurred as a result of service in an overseas area designated by the President under clause (A) of this paragraph; or~~

~~(2) a member of an armed force of a friendly foreign nation at an Armed Forces post office and addressed to a place within the delivery limits of a United States post office, or a post office of the nation in whose armed forces the sender is a member, if—~~

~~(A) the member is accorded free mailing privileges by his own government;~~

~~(B) the foreign nation extends similar free mailing privileges to a member of the Armed Forces of the United States serving with, or in, a unit under the control of a command of that foreign nation;~~

~~(C) the member is serving with, or in, a unit under the operational control of a command of the Armed Forces of the United States;~~

~~(D) such letter mail or sound- or video-recorded communication is mailed by the member—~~

~~(i) at an Armed Forces post office established in an overseas area, as designated by the President, where the Armed Forces of the United States are engaged in action against an enemy of the United States, engaged in military operations involving armed conflict with a hostile foreign force, or serving with a friendly foreign force in an armed conflict in which the United States is not a belligerent; or~~

~~(ii) while hospitalized in a facility under the jurisdiction of the Armed Forces of the United States as a result of disease or injury incurred as a result of services in an overseas area designated by the President under clause (D)(i) of this paragraph; and~~

~~(E) the nation in whose armed forces the sender is a member has agreed to assume all international postal transportation charges incurred.~~

(a) First Class Letter mail correspondence shall be carried, at no cost to the sender, in the manner provided by this section, when mailed by an individual who is a member of the Armed Forces of the United States on active duty, as defined in section 101 of title 10, or a civilian, otherwise authorized to use postal services at Armed Forces installations, who is providing support to military operations, as designated by the military theater commander, and addressed to a place within the delivery limits of a United States post office, if—

(1) such letter mail is mailed by such individual at an Armed Forces post office established in an overseas area designated by the President, where the Armed Forces of the United States are deployed for a contingency operation as determined by the Secretary of Defense; or

(2) such individual is hospitalized as a result of disease or injury incurred as a result of service in an overseas area designated by the President under paragraph (1).

~~(b) There shall be transported by air, between Armed Forces post offices which are located outside the 48 contiguous States of the United States or between any such Armed Forces post office and the point of embarkation or debarkation within the United States, the territories and possessions of the United States in the Pacific area, the Commonwealth of Puerto Rico, or the Virgin Islands, on a space available basis, on certificated United States air carriers or, for carriage of mail in foreign air transportation, other air carriers, air taxi operators or foreign air carriers as permitted by section 5402 of this title, or on military aircraft, the following categories of mail matter:~~

~~(1)(A) letter mail or sound- or video-recorded communications having the character of personal correspondence;~~

~~(B) parcels not exceeding 15 pounds in weight and 60 inches in length and girth combined; and~~

~~(C) publications entitled to a periodical publication rate published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public,~~

~~which are mailed at or addressed to any such Armed Forces post office;~~

~~(2) parcels not exceeding 70 pounds in weight and the maximum size allowed by the Postal Service for fourth class parcel post (known as "Standard Mail (B)"), which are mailed at any such Armed Forces post office; and~~

~~(3) parcels exceeding 15 pounds but not exceeding 70 pounds in weight and not exceeding the maximum size allowed by the Postal Service for fourth class parcel post (known as "Standard Mail (B)"), including surface-type official mail, which are mailed at or addressed to any such Armed Forces post office where adequate surface transportation is not available.~~

(b) There shall be transported by either surface or air, between Armed Forces post offices or from an Armed Forces post office to a point of entry into the United States, the following categories of mail matter which are mailed at any such Armed Forces post office:

(1) Letter mail communications having the character of personal correspondence.

(2) Any parcel exceeding one pound in weight but less than 70 pounds in weight and less than 130 linear inches (length plus girth).

(3) Publications published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public.

(c) Any parcel, other than a parcel mailed at a rate of postage requiring priority of handling and delivery, not exceeding 30 pounds in weight and 60 inches in length and girth combined, which is mailed at or addressed to any Armed Forces post office established under section 406(a) of this title, shall be transported by air on a space available basis on certificated United States air carriers or, for carriage of mail in foreign air transportation, other air carriers, air taxi operators or foreign air carriers as permitted by section 5402 of this title, or on military aircraft, upon payment of a fee for such air transportation in addition to the rate of postage otherwise applicable to such a parcel not transported by air.

(d) The Department of Defense shall transfer to the Postal Service as postal revenues, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, as determined by the Postal Service, for matter sent in the mails under authority of subsection (a) of this section.

(e) The Department of Defense shall transfer to the Postal Service as postal revenues, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, sums equal to the expenses incurred by the Postal Service, as determined by the Postal Service, in providing air transportation for mail mailed at or addressed to Armed Forces post offices established under section 406 of this title, but reimbursement under this subsection shall not include the expense of air transportation (1) for which the Postal Service collects a special charge to the extent the special charge covers the additional expense of air transportation or (2) that is provided by the Postal Service at the same postage rate or charge for mail which is neither mailed at nor addressed to an Armed Forces post office.

(f) This section shall be administered under such conditions, and under such regulations, as the Postal Service and the Secretary of Defense jointly may prescribe.

(g) In this section:

(1) The term “military aircraft” means an aircraft owned, operated, or chartered by the Department of Defense.

(2) The term “United States air carrier” has the meaning given the term “air carrier” in section 40102 of title 49.