• Must meet the machinability, addressing, barcoding, postage payment, containerization, and other preparation requirements prescribed by the Postal Service (422.1).

- —For nonautomation compatible, noncarrier route rate mail, must use a certified process to verify the accuracy of mailing lists against USPS 5-digit ZIP Code file at least once a year.
- —A recommended checklist of possible ZIP Code verification options for address lists that are not computerized could be signed as a part of the verification process. Items to appear on the checklist might include manual verification using the most recent ZIP Code directory, a survey of the addressees currently in the address list to inquire about changes to ZIP Code information, participation in the current manual list correction service, and turning the list over to someone else to verify, and use of approved software.
- —For automation-compatible pieces other than carrier route rate flats, Coding Accuracy Support System (CASS) certified software must be used within 6 months of mailing date or Multiline Accuracy Support System (MASS) certified equipment must be used to apply the barcode. This simply changes the current requirement for use of such software from within 1 year of mailing to within 6 months of mailing.
- Must match addresses to current CRIS file using certified software within 90 days of mailing for carrier route rate mail.
- —Standardized address element format must be used. The standard address element format refers to the positioning of elements within the address block, not to address placement on the piece itself. This requirement will apply to nonbarcoded pieces only, however, the Postal Service strongly recommends that all mailpieces contain an address that meets these standards.
- Address Change Service (ACS) must be used.
- —Computer-based electronic payment systems must be used when those systems are developed. Electronic

payment systems will not be required in the final rule, but they will be strongly recommended.

—New containerization requirements will be developed with mailers. For the purposes of this rulemaking, although sacks may be used, palletized sacks or packages (palletized trays for letter mail) will be the preferred containerization method.

• Must bear a barcode representing not more than 11 digits (not including correction digits) on automationcompatible pieces other than carrierroute rate flats as prescribed by the Postal Service (422.1).

- —If a mailpiece meets all machinable requirements, every piece (other than the carrier route flat qualifying portion) must be barcoded. All pieces must bear at least a 5-digit barcode and no less than 85 percent of the pieces must bear a 9-digit or delivery point barcode. If a piece is not machineable, barcoding is not required.
- —Barcodes are defined by the current requirements in DMM C840.
- Automation compatibility is defined by the current requirements in DMM C810 for letters and in DMM C820 for flats.
- —Must use a certified system or software to determine and document advertising and editorial percentages in each edition/issue when available.
- —The Postal Service does not plan to require a certified system to audit advertising/nonadvertising percentages in these implementation rules. When such systems are developed in the future, and the Postal Service has reason to believe that they will be, the Postal Service expects to propose their use in a future rulemaking.

• Must have a legitimate list of subscribers or requesters (422.1). (This requirement is the same as the current standard for second-class mail.)

• Must be audited by a certified public accountant or a national circulation audit service as prescribed by the Postal Service (422.1).

• Must be authorized to mail at Publications Service rates, and, if so authorized, may mail only at Publications Service and Within County rates (483).

—There will be an application process for authorization to mail in Publications Service with a proposed \$305 application fee. The application process has yet to be developed; however, it is expected to be similar to the current second-class procedures. A publisher will first have to show that the basic requirements for entry into Periodicals are met (such as frequency of issue). Then, compliance with the additional Publications Service criteria must be shown.

• If a Publications Service authorization is withdrawn or revoked, a new authorization is not issued for 1 year (483).

# 5. Publications Service Pound-Rate Category

• A zoned pound rate applies to the entire publication (422.3). (This differs from current second-class standards in which only the advertising content of the publication is zone rated.)

• Rates apply to five zones. (This differs from current second-class and Regular Periodicals, which have 9 zones.)

# 6. Publications Service Piece-Rate Categories (422.4)

# 7. Basic Rate Category (422.41)

# 8. Carrier Route Rate Category

• Applies to mail prepared and presorted to carrier routes as prescribed by the Postal Service (422.42).

- Carrier route mail must be prepared in line-of-travel sequence.
- -This is not exact walk-sequence arrangement of the mailpieces. For line-of travel sequence, the mailpieces are first sorted into the sequence in which the ZIP+4s are delivered by the carrier. The mailpieces are further sorted into ascending or descending numerical sequence within the number range associated with the ZIP+4.

# 9. Destination Entry Discounts

Applies to mail entered at the destination SCF or DDU (422.5).
DDU discount only applies to Carrier Route mail (422.5).

#### **III–1 PUBLICATIONS SERVICE SUBCLASS—LETTERS**

Sort level	Opt./req.	Package minimum	Tray levels	Rate
CR 5–Digit	dodo	do N/A	CR (full, no overflow) 5D CR–RT (no min.) 5–Digit (full, overflow allowed) 3–Digit (full overflow allowed)	Do. Pub. Svc.

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