Public Law 87-491

June 19, 1962 [H. R. 6695]

AN ACT

To amend title 39 of the United States Code with respect to the transportation of mail by highway post office service, and for other purposes.

Postal Service. Highway post office contracts. 74 Stat. 695.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (b) and (c) of section 6352 of title 39, United States Code, are amended to read as follows:

"(b) The Postmaster General in contracts for highway post office

service may provide for—
"(1) increasing or decreasing the mileage;

"(2) the addition of new route segments if the original route and the new segment to be so added have at least one common terminus point;

"(3) increasing or decreasing the hours of service required;

"(4) other service changes;

"(5) the readjustment and compensation either upward or downward to reflect the service changes and 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;

"(6) the imposition or remission of fines and penalties by the Postmaster General for delinquencies in the performance of the

contracts; and

"(7) other matters deemed appropriate by him.

"(c) If the Postmaster General determines highway post office service is no longer required on a route already under contract, the Postmaster General may, in his discretion, and with the consent of the highway post office contractor, alter the existing highway post office contract to permit the substitution of star route service in lieu of highway post office service for the remainder of the contract period at a rate which shall be determined by negotiation, taking into consideration the nature and extent of the star route service and other pertinent factors, but which shall not be in excess of the rate being paid under such existing highway post office contract. The Postmaster General is authorized to extend or renew said contracts for substituted star route service for successive periods of not more than four years at the rate of compensation prevailing at the end of the preceding contract term. The provisions of section 6420 of this title shall not apply to the contracts altered or renewed pursuant to the authority conferred by this subsection.

"(d) If the Postmaster General shall cancel any contract for highway post office service, he shall make the following indemnities on account of such cancellation:

"(1) not in excess of one-twelfth of the compensation which would have been earned in one year if the service discontinued

had been performed; and

"(2) an equitable allowance on account of any vehicle made surplus resulting from such discontinuance of the service. The equitable allowance shall be equal to one-half of the difference between the depreciated value which the vehicle made surplus had as of the time it was first used to perform the contract and the sum of (A) depreciation which occurs during the performance of the contract and (B) the proceeds realized by the sale or disposal of the vehicle made surplus by discontinuation of the service. For

Alteration or renewal.

74 Stat. 701.

Cancellation.

the purposes of determining depreciated value as of the time that the vehicle was first used in the performance of the contract and the depreciation which occurs during the performance of the contract, such vehicle will be deemed to have a service life of seventy-two months and such vehicle will be deemed to uniformly depreciate one seventy-second of its original sales price for each

"(e) If a contract is altered pursuant to subsection (c), the contractor shall not be entitled to either the indemnity or to the equitable allowance provided either in subsection (d) or by terms of his

Approved June 19, 1962.

Public Law 87-492

AN ACT

To authorize the Secretary of Agriculture to permit certain property to be used for State forestry work, and for other purposes.

June 25, 1962 [H. R. 9736]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress recognizes that for many years the United States and certain States have cooperated in the production of tree planting stock for use in the transfer to states. reforestation of the public and private lands of the Nation; that the program of production of tree planting stock which was initiated and pursued under the Soil Bank Act (7 U.S.C. 1801 et seq.) was carried on under written agreements which provided for (a) cooperation between the Forest Service, on behalf of the United States, and the States which participated in the program, (b) payments to said States for costs and expenses incurred in the development of nursery facilities, (c) the holding of such funds by the States in trust for the purpose of carrying out the provisions of said agreements, and (d) restoration to the trust fund of an amount equal to the residual value of any supplies, materials, equipment, or improvements acquired or constructed with trust funds and transferred to State forestry work other than the soil bank program; that such program under said Soil Bank Act has been discontinued, but the need for the trees continues to be great; that the States and Federal Government are cooperating in the procurement, production, and distribution of forest-tree seeds and plants under section 4 of the Clarke-McNary Act of June 7, 1924 (16 U.S.C. 567), and in the reforestation of lands under title IV of the Agricultural Act of 1956 (16 U.S.C. 568e-g); and that said participating States need the said supplies, materials, equipment, or improvements for use in connection with their respective forestry programs, and it is in the public interest to permit these States to use said property without the requirement that payment be made for the residual value thereof.

Sec. 2. For the purpose of assisting those States which participated in the program carried on under the Soil Bank Act in continuing the production of needed tree planting stock and in other forestry programs, the Secretary of Agriculture is authorized to permit any supplies, materials, equipment, or improvements acquired or constructed with trust funds under the agreements referred to in section 1 to be used in such State forestry work as may further the objectives of related Federal programs, as he may approve, without the requirement that any payment be made by the State into the trust funds.

Approved June 25, 1962.

Agriculture. ery facilities,

70 Stat. 188.

63 Stat. 909. 70 Stat. 207.