

representative of the air carrier to provide an explanation of the irregularity. A summary of the explanation, if any, will be entered in the record. A copy of the report will be provided to the local station manager of the air carrier concerned at the close of each tour or not less frequently than each 24 hours.

(b) *Carrier conferences.* At least one a month, postal officials will schedule meetings with the local representatives of the affected air carriers to discuss the reported irregularities. The carrier's representative will be advised of any irregularity for which the reporting authority will recommend penalty action. The carrier's representative will be offered the opportunity to comment on any irregularity, and any comments will be attached and/or be made part of the record. The reports on which penalty action is recommended will then be processed by International Network Operations, Postal Headquarters.

(c) *Review, investigation, penalty action.* International Network Operations will review the matter and advise the carrier of the recommendations. The carrier has 21 days from receipt of notice to dispute the recommended penalties. In those instances which the carrier has disputed the facts alleged by the reporting authority, International Network Operations will investigate the matter to resolve the differences. International Network Operations, upon review of the record, may impose a fine or penalty against an air carrier for any irregularity properly documented, whether or not penalty action has been recommended. International Network Operations will send the decision, including notice of the irregularities alleged and the amount of fine or penalty proposed to the carrier. The Postal Service may, in its discretion, deduct from payment otherwise due the air carrier an amount necessary to satisfy the penalty action taken under this section.

(d) *Appeal.* If the final decision includes a penalty, International Network Operations will advise the carrier that it may, within 30 days, appeal the action in writing to the Vice President, Network Operations Management, Postal Headquarters, and that its written appeal should include all facts and

arguments upon which the carrier relies in support of the appeal. If an appeal is not received, International Network Operations will close the file. When an appeal is taken, the Vice President, Network Operations Management, will review the complete record and decide the appeals. He will advise the carrier of the decision in writing and will take action consistent with that decision. The Vice President, Network Operations Management, may sustain, rescind, or compromise a fine or penalty. The decision of the Vice President, Network Operations Management, on appeal shall be the final decision of the Postal Service. The Postal Service, may, in its discretion, deduct from pay otherwise due the air carrier an amount necessary to satisfy the penalty action taken under this section.

(e) *Details of administration.* For further administrative details, forms, and other implementing materials adapted to the respective modes of transportation, see International Mail Operations, Handbook T-5, chapter 5.

§ 927.3 Other remedies.

The procedures and other requirements of this part apply only where the Postal Service proposes to assess penalties, fines, deductions, or damages. This part does not limit other remedies available to the Postal Service, including such remedies as summary action to withhold tender of mail to protect the public interest in the event of major irregularities such as theft, deliberate loss, damage, abandonment of the mail or service failures by the air carrier.

PART 931—RULES OF PROCEDURE GOVERNING THE COMPROMISE OF OBLIGATIONS

§ 931.1 Compromise of obligations.

Any proposition of compromise shall be submitted in writing, and the amount offered in compromise shall be deposited with the Manager, Accounting Division or the appropriate postal data center. If the offer in compromise is rejected the amount deposited will

be returned. The amount of a compromise offer must be tendered unconditionally for deposit pending the consideration of acceptance. Checks and drafts cannot be accepted as offers in compromise when they bear endorsements or instructions to the effect that the acceptance of such checks or drafts constitutes settlement in full of the claim, fine, penalty, or liability in connection with which the offer is made, except that such checks or drafts may be accepted when they are accompanied with a written waiver of the endorsements or instructions printed thereon. Offers in compromise should be transmitted or delivered to the office or officer of the Postal Service from whom demand is received for payment of the amount due.

(39 U.S.C. 401)

[26 FR 11662, Dec. 6, 1961. Redesignated at 33 FR 6291, April 25, 1968]

Rules of Procedure Before the Postal Inspection Service

PART 946—RULES OF PROCEDURE RELATING TO THE DISPOSITION OF STOLEN MAIL MATTER AND PROPERTY ACQUIRED BY THE POSTAL INSPECTION SERVICE FOR USE AS EVIDENCE

Sec.

- 946.1 Scope of part.
- 946.2 Disposition of property of apparent owners.
- 946.3 Contraband and property subject to court order.
- 946.4 Disposition of property of unknown owners.
- 946.5 Disposition of property having a value of less than \$200.
- 946.6 Disposition of abandoned property; additional period for filing claims.
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- 946.9 Reconsideration of claims.
- 946.10 Record retention.
- 946.11 Disposition of property declared abandoned.

AUTHORITY: 5 U.S.C. 552(a); 39 U.S.C. 401(2), (5), (8), 404(a)(7), 2003, 3001.

SOURCE: 53 FR 6986, Mar. 4, 1988, unless otherwise noted.

§ 946.1 Scope of part.

This part prescribes procedures governing the disposition of recovered stolen mail matter and any other property (real, personal, tangible or intangible) obtained by the Postal Inspection Service for possible use as evidence after the need to retain such property no longer exists. Property obtained by Postal Inspectors which appears to have been loose in the mails but is not retained for use as evidence, except unlawful matter, must be treated in accordance with postal regulations concerning disposition of dead mail (see Domestic Manual (DMM) 159.4). Unlawful matter must be disposed of in accordance with § 946.3.

§ 946.2 Disposition of property of apparent owners.

Where an apparent owner of property subject to this part is known, the Chief Postal Inspector or delegate will mail, by certified mail to the apparent owner's last known address, written notice describing the property and the procedure for filing a claim for its return (see §§ 946.3 and 946.7). Such claims must be filed within 30 days from the date the notice is postmarked. If the apparent owner of the property fails to file a timely claim, the property is considered abandoned and must be disposed of as provided in § 946.6.

§ 946.3 Contraband and property subject to court order.

Claims submitted with respect to property subject to this part, possession of which is unlawful, must be denied, in writing, by certified mail and the person submitting the claim must be accorded 45 days from the postmarked date to institute judicial proceedings to challenge the denial. If judicial proceedings are not instituted within 45 days, or any extension of time for good cause shown, the contraband property must be destroyed unless the Chief Postal Inspector or delegate determines that it should be placed in official use by the Postal Inspection Service. Property subject to this part, the disposition of which is involved in litigation or is subject to an order of court, must be disposed of as determined by the court.