### Policies, Procedures, and Forms Updates

### Manuals

#### DMM Revision: USPS Marketing Mail Nonautomation Flat-Size Pieces Failing Deflection

Effective October 7, 2019, the Postal Service™ will revise *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®), Exhibit 201.4.7b, to clarify the price for USPS Marketing Mail® nonautomation flat-size pieces that fail deflection.

DMM Exhibit 201.4.7b, "Pricing for Flats Exceeding Maximum Deflection," stipulates that customers mailing flat-size pieces that do not meet deflection standards must pay the applicable prices as noted in the exhibit. Exhibit 201.4.7b specifies that customers mailing USPS Marketing Mail nonautomation flat-size pieces, at all sort levels, pay the applicable Mixed Area Distribution Center (ADC) destination entry price.

However, nonautomation Mixed ADC flats are not eligible for destination sectional center facility (DSCF) entry. Therefore, nonautomation flats at all sort levels cannot default to a DSCF Mixed ADC entry price for failed deflection.

As a result, the Postal Service is clarifying that nonautomation flat-size pieces at all sort levels eligible for DSCF entry that fail deflection are subject to the Mixed ADC destination network distribution center (DNDC) price. This applies to piece prices (4 oz. or less and more than 4 oz.) and pound prices.

Although the Postal Service will not publish these revisions in the DMM until October 7, 2019, the standards are effective immediately.

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

Commercial Mail Letters, Cards, Flats, and

201 Physical Standards

4.0 Physical Standards for Flats

\* \* \* \* \* \*

4.7 Ineligible Flat-Size Pieces

\* \* \* \* \* \*

## Exhibit 4.7b Pricing for Flats Exceeding Maximum Deflection

USPS MARKETING MAIL

Eligibility as presented Eligibility with failed deflection

[Revise the entry for "Nonautomation flat" to read as follows:]

Nonautomation flat (all sort levels with no entry discount or entered at DNDC) Nonautomation MADC None or DNDC flat

[Add a new entry immediately below the line above and still under "USPS Marketing Mail" to read as follows:]

Nonautomation flat (all sort levels entered at DSCF)

Nonautomation MADC DNDC flat

The Postal Service will incorporate these revisions into the October 7, 2019, edition of the online DMM, which is available via Postal Explorer<sup>®</sup> at pe.usps.com.

Product Classification, Marketing, 6-6-19

### **Publications**

200

### Publication 52 Revision: New Mailability Policy for Cannabis and Hemp-Related Products

Effective June 6, 2019, the Postal Service™ is revising Publication 52, *Hazardous, Restricted, and Perishable Mail,* to add new section 453.37, "Hemp-based Products," which provides new mailing standards for products derived from cannabis and industrial hemp. Over the past several months, the Postal Service has received numerous inquiries from commercial entities and individuals wishing to use

the mail to transport cannabidiol (CBD) oil and various other products derived from the cannabis plant.

The Agricultural Act of 2014, Pub. L. 113-79 ("2014 Farm Bill"), introduced a new "industrial hemp" category of cannabis, and authorized states to implement programs for the cultivation of industrial hemp. As a result of the 2014

Farm Bill, some products derived from industrial hemp are mailable under specific conditions, which include:

- A license from a state's Department of Agriculture authorizing the licensee to produce industrial hemp, and
- The requirement that the tetrahydrocannabinol (THC) concentration of such hemp (or its derivatives) may not exceed a 0.3 percent limit.

The mailability of hemp was also recently addressed by the Agricultural Improvement Act of 2018, Pub. L.115-334 ("2018 Farm Bill"). Among other things, this legislation:

- Provided a definition for "hemp," which includes hemp plants and seeds, and products derived therefrom;
- 2. Removed hemp from regulation under the Controlled Substances Act, 21 U.S.C. § 801 et seq.;
- 3. Created a process by which states could propose their own plans to regulate hemp production and distribution; and
- 4. Clarified that interstate commerce of hemp is permitted (2018 Farm Bill, §§ 10113, 10114, 12619).

Once the 2018 Farm Bill is fully implemented, and states begin to propose plans, it is expected to further modify the conditions under which hemp and hemp-based products may be transported.

In response to the inquiries, the Postal Service recently circulated an internal policy outlining specific acceptance criteria for CBD and cannabis-based products. In order to provide more clarity for mailers, the Postal Service is now issuing external guidelines, which clarify the circumstances under which hemp and hemp-based products can be mailed in domestic mail.

Under Postal Service regulations, including Publication 52, part 212, mailers are responsible for their own compliance with all laws and regulations governing mailability. Following this revision, mailers will also be responsible for retaining documentation which shows that they are complying with all such laws. A mailer is not required to present the documentation at the time of mailing, but such documentation may be requested either at that time or on a later date if there is doubt about the item's mailability or the addressee's ability to legally receive it. This process is consistent with existing regulations governing questions about mailability of restricted matter. See Publication 52 § 413.

With this revision, the Postal Service intends to provide mailing standards that sufficiently address the current environment with regard to the domestic commercial transportation of cannabis-based products as well as those changes anticipated from the full implementation of the 2018 Farm Bill.

# Publication 52, *Hazardous, Restricted, and Perishable Mail*

[Add new section 453.37 to read as follows:]

#### 453.37 Hemp-based Products

For purposes of this section, "hemp" shall have the meaning provided under federal law, including Section 10113 of the Agricultural Improvement Act of 2018, Pub. L.115-334 (7 U.S.C. § 1639o), or any successor provision.

Hemp and hemp-based products, including cannabidiol (CBD) with the tetrahydrocannabinol (THC) concentration of such hemp (or its derivatives) not exceeding a 0.3 percent limit are permitted to be mailed only when:

- a. The mailer complies with all applicable federal, state, and local laws (such as the Agricultural Act of 2014 and the Agricultural Improvement Act of 2018) pertaining to hemp production, processing, distribution, and sales; and
- b. The mailer retains records establishing compliance with such laws, including laboratory test results, licenses, or compliance reports, for no less than 2 years after the date of mailing.

\* \* \* \* \*

The Postal Service will incorporate this revision into the next online update of Publication 52, *Hazardous, Restricted, and Perishable Mail,* which is available via Postal Explorer<sup>®</sup> at *pe.usps.com*.

- Product Classification, Marketing, 6-6-19