§ 447. Title 39—The Postal Service

contractor or contractors, the amount stated in said notice as agreed to be paid to the subcontractor or subcontractors, and said office shall pay said amount, upon the certificate of the Postmaster General, to the subcontractor or subcontractors, under the same rules and regulations governing the payments made to original contractors. Upon satisfactory evidence that the original contractor or contractors have paid off and discharged the amount due under his or their contract to the subcontractor or subcontractors, it shall be the duty of the Postmaster General to certify such fact to the General Accounting Office; and thereupon said office shall settle with the original contractor or contractors, under the same rules, as are provided by law for such settlements. (May 17, 1878, c. 107, § 3, 20 Stat. 62; July 28, 1916, c. 261, § 1, 39 Stat. 418; June 10, 1921, c. 18, § 504, 42 Stat. 24.)

§ 448. Services performed for contractor or subcontractor. Whenever any contractor or subcontractor shall perform service according to any one or more of such routes shall occur, no payment shall be made for service on any of the routes under contract with such person, corporation, or partnership until such service has been removed and all penalties therefor fully satisfied. (May 4, 1882, c. 116, § 3, 22 Stat. 53.)

§ 449. Water-route contracts. When from any cause it may become necessary to make a new contract for carrying the mail upon any water route between the ports of the United States, upon which mail service has previously been performed, the Postmaster General may make such contracts with the owner or master of any steamship, steamboat, or other vessel plying upon the waters or between ports of the United States for carrying the mail upon such routes where no mail service has previously been performed, without advertising for proposals therefor; but no contract for such new service shall be for a longer time than one year. No contract for carrying the mail between the United States and any foreign port shall be for a longer time than two years, unless otherwise directed by Congress. (R. S. § 3943 from Act June 8, 1872, c. 335, § 264, 17 Stat. 316. See section 891h of Title 46.)

§ 450. Water routes; carriage of mails as freight or express. When there is no competition on a route and the rate of compensation asked is excessive, or no proposal is received, the Postmaster General may require that the mail be carried as freight or express, and it shall be unlawful for any common carrier by water to refuse to carry the mail when so required, and the penalty for such offense shall be a fine of $500. Each day of refusal shall constitute a separate offense. (July 2, 1912, c. 117, § 1, 38 Stat. 747.)

§ 451. Star routes served entirely by Rural Delivery Service. No part of the appropriation for inland transportation by star routes shall be expended for continuance of any star-route service the patronage of which shall be served entirely by the extension of Rural Delivery Service, nor shall any of said sum be expended for star-route service for a patronage a major portion of which has been served by Rural Delivery Service, unless the service of a qualified rural carrier cannot be secured. (July 2, 1912, c. 117, § 1, 38 Stat. 751.)

Chapter 13—Air Mail

Sec. 462. Air mail defined. When used in sections 463 to 465 of this chapter may be cited as the "Air Mail Act." (Feb. 2, 1925, c. 128, § 1, 43 Stat. 469.)

463. Same; postage rates.

464. Same; contracts for transportation of air mail. [Repealed.]

465. Same; rates and regulations.

466. Air mail to foreign countries and insular possessions; contracts for transportation. [Repealed.]

467. Air-mail contracts; substitution of air-mail route certificates; rate of compensation; cancellation of certificate. [Repealed.]

468. Extensions and consolidations of routes. [Repealed.]

469. Service to Canada. [Repealed.]

470. Contracts for transportation of air mail to new points; adequacy of appropriation as condition precedent. [Repealed.]

471. Aeroplanes for aeroplane-mail service. [Temporary.]

472. Purchase of equipment and supplies for aeroplane-mail service. [Temporary.]

473. Sale of unsuitable aviation material.

474. Definitions.

475. Contracts; base rate of pay; transfer; routes.

476. Advertisement of air-mail routes; before opening bids. [Repealed.]

477. Period for qualification of bidders; bonds.

478. Rates; authority of Interstate Commerce Commission to fix; renewals; and termination of contracts; new contracts; procedure.

479. Interest of contractors in other phases of aviation industry prohibited; unlawful combinations in respect to bids.

480. Claims on account of annulled contracts; jurisdiction of contractors.

481. Corporate and financial set-up of bidders; information to be submitted with bids; considerations in awarding contracts.

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485. Working conditions; compliance with decisions of National Labor Board.

486. Radio frequencies; allocation.

487. Number of contracts; limitation on; merger of competing parallel lines.

488. Service to Canada.

489. Cancellation of contracts; grounds.

490. Combinations in restraint of bidding; penalty.

491. Penalty for offenses.

492. Commission to study aviation authorized; compensation.

493. Same; organization; powers.

Section 461. Title. Sections 461 to 465 of this chapter may be cited as the "Air Mail Act." (Feb. 2, 1925, c. 128, § 1, 43 Stat. 805.)

§ 462. Air mail defined. When used in sections 463 to 465 of this title the term "air mail" means first-class mail prepaid at the rates of postage herein prescribed. (Feb. 2, 1925, c. 128, § 2, 43 Stat. 805.)
§ 463. Same; postage rates. Effective July 1, 1934, the rate of postage on air mail shall be 6 cents for each hundred or fraction thereof. (Feb. 2, 1925, c. 128, §§ 3, 43 Stat. 695; May 17, 1928, c. 605, § 1, 45 Stat. 594; June 12, 1934, c. 466, § 2 (a), 48 Stat. 933.)

§ 464. Same; contracts for transportation of air mail. [Repealed.]

This section (Act Mar. 1, 1921, c. 88, § 1, 41 Stat. 1152; Act Apr. 29, 1930, c. 223, § 3, 46 Stat. 260; Act Apr. 29, 1930, c. 223, § 466, 44 Stat. 692; Act Apr. 20, 1936, c. 223, § 1, 46 Stat. 258) was repealed by Act June 12, 1934, c. 466, § 2 (a), 48 Stat. 933.

§ 465. Same; rules and regulations. The Postmaster General may make such rules, regulations, and orders as may be necessary to carry out the provisions of sections 462 to 465 of this title. Nothing in such sections shall be construed to interfere with the post age charged or to be charged on Government-operated air-mail routes. (Feb. 2, 1925, c. 128, § 5, 45 Stat. 800.)

§ 465a. Air mail to foreign countries and insular possessions; contracts for transportation. When in his judgment the public interest will be promoted the Postmaster General is authorized to enter into contracts for air-mail service on routes between the United States and possessions or Territories of the United States, between possessions or Territories of the United States and possessions or Territories of the United States and foreign countries, and in and between foreign countries, for the transportation of mails of the United States and its possessions or Territories both ways over the routes, and in addition thereto mails of other countries on the outbound or the inbound flights under arrangements he may make with such countries, for periods of not more than ten years, and to pay for such service at fixed rates per pound and/or per mile; and the Postmaster General is hereby authorized to award such contracts to the bidders that he shall find to be lowest responsible bidders that can satisfactorily perform the service required to the best advantage of the Government; Provided, That the rate to be paid for such service for the load of mails provided by the Postmaster General to be carried in a plane shall not in any case exceed $2 per mile each way, plus not exceeding $1 per pound per thousand miles or pro rata thereof for greater or less mileage, for the cost of operating the mail plane and for the service required of the Postmaster General in the execution of such contracts; Provided further, That the Postmaster General may make arrangements for air mail service on routes between the United States and to intermediate points: Provided further, That in the award of such service the Postmaster General is hereby authorized to award contracts to the bidders that he shall find to be lowest responsible bidders that can satisfactorily perform the service required to the best advantage of the Government; Provided, That the rate to be paid for such service for the load of mails provided by the Postmaster General to be carried in a plane shall not in any case exceed $2 per mile each way, plus not exceeding $1 per pound per thousand miles or pro rata thereof for greater or less mileage, for the cost of operating the mail plane and for the service required of the Postmaster General in the execution of such contracts; provided further, That the base rate of pay which may be bid and accepted in awarding such contracts shall in no case exceed 33 1/3 cents per airplane-mile for transporting a mail load not exceeding three hundred pounds. Payment for transportation shall be at the base rate fixed in the contract for the first three hundred pounds of mail or fraction thereof plus one cent per mile for each additional one hundred pounds of mail or fraction thereof, computed at the end of each calendar month on the basis of the average mail load carried per mile over the route during such month, except that in no case shall payment exceed 40 cents per airplane-mile.

(b) No contract or interest therein shall be sold, assigned, or transferred by the person to whom such contract is awarded to any other person without the approval of the Postmaster General; and upon any such transfer without such approval, the original contract, as well as such transfer, shall be at the option of the Postmaster General become null and void.

(c) If, in the opinion of the Postmaster General, the public interest requires it, he may grant an extension of any route, for a distance not in excess of one hundred miles, and only one such extension shall be granted to any one person, and the rate of pay for such extension shall not be in excess of the contract rate on that route.

(d) The Postmaster General may designate certain routes as primary and secondary routes and shall include at least four transcontinental routes and the eastern and western coastal routes among primary...
such contract may be so extended unless the Postmaster General to provide and pay for the carriage of an aggregate of twenty-nine thousand miles, and shall not establish schedules for air-mail transportation on such routes and extensions in excess of an annual aggregate of forty million airplane-miles. (g) Authority is hereby conferred upon the Postmaster General to provide and pay for the carriage of mail by air in conformity with the terms of any contract let by him prior to June 12, 1934, or which may be let pursuant to a call for competitive bids therefor issued prior to June 12, 1934, and to extend any such contract for an additional period or periods not exceeding nine months in the aggregate at a rate of compensation not exceeding that established by sections 463 and 469 to 469s of this title nor that provided for in the original contract: Provided, That no such contract may be so extended unless the contractor shall agree in writing to comply with all the provisions of sections 463 and 469 to 469s of this title during the extended period of the contract. (June 12, 1934, c. 466, § 4, 48 Stat. 933; June 25, 1934, c. 762, § 1, 48 Stat. 1324.)

§ 469b. Advertisement of air-mail routes; before opening bids. The Postmaster General shall cause advertisements of air-mail routes to be conspicuously posted at each such post office that is a terminus of the route named in such advertisement, for at least twenty days, and a notice thereof shall be published at least once a week for two consecutive weeks in some daily newspaper of general circulation published in the cities that are the termini for the route before the time of the opening of bids. (June 12, 1934, c. 466, § 4, 48 Stat. 934.)

§ 469c. Period for qualification of bidders; bonds. After the bids are opened, the Postmaster General shall cause the successful bidder executes an adequate bond with sufficient surety guaranteeing and assuring that, within such period, said bidder will fully qualify under sections 463 and 469 to 469s of this title faithfully to execute and to carry out the terms of the contract: Provided further, That, if there is a failure so to qualify, the amount designated in the bond will be forfeited and paid to the United States of America. (June 12, 1934, c. 466, § 5, 48 Stat. 935.)

§ 469d. Rates; authority of Interstate Commerce Commission to fix; renewal; continuation or extension or termination of contracts; new contracts; procedure. (a) The Interstate Commerce Commission is hereby empowered and directed, after notice and hearing, to fix and determine by order, as soon as practicable and from time to time, the fair and reasonable rates of compensation for the transportation of air mail by air plane and the service connected therewith over each air-mail route, and in the case of contracts entered into before the date of this act, provided for in sections 463 and 469 to 469s of this title: Provided, That the method or methods by weight or space, or both, or otherwise, for ascertaining such rates of compensation, and to publish the same, which shall continue in force until changed by the said Commission in the manner provided for in sections 463 and 469 to 469s of this title; but any contract so continued in effect may be terminated by the said Commission upon sixty days’ notice, upon such hearing and notice thereof to interested parties as the Commission may determine to be reasonable; and may be also terminated by the contractor at its option upon sixty days’ notice. The termination of any air-mail contract, in accordance with any of the provisions of sections 463 and 469 to 469s of this title, the Postmaster General may let a new contract for air-mail service over the route affected, as authorized in sections 463 and 469 to 469s of this title. (b) All provisions of sections 524 to 568 of this title, relating to the administrative methods and procedures for the adjustment of rates for carriage of mail by railroads shall be applicable to the ascertainment of rates for the transportation of air mail by airplane under sections 463 and 469 to 469s of this title so far as consistent with the provisions of such sections. (c) The proceedings of the said Commission shall also have the same powers as the Postmaster General is authorized to exercise under section 469d of this title with respect to the keeping, examination, and auditing of books, records, and accounts of air-mail contractors, and it is authorized to employ special agents or examiners to conduct such examination or audit, who shall have power to administer oaths, examine witnesses, and receive evidence. (d) In fixing and determining the fair and reasonable rates of compensation for air-mail transportation, the Commission shall give consideration to the amount of air mail so carri ed, the facilities supplied by the carrier, and its revenue and profits from all sources, and from a consideration of these and other material elements, shall fix and establish rates for each route which, in connection with the rates fixed by it for all other routes, shall be designed to keep the aggregate cost of the transportation of air mail on and after July 1, 1933, within the limits of the anticipated postal revenue therefrom. (June 12, 1934, c. 466, § 6, 48 Stat. 935.)

§ 469e. Interest of contractors in other phases of aviation industry prohibited; unlawful combinations in respect to bids. (a) After December 31, 1934, it shall be unlawful for any person holding an air-mail contract to buy, acquire, hold, own, or control, directly or indirectly, any shares of stock or other interest in any other partnership, association, or corporation engaged directly or indirectly in any phase of the aviation industry, whether directly or indirectly engaged in the transportation of passengers, express, or mail, through the holding of an air-mail contract, or through the manufacture or sale of airplanes, airplane parts, or other materials or accessories generally used in air transportation, and regardless of whether such acquisition, holding, ownership, or control is done directly, or is accomplished indirectly, through an agent, subsidiary, associate, affiliate, or by any other device whatsoever: Provided, That the prohibitions herein contained shall not extend to interests in landing fields, hangars, or other ground facilities necessarily incidental to the performance of the transportation service of such air-mail contractors, or to shares of stock in corporations whose principal business is the maintenance or operation of such landing fields, hangars, or other ground facilities.
§ 469h. Books, records and accounts, credits and reports. All persons holding air-mail contracts shall be required to keep their books, records, and accounts under such regulations as may be promulgated by the Postmaster General, and he is hereby authorized to examine and audit the books, records, and accounts of such contractors and to require a full financial report under such regulations as he may prescribe. (June 12, 1934, 466, § 10, 48 Stat. 937.)

§ 469i. Equipment; character of to be specified by Secretary of Commerce. Before the establishment and maintenance of an air-mail route the Postmaster General shall notify the Secretary of Commerce, who thereupon shall certify to the Postmaster General the character of equipment to be employed and maintained on each air-mail route. Such specifications furnished to the Postmaster General, shall determine only the speed, load capacity, and safety features and safety devices to be used on the route, which said specifications shall be included in the advertisement for bids. (June 12, 1934, 466, § 11, 48 Stat. 937.)

§ 469j. Flying hours; retirement benefit agreements; regulation by National Labor Board. The Secretary of Commerce is authorized and directed to prescribe maximum flying hours of pilots on air-mail lines, and safe operation methods on such lines, and is further authorized to approve agreements between air-mail operating companies and their pilots and mechanics for retirement benefits to such pilots and mechanics. The Secretary of Commerce is authorized to prescribe all necessary regulations to carry out the provisions of this section and section 469i of this title. (June 12, 1934, 466, § 12, 48 Stat. 937.)

§ 469k. Working conditions; compliance with decisions of National Labor Board. It shall be a condition upon the awarding or extending of any air-mail contract that the rate of compensation and the working conditions and relations for all pilots, mechanics, and laborers employed by the holder of such contract shall conform to decisions of the National Labor Board. This section shall not be construed as restricting the right of collective bargaining by employee organizations for the benefit of such employees. (June 12, 1934, 466, § 13, 48 Stat. 937.)

§ 469l. Radio frequencies; allocation. The Federal Communications Commission shall give equal facilities in the allocation of radio frequencies in the 80 to 108 megacycle band to those air-planes carrying mail and/or passengers during the time the contract is in effect. (June 12, 1934, 466, § 14, 48 Stat. 938; June 19, 1934, 622, § 905, 48 Stat. 982.)

§ 469m. Number of contracts; limitation on; merger of competing parallel lines. After March 1, 1935, no person holding a contract of contracts for carrying air mail on a primary route shall be awarded or hold any contract [sic] for carrying air mail on any other primary route, nor on more than two additional routes other than primary routes. It shall be unlawful for air-mail contractors, competing in parallel routes, to merge or to enter into any agreement, express or implied, which may result in control or ownership. (June 12, 1934, 466, § 15, 48 Stat. 938, as amended June 20, 1934, 762, § 2, 48 Stat. 1243.)

§ 469n. Service to Canada. The Postmaster General may provide service to Canada within one hundred and fifty miles of the international boundary line, over domestic routes which are now or may hereafter be established and may authorize the carrying of either foreign or domestic mail, or both, to and from any points on such routes and may make payment for services over such routes out of the appropriation for the domestic Air Mail Service: Provided, That this section shall not be construed as repealing the authority given by section 494a of this title. (June 12, 1934, 466, § 16, 48 Stat. 938.)
§ 469o. Cancellation of contracts; grounds. The Postmaster General may cause any contract to be canceled for willful disregard of or willful failure by the contractor to comply with the terms of its contract or the provisions of law herein contained and for any conspiracy or acts designed to deprive the United States with respect to such contracts. This provision is cumulative to other remedies now provided by law. (June 12, 1934, c. 466, § 17, 48 Stat. 935.)

§ 469p. Combinations in restraint of bidding; penalty. Whoever shall enter into any combination, understanding, agreement, or arrangement to prevent the making of any bid for any contract under sections 463 and 469 to 469s of this title, to induce any other person to bid for such contract, or to deprive the United States Government in any way of the benefit of full and free competition in the awarding of any such contract, shall, upon conviction thereof, be fined not more than $10,000 or imprisoned for not more than five years, or both. (June 12, 1934, c. 466, § 18, 48 Stat. 936.)

§ 469q. Penalty for offenses. If any person shall willfully or knowingly violate any provision of section 463 to 469s of this title his contract, if one shall have been awarded to him, shall be forfeited, and such person shall upon conviction be punished by a fine of not more than $10,000 or be imprisoned for not more than five years. (June 12, 1934, c. 466, § 19, 48 Stat. 936.)

§ 469r. Commission to study aviation authorized; compensation. The President is hereby authorized to appoint a Commission composed of five members to be appointed from any one political party, for the purpose of making an immediate study and survey, and to report to Congress not later than February 1, 1935, its recommendations of a broad policy covering all phases of aviation and the relation of the United States thereto. Members appointed who are not already in the service of the United States shall receive compensation of not exceeding the rate of compensation of a Senator or Representative in Congress. (June 12, 1934, c. 466, § 20, 48 Stat. 936.)

§ 469s. Same; organization; powers. Such Commission shall organize by electing one of its members as chairman, and it shall appoint a secretary whose salary shall not exceed the rate of $5,000 per annum. Said Commission shall have the power to pay actual expenses of members of the Commission in the performance of their duties, to employ counsel, experts, and clerks, to subpoena witnesses, to require the production of papers and documents pertaining to such matters as are within the jurisdiction of the Commission, to administer oaths, and to take testimony, and for such purpose there is hereby authorized to be appropriated the sum of $75,000. (June 12, 1934, c. 466, § 21, 48 Stat. 937.)

Chapter 14.—CARRYING THE MAIL

Sec. 481. What are post roads.
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483. Provisions for carrying the mail.
484. Mail to every courthouse.
485. Carrying the mail on canals.
486. Carrying the mail on plank roads.
487. Carrying the mail on waters of the United States.
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489. Emergency mail service in Alaska.
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494. Mail carrying by vessels not in mail service.
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501. Letter mail for expedition.
502. Transfer of motor-propelled vehicles and equipment to Military Establishment to Post Office Department; purposes of.
503. Postage charges on property transferred.
504. Transfer of motor vehicles, aeroplanes, machinery, and property to Postmaster General for use in Postal Service.

Section 481. What are post roads. The following are established post roads:
All the waters of the United States, during the time the mail is carried thereon.
All railroads or parts of railroads which are now or hereafter may be in operation.
All canals, during the time the mail is carried thereon.
All plunk roads, during the time the mail is carried thereon.

The road on which the mail is carried to supply any courthouse which may be without a mail, and the road on which the mail is carried under contract made by the Postmaster General for extending the line of posts to supply mails to post offices not on any established route, during the time such mail is carried thereon.

All letter-carrier routes established in any city or town for the collection and delivery of mail matters. (R. S. § 3964.)


§ 482. Post routes. All public roads and highways while kept up and maintained as such are post routes. (Mar. 1, 1884, c. 9, 23 Stat. 3.)

§ 483. Provisions for carrying the mail. The Postmaster General shall provide for carrying the mail on all post roads established by law, as often as it may appear to him to be necessary in the public interest or convenience requires it. (R. S. § 3965.)


§ 484. Mail to every courthouse. The Postmaster General shall cause a mail to be carried from the nearest post office on any established post road to the courthouse of any county in the United States which is without a mail. (R. S. § 3966.)

From Act June 8, 1872, c. 335, § 216, 17 Stat. 309.

§ 485. Carrying the mail on canals. The Postmaster General may contract for carrying the mail on the navigable canals of the several States, when, in his judgment, the public interest or convenience requires it. (R. S. § 3967.)

From Act June 8, 1872, c. 335, § 217, 17 Stat. 310.

§ 486. Carrying the mail on plank roads. The Postmaster General may contract for carrying the mail on any plank road in the United States, when the public interest or convenience requires it. (R. S. § 3968.)

From Act June 8, 1872, c. 335, § 218, 17 Stat. 310.

§ 487. Carrying the mail on waters of the United States. The Postmaster General may cause the mail to be carried in any steamboat or other vessel used as a packet on any of the waters of the United States. (R. S. § 3969.)

From Act June 8, 1872, c. 335, § 219, 17 Stat. 310.

§ 488. Emergency mail service in Alaska. The Postmaster General may provide difficult or emergency mail service in Alaska, including the establishment and equipment of relay stations, in such manner as he may think advisable without advertising therefore. (Feb. 21, 1925, c. 283, 43 Stat. 960.)

§ 489. Extending line of posts; compensation. The Postmaster General may enter into contracts for extending the line of posts to supply mails to post offices not on any established route, and, as a compensation for carrying the mail under such contracts, may allow not exceeding two-thirds of the salary paid to the postmaster at such special offices. (R. S. § 3971.)

From Act June 8, 1872, c. 335, § 221, 17 Stat. 310.

§ 490. Selecting post roads. [Repealed.]

This section (R. S. § 3972) was repealed by § 1 of Act Feb. 28, 1935, c. 151, 49 Stat. 1349.

§ 491. Change of post-road terminus. [Repealed.]

This section (R. S. § 3973) was repealed by § 1 of Act Feb. 28, 1935, c. 151, 49 Stat. 1349.

§ 492. Discontinuing service on post road. Whenever, in the opinion of the Postmaster General, the postal service cannot be safely continued, the revenues