

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

## DEPARTMENT OF AGRICULTURE

### Rural Telephone Bank

#### Determination of the 2002 Fiscal Year Interest Rates on Rural Telephone Bank Loans

**AGENCY:** Rural Telephone Bank, USDA.

**ACTION:** Notice of 2002 fiscal year interest rates determination.

**SUMMARY:** In accordance with 7 CFR 1610.10, the Rural Telephone Bank (Bank) fiscal year 2002 cost of money rates have been established as follows: 6.51% and 6.05% for advances from the liquidating account and financing account, respectively (fiscal year is the period beginning October 1 and ending September 30).

Except for loans approved from October 1, 1987, through December 21, 1987, where borrowers elected to remain at interest rates set at loan approval, all loan advances made during fiscal year 2002 under Bank loans approved in fiscal years 1988 through 1991 shall bear interest at the rate of 6.51% (the liquidating account rate). All loan advances made during fiscal year 2002 under Bank loans approved during or after fiscal year 1992 shall bear interest at the rate of 6.05% (the financing account rate).

The calculation of the Bank's cost of money rates for fiscal year 2002 for the liquidating account and the financing account are provided in Tables 1 and 2. Since the calculated rates are greater than the minimum rate (5.00%) allowed under 7 U.S.C. 948(b)(3)(A), the cost of money rates for the liquidating account and financing account are set at 6.51% and 6.05%, respectively. The methodology required to calculate the cost of money rates is established in 7 CFR 1610.10(c).

**FOR FURTHER INFORMATION CONTACT:** Jonathan P. Claffey, Deputy Assistant Administrator, Telecommunications Program, Rural Utilities Service, 1400 Independence Ave., SW., STOP 1590,

South Building, Washington, DC 20250, telephone number (202) 720-9556.

**SUPPLEMENTARY INFORMATION:** The Federal Credit Reform Act of 1990 ("Credit Reform") (2 U.S.C. 661a, *et seq.*) implemented a system to reform the budgetary accounting and management of Federal credit programs. Bank loans approved on or after October 1, 1991, are accounted for in a different manner than Bank loans approved prior to fiscal year 1992. As a result, the Bank must calculate two cost of money rates: (1) The cost of money rate for advances made from the liquidating account (advances made during fiscal year 2002 on loans approved prior to fiscal year 1992) and (2) the cost of money rate for advances made during fiscal year 2002 on loans approved on or after October 1, 1991 (otherwise referred to as loans from the financing account).

The cost of money rate methodology is the same for both accounts. It develops a weighted average rate for the Bank's cost of money considering total fiscal year loan advances; the excess of fiscal year loan advances over amounts received in the fiscal year from the issuance of Class A, B, and C stocks, debentures and other obligations; and the costs to the Bank of obtaining funds from these sources.

During fiscal year 2002, the Bank was authorized to pay the following dividends: the dividend on Class A stock was 2.00% as established in amended section 406(c) of the Rural Electrification Act (RE Act); no dividends were payable on Class B stock as specified in 7 CFR 1610.10(c); and the dividend on Class C stock was established by the Bank at 4.20%.

#### Sources and Costs of Funds—Liquidating Account

In accordance with section 406(a) of the RE Act, the Bank did not issue Class A stock in fiscal year 2002. Advances for the purchase of Class B stock and cash purchases for Class B stock were \$88,786. There were rescissions of loan funds advanced for Class B stock in the amount of \$189,102, therefore, the amount received by the Bank from the issuance of Class B stock, per 7 CFR 1610.10(c), was (\$100,316). The amount received by the Bank in fiscal year 2002 from the issuance of Class C stock was \$9,759.

The Bank did not issue debentures or any other obligations related to the liquidating account in fiscal year 2002.

Consequently, no cost was incurred related to the issuance of debentures subject to 7 U.S.C. 948(b)(3)(D).

The excess of fiscal year 2002 loan advances from the liquidating account over amounts received from issuance of stocks, debentures, and other obligations amounted to \$1,955,057. The cost associated with this excess is the historical cost of money rate as defined in 7 U.S.C. 948(b)(3)(D)(v). The calculation of the Bank's historical cost of money rate for advances from the liquidating account is also provided in Table 1. The methodology required to perform this calculation is described in 7 CFR 1610.10(c). The cost for money rates for fiscal years 1974 through 1987 are defined in section 408(b) of the RE Act, as amended by Public Law 100-203, and are listed in 7 CFR 1610.10(c) and Table 1 herein.

#### Sources and Costs of Funds—Financing Account

In accordance with section 406(a) of the RE Act, the Bank did not issue Class A stock in fiscal year 2002. Advances for the purchase of Class B stock and cash purchases for Class B stock were \$2,868,237. Since there were no rescissions of loan funds advanced for Class B stock, the amount received by the Bank from the issuance of Class B stock, per 7 CFR 1610.10(c), was \$2,868,237. The Bank did not receive any amounts in fiscal year 2002 from the issuance of Class C stock.

During fiscal year 2002, issuance of debentures or any other obligations related to the financing account were \$61,400,000 at an interest rate of 6.352%. This was in excess of total fiscal year 2002 advances; the remaining funds will be carried forward and used for loan transactions in FY2002.

Since there was no excess of fiscal year 2002 loan advances from the financing account over amounts received from issuance of stocks, debentures, and other obligations, no cost was incurred related to advances from the financing account. However, the Bank's cost of money rate for advances from the financing account is provided in Table 2. The methodology required to perform this calculation is described in 7 CFR 1610.10(c).

Dated: November 22, 2002.

**Hilda Gay Legg,**  
Governor, Rural Telephone Bank.

TABLE 1.—RURAL TELEPHONE BANK COST OF MONEY RATE—LIQUIDATING ACCOUNT

FY 2002 Source of Bank Funds	(a) Amount	(b) Cost (percent)	(c) (a) × (b)	(c)/Advances (percent)
Issuance of Class A Stock .....	\$	2.00	\$	0.0000
Issuance of Class B Stock .....	(100,316)	0.00	.....	0.0000
Issuance of Class C Stock .....	9,759	4.20	410	0.0220
Issuance of Debentures and Other Obligations .....	.....	0.00	.....	0.0000
Excess of Total Advances Over Issuances .....	1,955,057	6.19	121,018	6.4906
Total FY 2002 Advances .....	1,864,500	Calculated Cost of Money Rate =		6.51
		Minimum Rate Allowable =		5.00

Fiscal year	(a) Cost of money	(b) Advances	(c) (a) × (b)	(c)/Total Advances (percent)
FY 1974 .....	5.01	\$111,022,574	\$5,562,231	0.232
FY 1975 .....	5.85	130,663,197	7,643,797	0.318
FY 1976 .....	5.33	99,915,066	5,325,473	0.222
FY 1977 .....	5.00	80,907,425	4,045,371	0.168
FY 1978 .....	5.87	142,297,190	8,352,845	0.348
FY 1979 .....	5.93	130,540,067	7,741,026	0.322
FY 1980 .....	8.10	199,944,235	16,195,483	0.674
FY 1981 .....	9.46	148,599,372	14,057,501	0.585
FY 1982 .....	8.39	112,232,127	9,416,275	0.392
FY 1983 .....	6.99	93,402,836	6,528,858	0.272
FY 1984 .....	6.55	90,450,549	5,924,511	0.247
FY 1985 .....	5.00	72,583,394	3,629,170	0.151
FY 1986 .....	5.00	71,582,383	3,579,119	0.149
FY 1987 .....	5.00	51,974,938	2,598,747	0.108
FY 1988 .....	5.00	119,488,367	5,974,418	0.249
FY 1989 .....	5.00	97,046,947	4,852,347	0.202
FY 1990 .....	5.00	107,694,991	5,384,750	0.224
FY 1991 .....	5.43	163,143,075	8,858,669	0.369
FY 1992 .....	6.14	84,940,822	5,215,366	0.217
FY 1993 .....	6.05	84,605,366	5,118,625	0.213
FY 1994 .....	6.15	54,530,897	3,353,650	0.140
FY 1995 .....	6.04	35,967,133	2,172,415	0.090
FY 1996 .....	6.05	30,965,187	1,873,394	0.078
FY 1997 .....	5.98	32,602,587	1,949,635	0.081
FY 1998 .....	5.96	20,673,798	1,232,158	0.051
FY 1999 .....	6.01	17,796,518	1,069,571	0.045
FY 2000 .....	6.01	10,436,622	627,241	0.026
FY 2001 .....	5.95	6,638,107	394,967	0.016
Total Advances .....	.....	2,402,645,770	Cost of Money	6.19

TABLE 2.—RURAL TELEPHONE BANK COST OF MONEY RATE—FINANCING ACCOUNT

FY 2002 source of bank funds	(a) Amount	(b) Cost (percent)	(c) (a) × (b)	(c)/Advances (percent)
Issuance of Class A Stock .....	\$	2.000	\$	0.0000
Issuance of Class B Stock .....	2,868,237	0.000	.....	0.0000
Issuance of Class C Stock .....	.....	4.200	.....	0.0000
Issuance of Debentures and Other Obligations* .....	57,364,682	6.352	3,643,805	6.0495
Excess of Total Advances Over Issuances .....	.....	6.100	.....	0.0000
Total FY 2002 Advances .....	60,232,919	Calculated Cost of Money Rate =		6.05
		Minimum Rate Allowable =		5.00

\* RTB borrowed \$61,400,000 from the financing account in FY2002, the remaining funds will be used for loan transactions in FY2002.

RURAL TELEPHONE BANK HISTORICAL COST OF MONEY RATE—FINANCING ACCOUNT

Fiscal year	(a) Cost of money (percent)	(b) Advances	(c) (a) × (b)	(c)/Total advances (percent)
FY 1992 .....	7.38	4,056,250	299,351	0.083

RURAL TELEPHONE BANK HISTORICAL COST OF MONEY RATE—FINANCING ACCOUNT—Continued

Fiscal year	(a) Cost of money (percent)	(b) Advances	(c) (a) × (b)	(c)/Total advances (percent)
FY 1993 .....	6.35	23,839,200	1,513,789	0.420
FY 1994 .....	6.40	56,838,902	3,637,690	1.008
FY 1995 .....	6.88	37,161,517	2,556,712	0.709
FY 1996 .....	6.42	44,536,621	2,859,251	0.793
FY 1997 .....	6.54	34,368,726	2,247,715	0.623
FY 1998 .....	5.71	34,446,458	1,966,893	0.545
FY 1999 .....	5.54	38,685,732	2,143,190	0.594
FY 2000 .....	6.05	31,401,867	1,899,813	0.527
FY 2001 .....	5.17	55,405,896	2,864,485	0.794
Total Advances .....		360,741,169	Cost of Money	6.10

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**DEPARTMENT OF AGRICULTURE**

**Rural Utilities Service**

**Announcement of Grant Awards Under the RUS Distance Learning and Telemedicine Grant Program**

**AGENCY:** Rural Utilities Service, USDA.

**ACTION:** Notice of applications selected to receive grant awards.

**SUMMARY:** The Rural Utilities Service (RUS) hereby announces the recipients that were selected to receive grant awards during fiscal year (FY) 2002 under the Distance Learning and Telemedicine Grant Program.

**FOR FURTHER INFORMATION CONTACT:** Marilyn J. Morgan, Chief, Distance Learning and Telemedicine Branch, U.S. Department of Agriculture, Rural Utilities Service, STOP 1550, Room

2845, South Building, 1400 Independence Avenue, SW., Washington, DC 20250-1701. Telephone: (202) 720-0413. FAX: (202) 720-1051.

**SUPPLEMENTARY INFORMATION:** Pursuant to 7 CFR 1703.101, RUS is hereby publishing the names of the 71 organizations that have been awarded \$27,139,772 in grants under 7 CFR part 1703, subpart D, Distance Learning and Telemedicine Grant Program. The recipients are as follows:

**USDA, RURAL UTILITIES SERVICE, TELECOMMUNICATIONS PROGRAM FY 2002 DISTANCE LEARNING AND TELEMEDICINE GRANT AWARDS**

State	Grantee	Amount
AK .....	Alaska Native Tribal Health Consortium .....	\$500,000
AK .....	The Health TV Channel, Inc. ....	500,000
AL .....	Choctaw County Board of Education .....	233,262
AL .....	Conecuh County School District .....	500,000
AR .....	Barton-Lexa School District .....	500,000
AZ .....	Arizona Western College .....	391,455
CA .....	Southern Cal. Tribal Chairmen's Assn. Inc. ....	479,235
CA .....	Yosemite Community College District .....	500,000
CO .....	Grand River Hospital District .....	500,000
FL .....	All Children's Hospital .....	481,410
GA .....	South Georgia Governmental Services Authority .....	499,100
ID .....	North Idaho Rural Health Consortium .....	500,000
KS .....	Hays Medical Center, Inc. ....	195,000
KS .....	Barton County Community College .....	69,550
KY .....	Saint Joseph Healthcare .....	90,300
LA .....	Primary Care Providers for a Healthy Feliciana .....	67,360
ME .....	The Aroostook Medical Center .....	162,543
ME .....	Visiting Nurse Service of Southern Maine and Seacoast New Hampshire .....	214,956
ME .....	St. Joseph Healthcare Inc. ....	494,750
ME .....	HealthReach Network d/b/a HealthReach Homecare & Hospice .....	500,000
MI .....	Borgess Health Alliance, Inc. ....	368,183
MN .....	First Care Medical Service .....	200,000
MN .....	Mille Lacs Health System .....	207,720
MO .....	Education Plus Network .....	464,492
MS .....	Mississippi Blood Services .....	193,930
MS .....	Jones County School District .....	500,000
MS .....	Brookhaven School District .....	500,000
MT .....	Deaconess Billings Clinic Foundation .....	209,300
MT .....	Montana State University-Northern .....	398,785
MT .....	Eastern Montana Education Telecommunications .....	430,071
NE .....	Rural Health Partners, Inc. d.b.a. Heartland Health Alliance .....	164,640
NE .....	North Platte Nebraska Hospital Corporation d.b.a Great Plains Regional Medical Center .....	484,000
NM .....	University of New Mexico-Gallup .....	432,526
NY .....	NYS Office of Children & Family Services .....	190,279
NY .....	New York State Office of Children and Family Services .....	335,000