the Federal Register as quickly as possible.

# List of Subjects in 7 CFR Part 401

Crop insurance; Soybeans.

### Interim Rule

Accordingly, pursuant to the authority contained in the Federal Crop Insurance Act, as amended (7 U.S.C. 1501 et seq.), the Federal Crop Insurance Corporation hereby amends the General Crop Insurance Regulations (7 CFR part 401), effective for the 1991 and succeeding crop years, by amending the Soybean Endorsement (7 CFR 401.117) in the following instances:

### PART 401-[AMENDED]

1. The authority citation for 7 CFR part 401 continues to read as follows:

Authority: 7 U.S.C. 1506, 1516.

2. Paragraph 4 of 7 CFR 401.117, the Soybean Endorsement, is revised to read as follows:

# § 401.117 Soybean endorsement.

4. Insurance Period.

In accordance with the provisions of section 7 of the general crop insurance policy the calendar date for the end of the insurance period in all states is December 10 immediately following planting.

Done in Washignton, DC, on October 2, 1990.

David W. Gabriel,

Manager, Federal Crop Insurance Corporation.

[FR Doc. 90-24873 Filed 10-19-90; 8:45 am] BILING CODE 3410-08-M

# Agricultural Marketing Service 7 CFR Part 910

[Lemon Reg. 740]

Lemons Grown in California and Arizona; Limitation of Handling

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

summary: This regulation establishes the quantity of California-Arizona lemons that may be shipped to domestic markets during the period from October 21 through October 27, 1990. Consistent with program objectives, such action is needed to balance the supplies of fresh lemons with the demand for such lemons during the period specified. This action was recommended by the Lemon Administrative Committee (Committee), which is responsible for local administration of the lemon marketing order.

**EFFECTIVE DATE:** Regulation 740 (7 CFR part 910) is effective for the period from October 21 through October 27, 1990.

FOR FURTHER INFORMATION CONTACT:
Beatriz Rodriguez, Marketing Specialist,
Marketing Order Administration Branch,
Fruit and Vegetable Division,
Agricultural Marketing Service, U.S.
Department of Agriculture (Department),
Room 2524–S, P.O. Box 96456,
Washington, DC 20090–6456; telephone:
(202) 475–3861.

SUPPLEMENTARY INFORMATION: This final rule is issued under Marketing Order 910 (7 CFR part 910), as amended, regulating the handling of lemons grown in California and Arizona. This order is effective under the Agricultural Marketing Agreement Act of 1937, as amended, hereinafter referred to as the Act.

This final rule has been reviewed by the Department in accordance with Departmental Regulation 1512–1 and the criteria contained in Executive Order 12291 and has been determined to be a "non-major" rule.

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), the Administrator of the Agricultural Marketing Service (AMS) has considered the economic impact of this action on small entities as well as larger ones.

The purpose of the RFA is to fit regulatory actions to the scale of business subject to such actions in order that small businesses will not be unduly or disproportionately burdened. Marketing orders issued pursuant to the Act, and rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility.

There are approximately 70 handlers of lemons grown in California and Arizona subject to regulation under the lemon marketing order and approximately 2,000 lemon producers in the regulated area. Small agricultural producers have been defined by the Small Business Administration (13 CFR 121.2) as those having annual receipts of less than \$500,000 and small agricultural service firms are defined as those whose annual receipts are less than \$3,500,000. The majority of handlers and producers of California-Arizona lemons may be classified as small entities.

The California-Arizona lemon industry is characterized by a large number of growers located over a wide area. The Committee's estimate of the 1990–91 production is 42,140 cars (one car equals 1,000 cartons at 38 pounds net weight each), compared to 37,881 cars

during the 1989-90 season. The production area is divided into three districts which span California and Arizona. The Committee estimates District 1, central California, 1990-91 production at 6,600 cars compared to the 4,158 cars produced in 1989-90. In District 2, southern California, the crop is expected to be 24,700 cars compared to the 24,292 cars produced last year. In District 3, the California desert and Arizona, the Committee estimates a production of 10,840 cars compared to the 9,436 cars produced last year. According to the National Agricultural Statistics Service, 1990-91 lemon production is expected to total 40,200 cars, 8 percent above the 1989-90 season and 1 percent more than the crop utilized in 1988-89.

The three basic outlets for California-Arizona lemons are the domestic fresh, export, and processing markets. The domestic (regulated) fresh market is a preferred market for California-Arizona lemons. Based on its crop estimate of 42,140 cars, the Committee estimates that about 42.5 percent of the 1990-91 crop will be utilized in fresh domestic channels (17,900 cars), compared with the 1989-90 total of 16,600 cars, about 44 percent of the total production of 37,881 cars in 1989-90. Fresh exports are projected at 20.1 percent of the total 1990-91 crop utilization compared with 22 percent in 1989-90. Processed and other uses would account for the residual 37.4 percent compared with 34 percent of the 1989-90 crop.

Volume regulations issued under the authority of the Act and Marketing Order No. 910 are intended to provide benefits to growers and consumers. Reduced fluctuations in supplies and prices result from regulating shipping levels and contribute to a more stable market. The intent of regulation is to achieve a more even distribution of lemons in the market throughout the marketing season and to avoid unreasonable fluctuations in supplies and prices.

Based on the Committee's marketing policy, the crop and market information provided by the Committee, and other information available to the Department, the costs of implementing the regulations are expected to be more than offset by the potential benefits of regulation.

Reporting and recordkeeping requirements under the lemon marketing order are required by the Committee from handlers of lemons. However, handlers in turn may require individual growers to utilize certain reporting and recordkeeping practices to enable handlers to carry out their functions.

Costs incurred by handlers in connection with recordkeeping and reporting requirements may be passed on to growers.

The Committee submitted its marketing policy for the 1990–91 season to the Department on June 19. The marketing policy discussed, among other things, the potential use of volume and size regulations for the ensuing season. The Committee considered the use of volume regulation for the season. This marketing policy is available from the Committee or Ms. Rodriguez. The Department reviewed that policy with respect to administrative requirements and regulatory alternatives in order to determine if the use of volume regulations would be appropriate.

The Committee met publicly on October 16, 1990, in Los Angeles, California, to consider the current and prospective conditions of supply and demand and unanimously recommended that 325,000 cartons is the quantity of lemons deemed advisable to be shipped to fresh domestic markets during the specified week. The marketing information and data provided to the Committee and used in its deliberations were compiled by the Committee's staff or presented by Committee members at the meeting. This information included. but was not limited to, price data for the previous week from Department market news reports and other sources, the preceding week's shipments and shipments to date, crop conditions, weather and transportation conditions, and a reevaluation of the prior week's recommendation in view of the above.

The Department reviewed the Committee's recommendation in light of the Committee's projections as set forth in its 1990-91 marketing policy. This recommended amount is 26,000 cartons above the estimated projections in the Committee's current shipping schedule.

During the week ending on October 13, 1990, shipments of lemons to fresh domestic markets, including Canada, totaled 312,000 cartons compared with 294,000 cartons shipped during the week ending on October 14, 1989. Export shipments totaled 176,000 cartons compared with 196,000 cartons shipped during the week ending on October 14, 1989. Processing and other uses accounted for 267,000 cartons compared with 218,000 cartons shipped during the week ending on October 14, 1989.

Fresh domestic shipments to date for the 1990–91 season total 3,358,000 cartons compared with 3,209,000 cartons shipped by this time during the 1989–90 season. Export shipments total 1,467,000 cartons compared with 1,637,000 cartons shipped by this time during 1989–90. Processing and other use shipments total 2,479,000 cartons compared with 1,548,000 cartons shipped by this time during 1989–90.

For the week ending on October 13, 1990, regulated shipments of lemons to the fresh domestic market were 312,000 cartons on an adjusted allotment of 344,000 cartons which resulted in net undershipments of 32,000 cartons.

Regulated shipments for the current week (October 14 through October 20, 1990) are estimated at 325,000 cartons on an adjusted allotment of 345,000 cartons. Thus, undershipments of 20,000 cartons could be carried over into the week ending on October 27, 1990.

The average f.o.b. shipping point price for the week ending on October 13, 1990, was \$13.48 per carton based on a reported sales volume of 306,000 cartons compared with last week's average of \$14.03 per carton on a reported sales volume of 310.000 cartons. The 1990–91 season average f.o.b. shipping point price to date is \$13.16 per carton. The average f.o.b. shipping point price for the week ending on October 14, 1989, was \$14.69 per carton; the season average f.o.b. shipping point price at this time during 1989–90 was \$14.71 per carton.

The Department's Market News Service reported that, as of October 16, the demand for lemons is moderate and the market is "about steady". At the meeting, some Committee members commented that the current demand for lemons is good. It was noted that there is some inventory build-up on smallsized (165's), first grade fruit and some slight increase in inventory on large sized (115's and larger), second grade lemons. One Committee member indicated that volume regulation is needed to help maintain market stability. Another member supported the utilization of volume regulation due to the increase in storage and the transition between districts. The Committee unanimously recommended volume regulation for the period from October 21 through October 27, 1990.

Based upon fresh utilization levels indicated by the Committee and an econometric model developed by the Department, the California-Arizona 1990-91 season average fresh on-tree price is estimated at \$8.83 per carton, 107 percent of the projected season average fresh on-tree parity equivalent price of \$8.24 per carton. The California-Arizona 1989-90 season average fresh on-tree price is estimated at \$9.02, 121 percent of the projected season average fresh on-tree parity equivalent price of \$7.47 per carton.

Limiting the quantity of lemons that may be shipped during the period from October 21 through October 27, 1990, would be consistent with the provisions of the marketing order by tending to establish and maintain, in the interest of producers and consumers, an orderly flow of lemons to market.

Based on considerations of supply and market conditions, it is found that this action will tend to effectuate the declared policy of the Act.

Based on the above information, the Administrator of the AMS has determined that issuance of this rule will not have a significant economic impact on a substantial number of small entities.

Pursuant to 5 U.S.C. 553, it is further found and determined that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice and engage in further public procedure with respect to this action and that good cause exists for not postponing the effective date of this action until 30 days after publication in the Federal Register. This is because there is insufficient time between the date when information became available upon which this regulation is based and the effective date necessary to effectuate the declared policy of the Act.

In addition, market information needed for the formulation of the basis for this action was not available until October 16, 1990, and this action needs to be effective for the regulatory week which begins on October 21, 1990. Further, interested persons were given an opportunity to submit information and views on the regulation at an open meeting, and handlers were apprised of its provisions and effective time. It is necessary, therefore, in order to effectuate the declared purposes of the Act, to make this regulatory provision effective as specified.

## List of Subjects in 7 CFR Part 910

Lemons, Marketing agreements, and Reporting and recordkeeping requirements.

### PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

For the reasons set forth in the preamble, 7 CFR part 910 is amended as follows:

1. The authority citation for 7 CFR part 910 continues to read as follows:

Authority: Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674.

2. Section 910.1040 is added to read as follows:

Note: This section will not appear in the Code of Federal Regulations.

# § 910.1040 Lemon Regulation 740.

The quantity of lemons grown in California and Arizona which may be handled during the period from October 21 through October 27, 1990, is established at 325,000 cartons.

Dated: October 17, 1990.

Robert C. Keeney,

Deputy Director, Fruit and Vegetable Division.

[FR Doc. 90-24933 Filed 10-19-90; 8:45 am]

#### 7 CFR Part 1230

[No. LS-90-108]

# Pork Promotion, Research, and Consumer Information

AGENCY: Agricultural Marketing Service; USDA.

ACTION: Final rule.

SUMMARY: This final rule adopts without modification an interim final rule which amended regulations issued under the Pork Promotion, Research, and Consumer Information Order (Order) by revising the table which lists the Harmonized Tariff System (HTS) numbers for imported pork and pork products to conform to changes in the HTS for imported pork and pork products implemented by U.S. Customs Service (USCS). This change will facilitate the collection of assessments due on imported pork and pork products by USCS.

EFFECTIVE DATE: Effective November 21,

# FOR FURTHER INFORMATION CONTACT:

Ralph L. Tapp, Chief; Marketing Program Branch; Livestock and Seed Division; Agricultural Marketing Service; USDA, room 2624–S; P.O. Box 96456; Washington, DC 20090–6456; Telephone — 202/382–1115. SUPPLEMENTARY INFORMATION: This final rule has been reviewed under USDA procedures established to implement Executive Order No. 12291 and Departmental Regulation 1512–1 and is hereby classified as a non-major rule under the criteria contained therein.

This action was also reviewed under the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 et seq.) Many importers may be classified as small entities. This final rule merely (1) revises the numbers identifying imported pork and pork products listed in the table in § 1230.110 (55 FR 21848) in the regulations to conform to recent USCS changes in the HTS numbering system for imported pork and pork products. In addition, the action will not impose any requirements on importers beyond those previously discussed in the September 5, 1986, issue of the Federal Register (51 FR 31898) when it was determined that the Order would not have a significant effect upon a substantial number of small entities. The change in the HTS numbers for imported pork and pork products is merely a technical change and will impose no new requirements on the industry. Accordingly, the Administrator of the Agricultural Marketing Service has determined that this action will not have a significant economic impact upon a substantial number of small entities.

The Pork Promotion, Research, and Consumer Information Act of 1985 (7 U.S.C. 4801–4819) approved December 23, 1985, authorizes the establishment of a national pork promotion, research, and consumer information program. The program is funded by an assessment of 0.25 percent of the market value of live porcine animals sold in the United States and an equivalent amount on imported live porcine animals, pork, and pork products. The final Order establishing a pork promotion, research, and consumer information program was published in the September 5, 1986, issue

of the Federal Register (51 FR 31898) and assessments began on November 1, 1986. The Order requires importers of live porcine animals to pay an amount equal to 0.25 percent of their market value and importers of pork and pork products to pay an amount which represents 0.25 percent of the value of the live porcine animals from which the pork and pork products were derived based upon the most recent annual seven-market average price for barrows and gilts, as published by the Department. As a matter of practicality. the assessments on imported pork and pork products are expressed in cents per pound. The formula for converting the live animal equivalent of 0.25 percent of the value of the live animals to an assessment per pound is described in the supplementary information accompanying the Order and published in the September 5, 1986, issue of the Federal Register (51 FR 31901). The schedule of assessments is listed in a table in section 1230.110 of the regulations (55 FR 21848) for each type of pork and pork product identified by a HTS number.

The purpose of this final rule is to revise the present table found under section 1230.110 of the regulations (55 FR 21848) to reflect the most recent changes USCS has implemented in the HTS numbers for imported pork and pork products.

These changes delete seven HTS numbers and subdivide each of the categories represented by those seven HTS numbers into two new categories and renumbers each new category. The cents per pound and per kilogram assessments are the same for the 14 new HTS numbers as they were for the corresponding deleted seven HTS numbers contained in the table in § 1230.110 (55 FR 21848). A comparison of the deleted and replacement numbers may be found in the following table:

| Deleted HTS No. | New HTS No.<br>0203.12.10107 | HTS article description                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
|-----------------|------------------------------|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|                 |                              | Hams and cuts thereof (processed).                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
|                 | 0203.12.10205                | Shoulders and cuts thereof (processed).                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
|                 | 0203.12.90100                | Hams and cuts thereof (other).                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
|                 | 0203.12.90208                | Shoulders and cuts thereof (other).                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
| 0203.19.20000   | 0203.19.20108                | Spareribs (processed).                                                    | No. of the last of |  |
|                 | 0203.19.20901                | Other (processed).                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
| 0203.19.40006   |                              | Bellies.                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
|                 | 0203.19.40907                | Other.                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
| 210.11.00003    | 0210.11.00101                | Hams and cuts thereof (bone-in).                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
|                 | 0210.11.00209                | Shoulders and cuts thereof (bone-in). Salted, in brine, dried, or smoked. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
| 210.19.00005    | 0210.19.00103                | Canadian style bacon.                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
|                 | 0210.19.00906                | Other.                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
| 601.00.20007    |                              | 0.74(0.70)                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
|                 | 1601.00.20105                | Pork, Canned.<br>Pork, Other.                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |

The other 19 HTS numbers and the per-pound and per-kilogram

assessments listed in the table in § 1230.110 remain unchanged. These changes in the HTS numbers for imported pork and pork products do not

affect the assessments on imported swine. As a result of these changes the 26 HTS numbers listed in the table in § 1230.110 of the regulations (55 FR 21848) are increased to 33 HTS numbers for imported pork and pork products.

An interim final rule published on July 19, 1990, in the Federal Register requested comments from interested persons by August 20, 1990. No comments were received. This final rule adopts without modification the provisions of the interim final rule.

# List of Subjects in 7 CFR Part 1230

Administrative practice and procedure, Advertising, Agricultural research, Live porcine animal, Marketing agreement, Meat and meat products, Pork and pork products, Recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 1230 is amended as follows:

## PART 1230—PORK PROMOTION, RESEARCH, AND CONSUMER INFORMATION

1. The authority citation for 7 CFR part 1230 continues to read as follows: Authority: 7 U.S.C. 4801–4819.

## § 1230-110 [Confirmed]

2. Accordingly, the interim rule amending § 1230.110 of 7 CFR part 1230, which was published at 55 FR 29341 on July 19, 1990, is adopted as a final rule without change.

Done at Washington, DC, on October 16, 1990.

Kenneth C. Clayton, Acting Administrator.

[FR Doc. 90-24846 Filed 10-19-90; 8:45 am] BILLING CODE 3410-02-M

## Rural Telephone Bank

### 7 CFR Part 1610

Determination of the 1990 Fiscal Year Interest Rate on Rural Telephone Bank Loans

AGENCY: Rural Telephone Bank, USDA.
ACTION: Notice of 1990 fiscal year
interest rate determination.

SUMMARY: In accordance with 7 CFR 1610.10, the Rural Telephone Bank's Fiscal Year 1990 cost of money rate has been established at 5.00%. 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 from October 1, 1989 through September 30, 1990 under Bank loans approved on or after October 1, 1987 shall bear interest at the rate of 5.00%.

The calculation of the Bank's cost of money rate for Fiscal Year 1990 is provided in Table 1. Since the calculated rate (4.75%) is less than the minimum rate allowed under 7 U.S.C. 948(b)(3)(A), the cost of money rate is set at the minimum rate of 5.00%. The methodology required to calculate the cost of money rate is established in 7 CFR 1610.10(c).

## FOR FURTHER INFORMATION CONTACT: F. Lamont Heppe, Jr., Chief, Telephone Loans and Management Staff, Rural

Electrification Administration, room 2250, South Building, U.S. Department of Agriculture, Washington, DC 20250, telephone number (202) 382–9550.

SUPPLEMENTARY INFORMATION: The cost of money rate methodology develops a weighted average rate for the Bank's cost of money by considering total fiscal year loan advances; the excess of fiscal year loan advances over amounts received in the fiscal year from issuances 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 1990, the Bank paid the following dividends: the dividend on Class A stock was 2.00% as established in amended section 406(c) of the Rural Electrification 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 8.5%.

The total amount received by the Bank in Fiscal Year 1990 from the issuance of Class A stock was \$28,710,000. Total advances for the purchase of Class B stock and cash purchases for Class B stock were \$8,688,650. Rescissions of loan funds advanced for Class B stock amounted to \$1,033,871. Thus, the amount received by the Bank from the issuance of Class B stock, per 7 CFR 1610(c), was \$7,654,779 (\$8,688,650-\$1,033,871). The total amount received by the Bank in Fiscal Year 1990 from the issuance of Class C stock was \$10,066.

The Bank did not issue debentures or any other obligations during Fiscal Year 1990. 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 1990 loan advances over amounts received from issuances of Class A, B, and C stocks and debentures and other obligations amounted to \$71,320,146. 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 is provided in Table 2. The methodology required to perform this calculation is described in 7 CFR 1610.10(c). The cost of 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 2 herein.

Dated: October 16, 1990.

Gary C. Byrne,

Governor, Rural Telephone Bank.

TABLE 1 RURAL TELEPHONE BANK FY 1990 COST OF MONEY RATE

| Source of bank funds              | Amount | Cost rate (percent)          | Amount X cost rate                      | (Amount X<br>rate)/<br>advances<br>(percent)   |
|-----------------------------------|--------|------------------------------|-----------------------------------------|------------------------------------------------|
| FY 1990 Issuance of Class A Stock | 0      | 2.00<br>0.00<br>8.50<br>6.36 | \$574,200<br>0<br>856<br>0<br>4,535,961 | 0.5332<br>0.0000<br>0.0008<br>0.0000<br>4.2119 |
| Calculated Cost of Money Rate     |        |                              |                                         | 4.75                                           |