

Program Development and Regulatory Analysis, at (202) 690-1078.

All responses to this information collection and recordkeeping notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

#### **Catalog of Federal Domestic Assistance**

The Program described by this rule is listed in the Catalog of Federal Domestic Assistance Programs under No. 10.853, LOCAL Television Loan Guarantee Program. This catalog is available on a subscription basis from the Superintendent of Documents, the United States Government Printing Office, Washington, DC 20402. Telephone: (202) 512-1800.

#### **Executive Order 12372**

No intergovernmental consultation with State and local officials is required because this rule is not subject to the provisions of Executive Order 12372, Intergovernmental Consultation.

#### **Unfunded Mandates**

This rule contains no Federal mandates (under the regulatory provision of Title II of the Unfunded Mandates Reform Act of 1995) for State, local, and tribal governments or the private sector. Thus, this rule is not subject to the requirements of sections 202 and 205 of the Unfunded Mandates Reform Act of 1995.

#### **National Environmental Policy Act**

It has been determined that this rule does not constitute a major Federal action significantly affecting the quality of the human environment, and in accordance with the National Environmental Policy Act of 1969 [42 U.S.C. 4321 *et seq.*] (NEPA), an Environmental Impact Statement is not required. If necessary, Loans sought to be guaranteed under this Program will be assessed individually to determine appropriate compliance with NEPA.

#### **Government Paperwork Elimination Act**

The Board is committed to compliance with the Government Paperwork Elimination Act, which requires Government agencies to provide the public the option of submitting information or transacting business electronically to the maximum extent possible.

#### **Civil Rights**

The LOCAL TV Board is an equal opportunity lender. Applicants are required to comply with regulations on

nondiscrimination and equal employment opportunity.

#### **Executive Order 12630**

This rule does not contain policies that have takings implications.

#### **Executive Order 13132**

This rule does not contain policies having federalism implications requiring preparation of a Federalism Summary Impact Statement.

#### **Background**

On December 21, 2000, the President signed Public Law 106-553, the Federal Funding Act for Fiscal Year 2001. Title X of Pub. L. 106-553, entitled the "Launching our Communities" Access to Local Television Act of 2000" established the LOCAL Television Loan Guarantee Board and authorized the Board to guarantee Loans to facilitate access, on a technologically neutral basis, to signals of local television stations for households located in Nonserved Areas or Underserved Areas. The Board is comprised of the Secretaries of Agriculture, Treasury, and Commerce, and the Chair of the Board of Governors of the Federal Reserve System, or their designees. Individuals have been designated as Board members for each of the agencies represented on the Board. The LOCAL Television Act does not, however, designate a chair of the Board. Pursuant to procedural regulations previously published in the **Federal Register** on December 11, 2002 (67 FR 76105), the Board has chosen the designee of the Secretary of the Treasury as Chair. The Board is authorized to approve Guarantees up to 80 percent of the principal amount of up to \$1.25 billion in Loans. The Board's authority to guarantee Loans under the Program expires on the earlier of the date the Secretary of Agriculture determines that at least 75 percent of Designated Market Areas, other than the top 40 Designated Market Areas, have access to Local Television Broadcast Signals for virtually all households or December 31, 2006.

The Act requires the issuance of regulations to implement its provisions. Specifically, the Act requires that these regulations set forth: (1) The form of any application to be submitted to the Board; (2) the time periods for the review and consideration by the Board of applications submitted to the Board, as well as any other actions to be taken by the Board with respect to such applications; (3) appropriate safeguards against evasions of the Act; (4) circumstances in which an Applicant, together with any Affiliate of an Applicant, shall be treated as an

Applicant for a Guarantee; (5) requirements that appropriate parties submit to the Board any documents and assurances that are required for the administration of the Act's provisions; (6) requirements governing defaults on Loans guaranteed under the Act, including the administration of the payment of guaranteed amounts upon Default; and (7) other provisions consistent with the Act's purposes as the Board considers appropriate.

On March 14, 2001, the Rural Utilities Service (RUS), U.S. Department of Agriculture, published in the **Federal Register** a request for public comment and a notice of public discussion meetings on implementing the provisions of the Act (66 FR 14880). This notice requested comments and encouraged participation in informal meetings regarding the implementation of the Act. RUS requested information regarding all aspects of the Program, including any financial and technological implications, as well as analyses of any provisions of the Act that may present issues or problems in implementing the Program. On April 30, 2002, RUS issued a Notice of Inquiry (NOI) in the **Federal Register** (67 FR 21216) seeking additional public comment on the implementation of the Act. Specifically, the NOI was issued to assess the interest of eligible entities in pursuing application for funding under the Act taking into account: (1) The recent commercial and regulatory developments, including pending industry mergers; (2) the impacts of new technology capable of providing local TV signals; (3) the effects of the Satellite Home Viewer Improvement Act; and (4) the ability to accomplish the Act's objectives utilizing current appropriations.

#### **Comments and Responses**

RUS received nine written comments in response to its March 14, 2001, request for public comment and notice of public discussion meetings. Five of the nine commenters participated in public discussion meetings with RUS and other Board staff.

RUS received three written comments in response to its April 30, 2002, NOI.

The twelve respondents included: satellite and internet services providers, cable, telecommunications & television trade associations, the interest of rural utilities companies and cooperatives, TV station owners and operators, a rural financial lender, a financial consultant and a terrestrial system local TV provider.

RUS submitted the comments to the Board and the Board considered the oral and written comments as it formulated