



NATIONAL INDIAN TELECOMMUNICATIONS INSTITUTE

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FCC COMMENTS

by

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January 29, 1999

for

"Overcoming Obstacles to Telephone Service for Indians on Reservations" All Indian Pueblo Cultural Center Albuquerque, New Mexico

A dear friend of mine who is today the vice president of Turtle Mountain Tribal College, told me a story about her grandmother. When North Dakota was first getting telephone service, Whites were given service before Indians. In fact the phone company ran telephone wires across the land right in form of Carol's grandmothers house. Her grandmother requested telephone service also, but was never given service, as each day she saw more and more of her white neighbors getting telephone service. Carol's grandmother had a plan. Each day she woke, make coffee and took a pair of scissors to her front yard and cut the telephone lines. She continued this everyday for months. Finally her wordless message was heard. She got telephone service.

Barriers

The most formidable barrier is money, in particular construction costs. It can cost \$10,000 to \$60,000 for the initial POTS line into a reservation home. No American would pay this charge.

What is the solution?

The FCC should prohibit local telephone companies from charging an initial construction cost. In communities like Gila River, Az, Native American telephone penetration went from below 40% to over 80% when the tribe bought the local telephone company. The tribally owned company got a loan from the Rural Utilities Service (RUS) which prohibits capital construction charges. If the FCC prohibited these charges on Indian lands, I believe telephone penetration would skyrocket.

Karen Buller's FCC comments
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Who will pay for these construction costs?

How did Gila River pay for these costs? They applied to the Universal Service Fund for repayment. Currently the universal service fund pays our 25% of the cost from the federal fund and 75% from the state fund. When tribal lands are involved, which are federal lands held in trust, 100% of the cost should come from the Federal universal service plan.

How are Native Americans hurt under the universal service plan?

Under the universal service plan, study areas, are often determined as entire states. Tribal lands should be their own separate study area. Telephone costs and penetration numbers are currently determined by averaging within a study area. For example Albuquerque, which has very high penetration, is averaged with communities, like Grants, Crownpoint, San Ildefonso Pueblo and Picuris Pueblo. By averaging the underserved communities with the large urban areas, a false story is told. Universal service fees should be based on the exact areas of the tribal land.

Consumer Solutions

Another barrier is the increased cost and social pressures that long distance service brings. If an individual tribal member has telephone service in her home, it would be considered "rude" to deny the use of the phone to friends or family. Therefore when charges of ones friends or family become too much for the individual to pay, the service is terminated.

The solution:

Cheyenne River Telephone cooperative has instituted a clever system whereby the phone subscriber is issued a PIN personal identification number for access to long distance service in his home. It would be considered "rude" for a visitor to ask for the PIN number and therefore the subscriber is relieved of the duty of policing the telephone. This system seems to work very well.

Long distance for every call

Everyday calls to one's mother, a child's school or one's job may all be long distance calls for those living on a reservation. This state of affairs can lead to a telephone bill that is unaffordable. A large percentage of reservation telephone users have had their phone service disconnected at one time or another for non payment of long distance charges. Many states now prohibit carriers from disconnecting local service based on non-payment of long distance bills. I do not know of any reservation where this standard applies. On reservations, terminating long distance service effectively terminates local service.

Residential monthly rates exorbitant/unequal costs

Telephone costs vary widely across the west. Local home service in Olympia Washington is approximately \$16 per month. USWest is the carrier. In Santa Fe, NM the same service is approximately \$25 dollars a month and USWest is also the carrier. In Philadelphia, basic service is \$9 per month. Why the difference? The PUC of the state of Washington restricts the amount USWest can charge for basic service, while the PUC of New Mexico has not restricted USWest. Therefore New Mexicans pay more for basic service. I have included a chart that show differences in basic home service as well as differences in T-1 service.

Wireless Issues

Power Limitations

While a few tribes are getting into the wireless business, many more would like to if the costs of repeater towers were not so high. Power limitations on Personal Communication Services (PCS) restrict Native Americans from entering this field. Currently repeater towers tend to be close together, perhaps only a few miles apart. This situation is because the power of each tower must be so low so as not to cause interference with other carriers, a situation of urban communities. In rural areas this is rarely a problem. Indians can not afford to put up that many towers. If the FCC would grant waivers to this rule for Indian lands, Indian tribes could put up fewer towers with higher power thereby boosting their signal at an affordable cost to provider and consumer. Each tribe could ask for their own waiver.

Build Out Requirements

The FCC requires carriers to server a certain number of people in order to keep a license. Most companies can easily reach the required number of consumers by locating in dense urban areas, while neglecting or ignoring rural populations. While this is a many faceted situation, we recommend that the FCC look at "build out rules" and require that wireless companies serve rural populations as well as the easy to reach urban areas.

Notification of FCC action to Tribes

Currently Tribes are often unaware of their carrier selling or changing services in their user area. We recommend that the FCC place a Native American notification on all of their application forms. Direct notification and consultation should be given to tribes who live in the service area under consideration of new applications. Both the FCC and the company making application should notify the affected tribes. This would not only inform tribal governments of changes taking place in their area, it would open a line of communication between tribes and telcos.

How does the Telecom Act of 1996 help organizations like NITL and other Native American non profits?

It doesn't. It does not help private non-profits, higher education, or virtual schools.

Virtual schools are being set-up in Alaska because weather sometimes prevents kids from going to a centrally located school. These virtual schools are not covered by the E-Rate as far as we know.

Higher education institutions such as Tribal Colleges and Universities (TCUs) are also not covered by the E-Rate, but should be. TCUs lag far behind in technology funding and even basic infrastructure like safe buildings. On October 19, 1996 President Bill Clinton declared Executive Order 13021 to bring TCUs "up to speed." Including TCUs for E-Rate consideration would support the mission of Order 13021.

Private education non-profits are also not covered by the E-Rate but should be. Native American non-profits do not have the resources to pay for the latest computer hardware, software or training for its staff. Non-profit customers do not have the resources to pay for these items either. Education technology organizations such as NITL, which provides computer training to Indians, suffer the same plight as other non-profits when it comes to funding. NITL requires the newest computer equipment and tools to benefit people who do not have the money to pay for it.

Internet Availability

Internet Service is scarce, spotty, and a story of extremes.

Examples:

- Ft. Defiance has a lab of 30 G-3 Internet connected computers for 3rd graders, but no cell service.
- Western Alaska has Internet connections in schools, but no other telephone service or electricity outside of the school.
- Kayenta, Arizona has a T-1 connected lab but students are only on it for 20 per week and teachers have virtually no time on the lab and it is locked up after school hours.
- In a BIA school in New Mexico, only the coaches have Internet access.
- Schools how have been sold T-1 lines often find their lines are running only at one fifth or less of a T-1 line.
- Schools in western Alaska and other places find that the last mile is not covered by local telcos and when consumers develop a plan to connect the last mile, the local telco uses political pressure to prevent the hookup because they will not profit from it.

Final Thoughts

Universal Service is NOT universal. Affluent Americans continue to benefit from information and telecommunications. Native Americans must have the same services as other Americans.

Monthly Phone & Internet Charges

Location	Home	Business	T-1	56K
Santa Fe, NM	\$30	\$43	\$1100	\$2400
Crownpointe, NM				\$4600
Kipnuk, AK				
Olympia, WA	\$16		Century Tel: \$414	Century Tel: \$125
Hopi, AZ	\$8		U S West: \$93	U S West: \$75
Reno, NV		\$31	\$1300	
Duckwater, NV			\$1477 + \$490 installation	
Battle Mountain, NV			\$1239 + \$490 installation	

This is a draft document. Charges not listed will be available at the time of testimony.