

**WRITTEN TESTIMONY
SUBMITTED BY WITNESSES FROM PANEL I**

MEMORANDUM

VIA FACSIMILE

TO: Federal Communications Commission
Attn: Eric Jensen

FROM: Governor Mary Thomas
Gila River Indian Community

DATE: March 12, 1999

RE: Response to Questionnaire

The Gila River Indian Community hereby submits its response to the questions posed by the FCC regarding obstacles to providing telephone service on Indian reservations. I look forward to speaking with you further at the upcoming hearing to be held on our Reservation on Tuesday, March 23, 1999. Please note that more comprehensive comments regarding this topic will be submitted on behalf of our tribe by our tribal telephone company, Gila River Telecommunications, Inc., on or before May 28, 1999.

For your convenience, each of the questions you submitted for my response has been reprinted below.

For the hearing testimony, we ask that you draw upon your experience and best knowledge to provide the following information:

1) To the best extent of your knowledge, how many residents in your tribe have basic telephone service? If a resident does not have service, how long would it take on average to have services installed—in homes with previous service and in homes that never had service?

Approximately 1,232 residences on the Gila River Indian Reservation have telephone service. This means that only 34% of reservation households have telephone service. Gila River Telecommunications, Inc. ("GRTI"), a tribal corporation 100% owned and operated by the Gila River Indian Community, is the sole provider of telephone service to on-reservation households.

While off-reservation telecommunications providers are able to connect service within two to three days, it takes approximately four to six weeks for GRTI to provide telephone service to residences with no prior telephone service. That time period decreases to an average of two to three weeks if the residence has had prior telephone service.

The reason for this delay is that GRTI does not have the necessary dedicated plant facilities per household and sufficient plant facilities across the general service area to extend service throughout the Reservation. The Reservation lacks cables and facilities that house cables that are necessary to efficiently and economically provide adequate residential telephone service. GRTI is in a position where substantial time, manpower, and funding is needed to bring on-reservation telephone infra-structure up to a level where it is even footing with off-reservation service providers.

2) To the best extent of your knowledge, what prices do members of your tribe pay for these services? Describe the size of your telephone service area. To the best of your knowledge, do members of your reservation need to make long distance calls to reach any of the following: a doctor, a hospital, a police or fire department?

Residences pay \$12.00 for each access line.

Gila River's telephone service area is 581 square miles, which equates to less than five customers per square mile.

Gila River Telecommunications, Inc. provides extended area service ("EAS") to its customers. This allows residents to place calls to all areas of the reservation without incurring long distance charges. Thus, residents are able to reach the on-reservation hospital, police department and fire department without incurring long distance charges. However, long-distance charges do accrue when residents place calls to such services that are off-reservation in the Phoenix-Metro area. Therefore, GRTI subsidizes this long-distance service, providing 30 minutes of free long-distance calling to each household. The funds that pay for this subsidy come directly from GRTI, and thus decrease the funds available for GRTI's general operations.

3) To the best of your knowledge, what is the reason(s) tribal customers lose service to their residences?

Tribal members living on-reservation are accustomed to getting through life with extremely limited financial means. Tribal customers lose telephone service primarily due to non-payment of services. The general attitude is

offer any source of support for tribal members to pay for residential telephone services?

Tribal members can receive financial support through their District Service Centers for utility expenses, including telephone service. The funding is made available through the allocation of gaming revenues to the various Districts, which are political subdivisions of the Gila River Indian Community. Each District then allocates funds to needy households within the district for utility expenses.

Yes, Gila River Telecommunications, Inc. has made community members aware of the Lifeline Assistance Program through publications such as the tribal newspaper and company newsletter. Community members are also informed at community meetings.

4.9% of the 1,232 residential accounts are participating in Lifeline Assistance Program.

Other than the allocation of gaming revenues discussed above, the Tribe does not offer additional financial support of payment for tribal members' telephone bills.

7) Has anyone applied to the FCC's universal service program to obtain support for schools and libraries on your reservation that are seeking Internet access?

We are not aware that anyone has applied to the FCC universal service program, but we would like to know more about the program.

8) What do you see as the biggest obstacle to improving telephone penetration on your reservation?

The biggest obstacle to improving the telephone penetration on the Reservation is dealing with the bureaucracy of the Bureau of Indian Affairs ("BIA"). The BIA's involvement is necessary to establish Service Line Agreements. These agreements require utility easements to be granted across trust land that is either owned by the Tribe directly or owned by individual allottees.

The approval process moves slowly through the bureaucratic levels of the BIA and hinders the Tribe's efforts to efficiently increase telephone penetration throughout the Reservation.

9) What recommendations do you have to the FCC and to the State to improve opportunities to serve the reservation?

The recommendations of the Gila River Indian Community regarding FCC and State efforts to improve telephone service on the Reservation will be fully stated in the Comments that will be filed with the FCC by Gila River Telecommunications, Inc. on or before May 28, 1999.

Among other things, we would recommend that the FCC allow Native American-owned telephone companies to continue receiving 100% of Universal Service Funding ("USF"). We understand that there is an effort underway to decrease allocations of USF by decreasing federal contributions to USF. Under this proposal, telephone companies would receive 80% of the USF dollars from states and only 20% from federal funding. Because Native American tribal-owned telephone companies are not under the jurisdiction of state pools, this would reduce GRTI's USF funding by 80%. Such a reduction would have a devastating effect on GRTI's ability to provide telephone service to the Reservation population.

Further, opportunities to provide high quality telephone service to reservation populations would be greatly enhanced if the FCC adopted a policy statement recognizing the sovereign status of federally recognized Indian tribes and committing the FCC to consider the impact that all rules and regulations will have on Indian tribes prior to the enactment of such rules and regulations. Additionally, better relationships between Indian tribes and the FCC would flourish if the FCC made efforts to enter into government-to-government relationship agreements with Indian tribes, pursuant to President Clinton's May 14, 1998 and May 4, 1994 Executive Orders, copies of which are attached hereto. Such agreements assure Indian tribes that federal entities will recognize and respect their sovereign status, and conduct any necessary discussions and negotiations with tribes on that basis.

10) Are you aware of any existing tribal, state, or private facilities or equipment, which can be used to develop or supplement telecommunications services to reservations?

The recommendations of the Gila River Indian Community regarding facilities and equipment which can be used to enhance telecommunications service to the Reservation will be fully stated in the Comments that will be filed with the FCC by Gila River Telecommunications, Inc. on or before May 28, 1999.

Among other things, the Reservation community would benefit greatly from expanded wireless services. For example, spread spectrum can offer multi-line or high speed data service, but is currently offered only on an experimental basis. Since spread spectrum is offered on a high frequency band, there is no cabling required as there is with land-line service. In the long-run, increased wireless services would make telecommunications service less expensive on the Reservation while also increasing GRTI's ability to offer a greater range and capacity of services. Increased availability of wireless services would certainly supplement and enhance the telecommunications service available on Indian reservations.

11) Have members of your tribe had any difficulty in obtaining telephone service due to disagreements with telephone carriers over rights of way issues? If so, please explain the nature of these conflicts and their impact on the tribe's ability to obtain telephone service. Also, please tell us about the BIA approval process for rights of way issues, and whether it is an efficient process or a hindrance to service on reservations.

We are not aware of any difficulty in obtaining telephone service due to disagreements with other telephone carriers.

As discussed in item 8 above, the current process of obtaining approval on Service Line Agreements ("SLA") through the Bureau of Indian Affairs is definitely a hindrance to providing telephone service. The process can take up to 6 weeks to obtain approval on a single SLA. The reason for this delay is that the BIA requires approval at two bureaucratic levels, both at the local agency and at the Area Office.