Connecting Indian Country to the Information Age

Remarks of
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Thank you for that kind introduction. It's a pleasure to be with you this morning. The National Congress of American Indians has a long and honored tradition as an important voice representing tribal governments and the interests of American Indians. I'm pleased to join you to discuss an issue close to both my heart and yours: connecting Indian country to the Information Age.

As you well know, access to communications in Indian country is abysmal. Although 94 percent of American households have telephones, less than half of Indian households have basic telephone service. It is unconscionable that Indians, the first Americans, remain the last Americans to enjoy the wonders and benefits of the Information Age.

In 1999, for the first time in the history of the FCC, we held field hearings in New Mexico and Arizona to examine the pressing issue of access to telephone service in Indian country. As a New Mexican, I was all too familiar with tribal lands' lack of access to telecommunications. But these field hearings were an important step, and they held the promise of opening new opportunities for Indian country.

And so we began a dialogue with Indian tribes, the private sector, state governments and consumer groups. At one of the hearings, we heard a tribal leader explain that telephone service among his people is a luxury. In a community where there may be no indoor plumbing and people may heat their homes with wood, perhaps this may not be surprising. But it is alarming. Without access to telephones, people are at a tremendous disadvantage. There is no emergency 911 service. Someone must run from home to home in cases of medical emergency or fire. There is no access to commercial, educational, and medical care opportunities that most Americans never think twice about. And without a phone, it's difficult to find a job, let alone develop your own business. All this, and I haven't even mentioned the ever growing importance of the Internet in the Information Age.

While the hearings touched commissioners and staff alike, we were reminded of the history of federal initiatives in Indian country. At one point George Arthur, a Council Delegate from the Navajo Nation, made a very simple, straightforward plea. He noted that for several years he represented the Navajo Nation at scores of panel discussions with federal representatives. More often than not, he said, little progress resulted from his interactions. He recounted that it often takes years for federal officials to respond, to provide feedback, to propose – let alone adopt – policies to address clear-cut needs. He asked that we at the FCC keep tribes apprised of any proposals or initiatives responding to the panel discussions.

Well, since that first hearing two years ago the Commission has engaged with tribes in an effort to increase access to telecommunications in Indian country. Thus began the tribal lands initiative.

Last June we adopted several policies that will make a difference in Indian country, including a policy statement recognizing tribal sovereignty and revised programs to increase subscribership and telecom build-out on tribal lands. We also are working directly with tribal governments, helping them determine if they want to operate as phone companies and bringing them together with industry to spur development. I am very proud of this agency, and I hope you will be encouraged that our commitment is lasting. I would like to review our progress to date.

First, we adopted a policy statement expressing the Commission's commitment to promote a government-to-government relationship between the agency and federally recognized tribes. The policy statement recognizes the sovereignty of tribal nations and the FCC's trust responsibility. As an agency, we committed to consult with tribal governments prior to implementing regulatory actions that significantly or uniquely affect tribes.

Second, we altered our universal service programs to substantially reduce the price of basic local phone service for low-income consumers on tribal lands. The Lifeline Assistance program reduces low-income consumers' monthly local phone bill. In June we provided low-income consumers on tribal lands with an additional discount up to \$25 per month, bringing basic monthly rates down to \$1 per month in most cases.

We also increased the assistance available under the existing Link-Up program for initial telephone service installation costs. We increased the assistance by \$70, for a total of \$100 per consumer on tribal lands.

In addition, we broadened the qualification criteria for these universal service programs to include means-tested and income-based programs that tribal members participate in. I am pleased to report that in the first three months of these programs, the Navajo Nation has reported an increase of 859 new telephone subscribers as a result of this initiative. Our staff has worked hard to get the word out but we need your help. You can get more information from our website at www.fcc.gov/indians.

We also changed our wireless auction rules to include a tribal land bidding credit to encourage the development of wireless services on tribal lands. Carriers that win licenses that overlap tribal lands can invest in serving Indian lands and deduct those costs from the auction price. In our recent PCS spectrum auction, 6 winning bidders have expressed an interest in using this bidding credit for service in nearly 50 markets.

Finally, last September the Commission held the Indian Telecommunications Training Initiative 2000 in St. Paul, Minnesota. Nearly 600 people participated, including representatives from 135 tribes, other federal agencies, service providers and other businesses. The conference was a great success, strengthening the relationship between the FCC and tribal governments and improving channels of communication between tribes and the private sector. I look forward to another success in the coming year.

While we have done much in the past few years, we have really only started the process. Basic telephone service is a necessity and we will continue to work to make it a reality. Moreover, access to the Internet is becoming increasingly critical for economic, educational, and social development. I urge you to work with us, engage with us, to ensure that Indian country enters the Information Age. I am pleased that the Commission has appointed Geoff Blackwell to be our FCC liaison to tribal governments and I hope you will get to know him. Together, I believe we can bridge the digital divide for tribal members across Indian country.

As a nation we must bridge the digital divide not just in Indian country but across America. Some have questioned whether a digital divide exists in this nation. Let me be perfectly clear: too many Americans still remain on the wrong side of the digital divide. As information technology becomes increasingly important in our economy and daily lives, we have an obligation to ensure that all Americans have access to the tools necessary to participate in the information economy. While we have seen a sharp increase in computer ownership and Internet access, large gaps still exist in Internet access rates among various groups. The digital divide persists for America's minorities, for people with disabilities, for low-income individuals and for those in rural communities. A few examples:

- While nearly 94 percent of American households subscribe to telephone service, less than 50 percent of Indian households have basic telephone service, let alone Internet access. Telephone subscribership on the Navajo reservation hovers below 25 percent.
- The Internet divide between minority households and the national average continues to expand. According to a 2000 Department of Commerce study, Internet access in Hispanic households is 23.6 percent, compared with a national average of 41.5 percent. Despite a substantial increase in Hispanic Internet access, this gap has grown by 30 percent since 1998. For African Americans, household Internet access is 23.6 percent; compared with the national average, the Internet access gap has increased 20 percent since 1998.
- Persons with a disability are only half as likely to have access to the Internet as those without a disability: 21.6 percent compared to 42.1 percent.

- Household Internet access continues to correlate very closely to income. For example, households with income levels between \$15,000 and \$24,999 have a 21.3 percent Internet penetration rate.
- While 10.7 percent of online households enjoy broadband services, rural users lag behind with just 7.3 percent penetration 30 percent below the nationwide average.

Despite these disparities, I believe we will overcome these gaps and prevail over the digital divide. There is simply no choice. It's too important. We're witnessing significant progress as Internet penetration increases for nearly all segments of society. As computer and information technology tools becomes more essential, it becomes even more important that all Americans have access to the building blocks of the Information Age. And this access is crucial for the Indian community so you can take charge of your own destiny.

An important start is the FCC's tribal lands initiative. At one of our hearings, Stanley Pino, the Chairman of the All Indian Pueblo Council, summed up what our work is all about. He said, "we want to have our sunsets and to make a good living too. We want to be safe in our homes and be able to give our children every possible advantage. To do so, we need affordable telephone service, adequate lines and serious respect for our cultural identities." I believe we are on the way toward making this plea a reality.