

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE APPLICATION
OF NATIVE AMERICAN TELECOM, LLC
FOR A CERTIFICATE OF AUTHORITY TO
PROVIDE LOCAL EXCHANGE SERVICE
WITHIN THE STUDY AREA OF
MIDSTATE COMMUNICATIONS, INC.

Docket No. TC11-087

**SUPPLEMENTAL DIRECT TESTIMONY OF
GENE DEJORDY
ON BEHALF OF
NATIVE AMERICAN TELECOM, LLC**

February 19, 2014

EXHIBIT A

Expanding Telecommunications Access In Indian Country



Federal Communications Commission
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Washington, DC 20554



CGB

000982

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Cover Photo:

Northern Plains painted deerhide shirt, ca. 1850. Collected ca. 1850 at Fort Laramie, Wyoming. Height 83.75 cm. Photo by Katherine Fogden. Courtesy, National Museum of the American Indian, Smithsonian Institution.

Introduction

Recognizing that the telephone penetration rate on many tribal lands falls far below the national average, the Federal Communications Commission (FCC) has taken a series of steps, through initiatives and tribal outreach, to address the lack of communications deployment and subscribership on tribal lands nationwide. This guide was developed as part of the FCC's ongoing Indian Telecommunications Initiatives (ITI) outreach effort and is consistent with the desire to establish government-to-government working relationships with American Indian tribes and Alaska Native villages.

The material that follows provides an overview of the FCC, the types of available communications technology, and FCC programs that are aimed at promoting telecommunications services in Indian Country. This information should prove helpful as a basic guide and starting point for tribal governments and organizations that are considering the deployment or expansion of telecommunications services in Indian Country.

The Consumer & Governmental Affairs Bureau, through its Office of Intergovernmental Affairs, is available to provide assistance to tribal governments and organizations in matters relating to the FCC. An excerpt from the FCC's Statement of Policy on Establishing a Government-to-Government Relationship with Indian Tribes (FCC 00-207) is provided at the end of this booklet. This Tribal Policy Statement is also available in document form and as an ITI outreach publication.

The FCC recognizes the rights of tribal governments to set their own communications priorities and goals for the welfare of their membership. The FCC does not endorse or favor any particular communications technology or system over any other; instead the decision as to which communications technology and support programs are most appropriate should be based upon the particular needs of each community. This guide lists some of the key considerations that should be weighed in making such a decision.

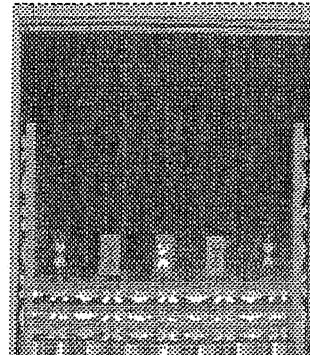


Photo:

Osage woman's ribbonwork dance robe. Oklahoma. Length 115 cm. Photo by David Heald. Courtesy, National Museum of the American Indian, Smithsonian Institution.

The FCC: An Overview

Introduction

The Federal Communications Commission (FCC or Commission) is an independent federal agency directly responsible to Congress. The FCC was established by the Communications Act of 1934 and is charged with regulating interstate communications by radio, television, wire, satellite, and cable.

Organization

The FCC is directed by five Commissioners appointed by the President and confirmed by the Senate for five-year terms. The President designates one of the Commissioners to serve as Chair. The Chairman and other Commissioners oversee FCC activities, delegating selected responsibilities to six bureaus and ten offices.

Bureaus

The Commission is organized by function. The Bureaus' and Offices' responsibilities include: processing applications for licenses and other filings; analyzing complaints; conducting investigations; developing and implementing regulatory policies; and taking part in hearings. Even though the Bureaus and Offices have their individual functions, they regularly work together and share expertise in addressing Commission issues. The Bureaus and Offices are:

- **Consumer & Governmental Affairs Bureau:** develops and implements the FCC's consumer policies, including disability access. The Bureau serves as the public face of the FCC through outreach and education, as well as through the Consumer Center, which is responsible for responding to consumer inquiries and complaints. The Bureau also maintains collaborative partnerships with state, local, and tribal governments in such critical areas as emergency preparedness and implementation of new technologies.
- **Enforcement Bureau:** enforces the Communications Act and the FCC's rules. The Enforcement Bureau protects consumers, fosters efficient use of the spectrum, furthers public safety, and promotes competition.
- **International Bureau:** administers the FCC's international telecommunications and satellite programs and policies, including licensing and regulatory functions. The Bureau also has a unique role in promoting pro-competitive policies abroad, coordinating the Commission's global spectrum activities, and advocating U.S. interests in international communications and competition. The Bureau works to promote a high-quality, reliable, globally interconnected, and interoperable communications infrastructure.
- **Media Bureau:** recommends, develops, and administers the policy and licensing programs relating to electronic media, including radio and broadcast, cable, and satellite television in the United States and its territories.
- **Wireless Telecommunications Bureau:** regulates all FCC domestic wireless telecommunications programs and policies, including licensing. Wireless telecommunications services include cellular, paging, personal communications, public safety, and other commercial and private radio services. The Bureau also implements competitive bidding for spectrum allocations.
- **Wireline Competition Bureau:** develops and recommends policy goals, objectives, programs, and plans for matters concerning wireline telecommunications, such as universal service and the deployment of advanced telecommunications services.

Offices

- **Office of Administrative Law Judges:** conducts hearings and issues decisions as ordered by the Commission.
- **Office of Communications Business Opportunities:** promotes competition and innovation in the provision and ownership of telecommunications and information services by supporting opportunities for small, women, and minority-owned communications businesses.
- **Office of Engineering and Technology:** advises the FCC on technical and engineering matters. The Office develops and administers FCC decisions regarding spectrum allocations, and grants equipment authorizations, experimental licenses, and special temporary authority to operate.
- **Office of General Counsel:** serves as the FCC's chief legal advisor.
- **Office of Inspector General:** conducts and supervises audits and investigations relating to FCC programs and operations.
- **Office of Legislative Affairs:** serves as the liaison between the FCC and Congress as well as other federal agencies.
- **Office of the Managing Director:** administers and manages the FCC.
- **Office of Media Relations:** informs the media of FCC decisions and serves as the FCC's main point of contact with the media.
- **Office of the Secretary:** oversees the receipt and distribution of documents filed by the public through electronic and paper filing systems.
- **Office of Strategic Planning and Policy Analysis:** works with the Chairman, Commissioners, Bureaus, and Offices to develop a strategic plan and identify policy objectives for the agency. The Office also provides research, advice, and analysis of advanced, novel, and non-traditional communications issues.
- **Office of Workplace Diversity:** ensures that the FCC provides employment opportunities for all persons regardless of race, color, sex, national origin, religion, age, disability, or sexual preference.

Priorities of the FCC

The FCC helps provide an orderly framework for communications products and services to be provided to consumers and businesses at reasonable rates. Equally important, the FCC addresses the communications aspects of public safety, health, and emergency operations; ensures the universal availability of basic communications services; makes communications services accessible to all people; and informs consumers about their rights in purchasing communications services. The FCC, in accordance with its statutory authority and in support of its mission, has established six strategic goals for the next five years. They are:

- **Broadband:** All Americans should have affordable access to robust and reliable broadband products and services. Regulatory policies must promote technological neutrality, competition, investment, and innovation to ensure that broadband service providers have sufficient incentive to develop and offer such products and services.
- **Competition:** Competition in the provision of communications services, both domestically and overseas, supports the Nation's economy. The competitive framework for communications services should foster innovation and offer consumers reliable, meaningful choice in affordable services.

- **Spectrum:** Efficient and effective use of non-federal spectrum domestically and internationally promotes the growth and rapid deployment of innovative and efficient communications technologies and services.
- **Media:** The Nation's media regulations must promote competition and diversity and facilitate the transition to digital modes of delivery.
- **Public Safety and Homeland Security:** Communications during emergencies and crises must be available for public safety, health, defense, and emergency personnel, as well as all consumers in need. The Nation's critical communications infrastructure must be reliable, interoperable, redundant, and rapidly restorable.
- **Modernize The FCC:** The FCC shall strive to be a highly productive, adaptive, and innovative organization that maximizes the benefit to stakeholders, staff, and management from effective systems, processes, resources, and organizational culture.

Communications Technology Choices

Introduction

The FCC recognizes that the challenges associated with gaining access to communications services are unique to every tribe. Different tribes are in different stages of economic development, particularly where communications access is concerned, and each tribe may face its own particular challenges to communications deployment. Consequently, choosing the communications system best suited for a particular tribe depends on regulatory, geographic, and market considerations. A brief overview of the key communications technology choices available – wireline, wireless, satellite, and cable – and certain key considerations that may influence the choice of a communications system are set forth below.

Brief Description of Choices

- **Wireline:** The traditional telephone system is a wireline system. Voice and data are transmitted using a transmission medium such as copper wire or fiber optic cable. The type of transmission medium determines how much information and what kinds of service can be provided. The traditional wireline telephone network consists of customer services equipment, transmission facilities, and switches.
- **Wireless:** Land-based wireless technology transmits voice and data using radio waves. Wireless networks may transmit to a mobile receiver, such as a wireless telephone, or to a stationary receiver, such as a fixed antenna. In addition to wireless transmitters, receivers, and repeaters, a wireless network may include switches and points of interconnection to the wireline public switched telephone network.
- **Satellite:** A communications satellite is a radio relay system on board a man-made satellite that orbits the earth. Communications satellites can be used to provide different types of services such as radio, telephone, data, television, and imaging. Communications satellites are capable of providing services over wide geographic areas and are often used in underserved or remote areas.
- **Cable:** This technology is used to distribute TV signals, either via coaxial or fiber optic cable, or satellite. Cable operators may use poles, a microwave link, or underground cable. Some cable systems offer a full-range of communications services, including broadband Internet access and voice telephone service.

Basic and Advanced Telecommunications Services

Discussions about telecommunications issues often differentiate between basic and advanced services. **Basic telecommunications services** include "plain old telephone service" (POTS), which supplies standard telephone service to residential and business customers. **Advanced telecommunications services** include higher capacity and faster transmission services, including broadband services such as digital subscriber line (DSL), cable modem, fiber, wireless, satellite, and broadband over powerline (BPL).

For more information about broadband visit: <http://www.fcc.gov/cgb/broadband.html> and <http://www.fcc.gov/cgb/consumerfacts/highspeedinternet.html>.

Broadband promotes e-commerce and economic development and has many beneficial applications for education, telemedicine, and emergency services.

Voice over Internet Protocol (VoIP), technology that allows consumers to make telephone calls using an Internet connection instead of a regular telephone line, may be a useful alternative in many rural areas. Some VoIP services work with a computer or special VoIP telephone, while others allow you to use a traditional telephone with an adaptor.

Key Considerations for Technology Choices

In addition to technical capability, key considerations in selecting a communications technology are: (1) regulatory standards; (2) geography; and (3) cost. We discuss these three key considerations below.

- **Regulatory Standards:** Federal, state, and local governments share jurisdiction over communications services. The FCC regulates telecommunications services between states and internationally, and the rates that local telephone companies charge long distance and wireless companies for access to their local networks. State public service commissions regulate local and intrastate (within a state) telecommunications services. Local Franchising Authorities grant operating authority to cable service providers, set rates for basic cable service if there is no effective competition, and enforce a variety of signal and service quality regulations.

When constructing facilities in Indian Country, service providers must follow all applicable federal, state, and local telecommunications regulations. They must also abide by applicable federal, state, and tribal environmental and historic preservation laws. In addition, they must comply with federal property laws and policies regarding tribal trust and individually-held trust and restricted lands. Finally, they must comply with any laws and regulations issued by a tribal government.

- **Geography:** Wireless telecommunications service may be the better technology choice in environments without obstructions such as mountains or valleys where sufficient transmission towers exist or can be cost-effectively constructed. Satellite service may be the better choice in geographically isolated areas with impassable terrain that makes laying cable or constructing towers difficult or very costly.
- **Cost:** Cost is linked to geography. Satellite technology has large coverage areas and costs can be spread across communities. In areas without obstructions, wireless service may be more cost-effective than wireline service.



FCC Programs that Promote Connectivity

In a series of steps undertaken since 1998, the FCC, in consultation with tribal leaders and other government agency officials, has sought to address concerns about barriers to telecommunications service deployment and subscribership in Indian Country. Concerns addressed include geographic isolation, lack of information, and economic obstacles.

The FCC has held formal field hearings on the quality of telecommunications services on reservations, the costs of delivering services to remote areas with low population densities, and relevant jurisdictional and tribal sovereignty issues. The FCC also initiated two comprehensive rulemakings targeted at eliminating impediments to improving telecommunications services on tribal lands. These rulemakings resulted in new wireless and wireline regulations aimed at increasing deployment of telecommunications services in Indian Country. The FCC has reaffirmed its own trust relationship and responsibility to federally-recognized tribes through a formal Statement of Policy. Finally, the Commission recognizes that Indian Tribal governments have the right to set their own telecommunications priorities and goals for the welfare of their membership.

Indian Telecommunications Initiatives

The Indian Telecommunications Initiatives (ITI) is an umbrella term for all Commission programs intended to expand telecommunications access in Indian Country. These programs include Universal Service and Tribal Lands Bidding Credits.

The three principal ITI goals are:

- increase the telephone penetration rate;
- increase telecommunications infrastructure deployment; and
- inform consumers on tribal lands nationwide about federal programs that provide discounts for telecommunications services.

To reach these goals, the FCC participates in four types of activities:

- regional workshops and roundtables in Indian Country to foster intergovernmental consultation and provide "how to" information on telecommunications services and infrastructure development;
- conferences and other events that address American Indian telecommunications issues;
- one-on-one meetings between tribal representatives and FCC staff; and
- distribution of educational materials through tribes and tribal organizations.

The FCC has coordinated five ITI Regional Workshops and Roundtables in partnership with various tribes and inter-tribal associations:

- Reno, Nevada in July 2003, with the Washoe Tribe of Nevada and California;
- Rapid City, South Dakota in May 2004, with the National Tribal Telecommunications Association;
- On the Coeur d'Alene Tribe's reservation in Idaho in November 2004, with the Affiliated Tribes of Northwest Indians;
- Albuquerque, New Mexico in July 2005, with the National Congress of American Indians;
- San Diego, California in July 2006, with the Southern California Tribal Chairman's Association Tribal Digital Village, the National Congress of American Indians, and the Center for Native American Public Radio.

In addition, the FCC co-hosted a Telecom Development Workshop with the Navajo Nation Telecommunications Regulatory Commission in September 2004 in Window Rock, Arizona.

Universal Service

The federal Universal Service Fund promotes connectivity in Indian Country through financial incentives to institutions that provide telecommunications and information services. The Fund also provides support for basic telephone service for consumers who otherwise might not be able to afford it.

The Universal Service Fund supports four programs:

- **Lifeline/Link-Up:** provides discounts on monthly service and initial telephone installation or activation fees for primary residences to income-eligible consumers. For additional information go to <http://www.fcc.gov/cgb/consumerfacts/universalservice.html>.
- **High-Cost:** supports companies that provide telecommunications services in areas where the cost of providing service is high.
- **Schools and Libraries:** helps classrooms and libraries use the vast array of educational resources available through the telecommunications network, including the Internet. For additional information go to http://www.fcc.gov/cgb/consumerfacts/usp_Schools.html.
- **Rural Health Care:** helps link rural health care providers to urban medical centers so that patients living in rural America will have access to the same advanced diagnostic and other medical services that are enjoyed in urban communities. For additional information go to http://www.fcc.gov/cgb/consumerfacts/usp_RuralHealthcare.html.

In general, companies that provide interstate telecommunications contribute to the federal Universal Service Fund. These companies include wireline phone companies, wireless phone companies, paging service companies, and certain Voice over Internet Protocol providers. These contributions support the four Universal Service programs.

Some consumers may notice a "Universal Service" line item on their telephone bills. This line item appears when a company chooses to recover its contributions directly from its customers by billing them this charge. The FCC does not require companies to pass on these costs to their customers. Each company makes a business decision about whether and how to recover Universal Service costs through charges to customers.

■ **Enhanced Lifeline and Link-Up Support for Tribal Lands**

Lifeline Assistance provides discounts on basic monthly service at the primary residence for qualified telephone subscribers. These discounts vary from state to state, depending on whether the state has its own Lifeline program. Lifeline Assistance also includes Toll Limitation Service, which enables a telephone subscriber to limit the amount of long distance calls that can be made from a telephone.

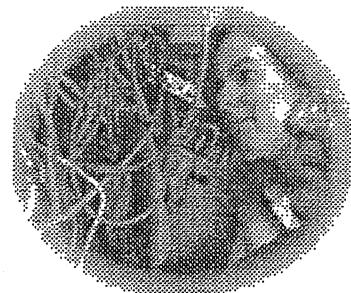
Enhanced Lifeline Assistance for tribal lands provides qualified telephone subscribers living on tribal lands with discounts of up to \$35 per month on basic monthly telephone service. As a result, depending on current rates, qualified subscribers on tribal lands may receive basic local telephone service for as little as \$1 a month.

Enhanced Link-Up Support for tribal lands provides qualified subscribers living on tribal lands with a one-time discount on initial installation or activation of a wireline or wireless telephone for the primary residence. The discount is up to 50% of the first \$60 of the installation fee. The maximum discount is \$30. The Link-Up program also allows subscribers to pay what they owe on a deferred schedule, interest-free. Qualified subscribers living on tribal lands with installation or activation fees above \$60 receive an additional discount of up to \$70, bringing the total discount to a maximum of \$100. For example, a qualified subscriber living on tribal lands may only pay \$30 of an installation or activation fee of \$60 to \$130. Thus, a \$70 installation fee may be reduced to \$40 for a qualified subscriber.

■ **Qualifying for Enhanced Lifeline and Link-Up Support on Tribal Lands**

Subscribers living on tribal lands may be eligible for Enhanced Lifeline and Link-Up support if they have an income at or below 135% of the federal Poverty Guidelines, participate in any of the assistance programs listed below, and/or qualify under their state's Lifeline program (if their state has its own Lifeline program). The qualifying assistance programs are:

- Medicaid,
- Food Stamps,
- Supplemental Security Income (SSI),
- Federal Public Housing Assistance (Section 8),
- Low-Income Home Energy Assistance Program (LIHEAP),
- Temporary Assistance to Needy Families,
- The National School Lunch Program's Free Lunch Program,
- Bureau of Indian Affairs General Assistance,
- Tribally-Administered Temporary Assistance for Needy Families (TTANF),
- Head Start (if income eligibility criteria are met), and
- Tribal National School Lunch Program.



For more information on eligibility requirements, visit the Web site of the Universal Service Administrative Company at www.lifelinesupport.org.

■ **Eligible Telecommunications Carriers**

Before receiving high cost and Lifeline/Link-up support from the Universal Service Fund, a telecommunications service provider must first be designated as an "eligible telecommunications carrier," or "ETC." To obtain ETC designation, among other things, a telecommunications service provider must demonstrate that it offers services supported under the high-cost program. An ETC is also required to publicize the services it offers, including the availability of Lifeline and Link-Up support, in a manner designed to reach those consumers who would likely qualify for the discounts.

In 2000, the FCC streamlined the process for ETC designation for providers of telecommunications services on tribal lands. The FCC designates ETCs if a service provider is not subject to state jurisdiction, including certain providers on tribal lands. Otherwise, states make the ETC designation.

In 2005, the FCC established procedures to ensure the appropriate tribal governments and tribal regulatory authorities are notified and provided with an opportunity to engage in consultation and comment with the FCC in instances where the FCC designates the ETC. Specifically, a service provider seeking ETC designation on tribal lands must provide a copy of its application for ETC designation to the affected tribal governments and tribal regulatory authorities when it files it with the FCC. In addition, the FCC will send the Public Notice seeking comment on the application to the affected tribal governments and regulatory authorities by overnight express mail.

Tribal Lands Bidding Credits

The FCC has conducted auctions for the use of the spectrum by wireless telecommunications providers since 1994. Spectrum is licensed to the highest bidder at an auction. Spectrum auctions are open to companies and individuals that file an application, submit an up-front payment, and are qualified by the FCC according to their financial solvency and ownership interests. The FCC uses spectrum auctions to encourage the deployment of wireless telecommunications on tribal lands.

Tribal Lands Bidding Credits (TLBC) provide discounts to winning bidders. The credits are limited to spectrum licensed for use in tribal areas with wireline telephone penetration rates equal to or less than 85 percent. The penetration rate is the percentage of households subscribing to wireline telephone service, as determined by the most recent U.S. Census.

A service provider seeking tribal lands bidding credits must obtain written authorization from a tribal government to construct facilities and provide service in the tribal area no later than six months after the close of the auction. The tribal government must certify that:

- it will allow the service provider to construct facilities and provide service on its tribal land(s) in accordance with FCC rules;
- it has not and will not enter into an exclusive contract with the provider precluding entry by other providers and will not unreasonably discriminate against any provider; and
- its tribal land has a telephone penetration rate at or below 85 percent.

The service provider must certify that it will cooperate with the tribe in siting facilities, and within three years, construct and operate a telecommunications system that will provide service to at least 75 percent of the population of the tribal area. The service provider must file a notification of construction with the FCC at the end of the three years. If the service provider fails to file the construction notification or construct and operate a telecommunications system at the end of three years, it must repay the bidding credits plus interest.

OTHER FEDERAL RESOURCES

Other federal agencies have initiatives designed specifically to offer discounts and other incentives for rural communities to develop telecommunications infrastructure and services. Some of these programs, which may have limited application windows each year, are:

■ Distance Learning and Telemedicine Loans and Grants

Department: U.S. Department of Agriculture, Rural Utilities Service.

Objectives: To encourage and improve the use of telemedicine, telecommunications, computer networks, and related advanced technologies to provide educational and medical benefits through distance learning and telemedicine projects to people living in rural areas and to improve rural opportunities.

Assistance Type: Project Grants; Direct Loans.

Use: Telecommunications, computer networks and related advanced technologies that provide educational and/or medical benefits to students, teachers, medical professionals and rural residents. Grants are limited to a maximum of 70 percent of the eligible costs of a project. Cost of money loans may be provided up to 100 percent of the eligible costs. Eligible costs depend on the type of financial assistance being requested, such as a grant or loan.

Applicants: Organizations such as schools, libraries, hospitals, medical centers, or other eligible organizations that will be users of a telecommunications, computer network, or related advanced technology systems to provide educational and/or medical benefits to rural residents.

Contact Information: Assistant Administrator, Telecommunications, Rural Utilities Service, Room 4056, South Building, U.S. Department of Agriculture, 1400 Independence Avenue, SW, Washington, DC 20250-1500. Phone: (202) 720-9554.

Web site: <http://www.rurdev.usda.gov>.

■ Community Connect Program (Broadband)

Department: U.S. Department of Agriculture, Rural Utilities Service.

Objectives: To promote broadband service in extremely rural, lower-income American communities where it currently does not exist, and to promote "community-oriented connectivity" that would stimulate economic development and enhance educational and health care opportunities.

Assistance Type: Project Grants.

Use: Grants must be used to deploy basic broadband transmission service, free of charge, to critical community facilities within the proposed service area, and offer broadband service to residential and business customers. As a condition for funding, grantees must construct, acquire, expand or operate a community center that provides free access to broadband transmission services for at least two years. Grantees must also provide matching contributions in the amount of 15% of the grant amount. Matching contributions may be in the form of cash, in-kind services and specified costs and expenses.

Applicants: Legally incorporated organizations, Indian tribes and tribal organizations, state and local government agencies, cooperatives, private corporations and limited liability companies, organized on a for-profit or non-profit basis. Eligible applicants must have the authority to own and operate broadband facilities and enter into contracts.

Contact information: Assistant Administrator, Rural Utilities Service, STOP 1590, 1400 Independence Ave., SW, Washington, DC 20250-1590. Phone: (202) 720-9554.

Web site: <http://www.usda.gov/rus/telecom/commconnect.htm>.

■ **Rural Business Enterprise Grants**

Department: U.S., Department of Agriculture, Rural Business-Cooperative Service.

Objectives: Facilitate the development of small and emerging private business, industry, and related employment to improve the economy in rural communities.

Assistance Type: Project Grants.

Use: Rural Business Enterprise Grant (RBEG) funds may be used: (1) to create, expand or operate rural distance learning networks or programs that provide educational or job training instruction related to potential employment or job advancement to adult students; (2) to develop, construct or acquire land, buildings, plants, equipment, access streets and roads, parking areas, utility extensions, necessary water supply and waste disposal facilities; (3) for refinancing; (4) for related services and fees; and (5) to establish a revolving loan fund.

Television Demonstration Grant (TDG) funds may be used for television programming to demonstrate the effectiveness of providing information on agriculture and other issues of importance to farmers and other rural residents.

Applicants: Applicants eligible for RBEG grants are public bodies and nonprofit corporations serving rural areas such as States, counties, cities, townships, and incorporated towns and villages, boroughs, authorities, districts and Indian tribes on Federal and State reservations that will serve rural areas. Applicants eligible for TDG grants are statewide, private, nonprofit, public television systems whose coverage is predominantly rural.

Contact Information: Director, Specialty Lenders Division, Rural Business-Cooperative Service, Department of Agriculture, Washington, DC 20250-3222. Phone: (202) 720-1400. Web site: <http://www.rurdev.usda.gov>.

■ **Public Telecommunications Facilities, Planning, and Construction**

Department: U.S. Department of Commerce, National Telecommunications and Information Administration (NTIA).

Objectives: To assist in the planning, acquisition, installation and modernization of public telecommunications facilities, through planning grants and matching construction grants, in order to: (1) extend delivery of public telecommunications services to as many citizens of the United States and territories as possible by the most efficient and economical means, including the use of broadcast and non-broadcast technologies; (2) increase public telecommunications services and facilities available to, operated by, and owned by minorities and women; and (3) strengthen the capability of existing public television and radio stations to provide public telecommunications service to the public.

Assistance Type: Project Grants.

Use: Provides grants for the planning and construction of public telecommunications facilities. Matching grants are given for apparatus necessary for production, dissemination, interconnection, captioning, broadcast, or other distribution of programming and reception of noncommercial educational, cultural radio and television programs and related noncommercial instructional or informational material.

Applicants: Applicants eligible for public telecommunications facilities, planning and construction are public or noncommercial educational broadcast stations; noncommercial telecommunications entities; systems of public telecommunications entities; nonprofit foundations, corporations, institutions or associations organized primarily for educational or cultural purposes; State, local and Tribal governments (or agencies thereof); or political or special purpose subdivisions of a State. Special consideration is given to applications that increase minority and women's ownership of, operation of, and participation in public telecommunications entities.

Contact Information: Office of Telecommunications and Information Applications/NTIA, Room 4625, Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230. Phone: (202) 482-5802. Web site: <http://www.ntia.doc.gov/ptfp>.

■ **Community Technology Centers**

Department: U.S. Department of Education.

Objectives: To promote the use of technology in education through the development of model programs that demonstrate the educational effectiveness of technology in urban and rural areas and economically distressed communities. Projects funded under this program support community centers that provide access to technology to residents of local communities.

Assistance Type: Project Grants.

Use: Projects funded under this program must be for the purpose of meeting the needs of residents of rural and urban areas and economically distressed communities through development of community technology centers.

Applicants: State educational agencies, local educational agencies, institutions of higher education, other public and private nonprofit or for-profit agencies and organizations, or groups of such agencies, institutions or organizations are eligible to receive grants under this program.

Contact Information: Division of Adult Education and Literacy, Office of Vocational and Adult Education, Department of Education, 400 Maryland Ave., SW, Washington, DC 20202-7240. Phone: (202) 205-8270. Web site:

<http://www.ed.gov/about/offices/list/ovae/index.html?src=mr>.

■ **Rural Telemedicine Grants**

Department: U.S. Department of Health and Human Services, Health Resources and Services Administration.

Objectives: To expand access to, coordinate, restrain the cost of, and improve the quality of essential health care services, including preventive and emergency services, through the development of integrated health care delivery systems or networks in rural areas and regions. Specifically, the purpose of the Rural Telemedicine Grant Program is to demonstrate how telemedicine can be used as a tool in developing integrated systems of health care, improving access to health services for rural citizens, and reducing the isolation of rural health care practitioners. The purpose is also to collect information for a systematic evaluation of the feasibility, costs, appropriateness, and acceptability of rural telemedicine.

Assistance Type: Project Grants.

Use: Funds may be used to: (1) demonstrate the use of telemedicine in facilitating the development of rural health care networks and improving access to health care services for rural citizens; (2) provide a baseline of information for a systematic evaluation of telemedicine systems serving rural areas; and (3) purchase or lease and install equipment; and (4) to operate and evaluate the telemedicine system. Not more than 40 percent of grant funds may be expended for equipment. Not more than 20 percent of grant funds may be expended for indirect costs. Grant funds may not be used for purchasing and installing telecommunications transmission equipment (such as microwave towers, satellite dishes, amplifiers, digital switching equipment or laying cable or telephone lines). Construction costs are allowable only for minor renovations related to the installation of equipment.

Applicants: An entity that is a health care provider and a member of an existing or proposed telemedicine network, or an entity that is a consortium of health care providers that are members of an existing or proposed telemedicine network are eligible for a grant. An eligible network may include for-profit entities so long as the network grantee is a nonprofit entity.

Contact Information: Co-Director of Rural Telemedicine Grants, Office for the Advancement of Telehealth, 5600 Fishers Lane, Room 11A-16, Rockville, MD 20857. Phone: (301) 443-1293. Grants Management contact: Grants Management Office, HIV/AIDS Bureau, Health Resources and Services Administration, 5600 Fishers Lane, Rockville, MD 20857. Phone: (301) 443-2385. Web site: <http://telehealth.hrsa.gov>.

For more information about federal rural programs and funding sources for rural telecommunications initiatives, contact :

U.S. Department of Agriculture Rural Information Center
National Agricultural Library
10301 Baltimore Ave., Room 304,
Beltsville, MD 20705-2351
Telephone: 1-800-633-7701
E-mail: ric@nal.usda.gov
Web site: www.nal.usda.gov/ric

■ **Regional Authorities**

The Appalachian Regional Commission (ARC) and the Delta Regional Authority (DRA) provide grants for economic development and infrastructure projects, including telecommunications projects, in their jurisdictions.

■ **Telecommunications Development Fund (TDF)**

The TDF is a venture capital corporation that opened its offices in 1998. This fund seeks to increase emergence of telecommunications businesses by providing capital and management expertise to talented entrepreneurs. The mission of the TDF is to improve telecommunications for all Americans by:

- Promoting access to capital for small businesses;
- Strengthening competition in the telecommunications industry;
- Stimulating new technological growth and development;
- Promoting universal service; and
- Enhancing the delivery of telecommunications services to rural and underserved areas.

TDF funds come from the interest paid by banking institutions on the upfront money bidders pay during spectrum auctions held by the FCC. TDF offers financing in the form of equity investments ranging from \$375,000 to \$1 million per initial investment.

For more information, contact the TDF at <http://www.tdfund.com> or call 202-293-8840.

Conclusion

The FCC seeks to improve access to modern communications services for residents of tribal lands. Access to these services is vital to the safety, security, health and successful economic development of all communities. Through the combined efforts of the FCC, tribes, tribal organizations, and other interested stakeholders, we increase our chances of finding workable solutions to meet the communications needs of American Indian and Alaska Native communities. The FCC welcomes input as we strive to reach our mutual goals.

APPENDIX A

The following is an excerpt from the FCC Policy Statement entitled "Statement of Policy on Establishing a Government-to-Government Relationship with Indian Tribes" adopted on June 8, 2000. The full text of this statement may be viewed on the FCC Web site at www.fcc.gov/indians. Footnote citations, which are included in the official document, are not reflected in this excerpt.

REAFFIRMATION OF PRINCIPLES OF TRIBAL SOVEREIGNTY AND THE FEDERAL TRUST RESPONSIBILITY

The Commission recognizes the unique legal relationship that exists between the federal government and Indian Tribal governments, as reflected in the Constitution of the United States, treaties, federal statutes, Executive orders, and numerous court decisions. As domestic dependent nations, Indian Tribes exercise inherent sovereign powers over their members and territory. The federal government has a federal trust relationship with Indian Tribes, and this historic trust relationship requires the federal government to adhere to certain fiduciary standards in its dealings with Indian Tribes. In this regard, the Commission recognizes that the federal government has a longstanding policy of promoting tribal self-sufficiency and economic development as embodied in various federal statutes.

The Commission also recognizes that the Federally Recognized Indian Tribe List Act of 1994, makes a finding that the federal government has a trust responsibility to and a government-to-government relationship with recognized tribes.

Therefore, as an independent agency of the federal government, the Commission recognizes its own general trust relationship with, and responsibility to, federally-recognized Indian Tribes. The Commission also recognizes the rights of Indian Tribal governments to set their own communications priorities and goals for the welfare of their membership.

The Commission hereby reaffirms its commitment to the following goals and principles:

1. The Commission will endeavor to work with Indian Tribes on a government-to-government basis consistent with the principles of Tribal self-governance to ensure, through its regulations and policy initiatives, and consistent with Section 1 of the Communications Act of 1934, that Indian Tribes have adequate access to communications services.
2. The Commission, in accordance with the federal government's trust responsibility, and to the extent practicable, will consult with Tribal governments prior to implementing any regulatory action or policy that will significantly or uniquely affect Tribal governments, their land and resources.
3. The Commission will strive to develop working relationships with Tribal governments, and will endeavor to identify innovative mechanisms to facilitate Tribal consultation in agency regulatory processes that uniquely affect telecommunications compliance activities, radio spectrum policies, and other telecommunications service-related issues on Tribal lands.
4. The Commission will endeavor to streamline its administrative process and procedures to remove undue burdens that its decisions and actions place on Indian Tribes. As administrative and organizational impediments that limit the FCC's ability to work with Indian Tribes, consistent with this Policy Statement, are identified, the Commission will seek to remove those impediments to the extent authorized by law.

5. The Commission will assist Indian Tribes in complying with Federal communications statutes and regulations.
6. The Commission will seek to identify and establish procedures and mechanisms to educate Commission staff about Tribal governments and Tribal cultures, sovereignty rights, Indian law, and Tribal communications needs.
7. The Commission will work cooperatively with other Federal departments and agencies, Tribal, state and local governments to further the goals of this policy and to address communications problems, such as low penetration rates and poor quality services on reservations, and other problems of mutual concern.
8. The Commission will welcome submissions from Tribal governments and other concerned parties as to other actions the Commission might take to further the goals and principles presented herein.
9. The Commission will incorporate these Indian policy goals into its ongoing and long-term planning and management activities, including its policy proposals, management accountability system and ongoing policy development processes.

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Indian Telecommunications
Initiatives,
visit our Web site,
<http://www.fcc.gov/indians/>
or contact the
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1-888-225-5322
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