



Gila River Telecommunications, Inc.

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April 23, 2013

The Honorable Greg Walden
Chairman
Subcommittee on Communications
& Technology
Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Anna Eshoo
Ranking Member
Subcommittee on Communications
& Technology
Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515

RE: Lifeline's Importance to Tribal Native American Communities

Dear Chairman Walden and Ranking Member Eshoo,

As the Chairman of the Board of Directors of Gila River Telecommunications, Inc. ("GRTI"), I write to emphasize the critical importance of the Lifeline program to Tribal Native American Nations. Today, the Lifeline program enables vital access to telecommunications services for low-income residents of the Gila River Indian Community (the "Community"). In the near future, I believe that the Lifeline program can play an integral part in raising the broadband adoption rate in Indian Country.

In our Community, I have seen firsthand the critical role the Lifeline program plays on tribal lands. GRTI was established in 1988, when the Community, a federally-recognized Indian Tribe, purchased the Gila River telephone exchange from U.S. West. Up until that time, it was not uncommon to hear of instances in which Community members were told the installation of telephone service would cost tens of thousands of dollars. Not surprisingly, the telephone penetration rate in the Community was under 30 percent.

Under GRTI, and with assistance from the Lifeline program, telephone penetration rates have drastically risen. The existence of the Lifeline program allowed GRTI to extend the telecommunications network to all residences with the assurance that service costs would not be a barrier to adoption for low-income subscribers. Today, telephone penetration rates in the Community are above 80 percent annually, and virtually every residence and business has access to GRTI's service if it chooses to subscribe. Of our current subscribers, 78 percent currently qualify for Lifeline service. In the recent past, the percentage of GRTI's subscribers that qualified for Lifeline services reached as high as 84 percent. Without the Lifeline program, these GRTI customers simply will not be able to afford telephone service.

Access to reliable telecommunications services is vital to these subscribers. Often, telecommunications services provide the only means for these residents to access critical public safety, telehealth, educational, cultural and economic development resources. In short, the Lifeline program provides multiple lifelines to the low-income residents of our Community.

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Based on its success with the Lifeline program, GRTI recently was selected to participate in the Federal Communications Commission's Broadband Adoption Lifeline Pilot Project. As part of this pilot project, GRTI will offer low-income subscribers varying levels of discounts on computers and broadband service to test the effect of such discounts on broadband adoption rates. Our company and Community are excited about the opportunity to participate in this pilot project. In fact, even before the program was announced to Community members, we received calls from low-income residents asking how they could sign up for the program.

During my time as Chairman of GRTI, no program has held a greater potential to benefit low-income residents of our Community than this pilot program. Broadband is driving innovation, community and economic development, education, health care, and government and tribal services in ways that were once unimaginable. This pilot program will enable many of our residents to experience the benefits of broadband for the first time. For these residents, the pilot program is nothing short of a game changer.

Among our customers, the cost of both service and computers is the primary barrier to broadband adoption among low-income residents. However, reducing costs alone likely will not immediately raise broadband adoption rates among low-income tribal residents to levels commensurate with national averages. As the National Broadband Plan notes, low digital relevancy and low digital literacy skills also are barriers to broadband adoption. On remote and isolated tribal lands, where high school dropout rates are high and unemployment is rampant, these barriers are always present. Consequently, I ask that you keep in mind that any long term solution to broadband adoption on tribal lands likely will need to address these barriers as well.

Finally, GRTI's experience and success demonstrates that telecommunications and broadband adoption on tribal lands can best be encouraged by ensuring that Tribes themselves are involved in the provision of service on tribal lands. Accordingly, GRTI supports rules adopted recently in the Federal Communications Commission's *Universal Service Fund and Intercarrier Compensation Transformation Order* and *Lifeline Reform Order* that will result in increased engagement between tribal governments and the Eligible Telecommunications Carriers ("ETCs") who serve their lands. Increasing the level of "tribal engagement" on these issues will ensure that Lifeline funds are used wisely and provide the greatest benefit to the respective communities. GRTI believes it is critical that tribal governments be involved in determining which carriers benefit from the Lifeline program so that they may ensure that such carriers adequately serve their tribal communities. Accordingly, any ETC petitions by telecommunications carriers seeking to serve tribal lands should not be granted if a tribal government associated with tribal lands in the prospective ETC's proposed service area objects to such ETC designation.

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On behalf of GRTI, I thank you for considering the great progress GRTI has made in its efforts to improve connectivity in our Community. This degree of this progress would not have been possible without the resources of the Lifeline program. As GRTI participates in the Broadband Adoption Lifeline Pilot project, I look forward to providing you with updates on our progress.

Most Sincerely,

A handwritten signature in black ink that reads "Anthony Newkirk". The signature is written in a cursive, flowing style.

Anthony Newkirk,
Chairman

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