



Highlights of [GAO-06-513T](#), a testimony before the Committee on Commerce, Science, and Transportation, United States Senate

Why GAO Did This Study

An important goal of the Communications Act of 1934, as amended, is to ensure access to telecommunications services for all Americans. This testimony is based on GAO's January 2006 report GAO-06-189, which reviewed 1) the status of telecommunications subscribership for Native Americans living on tribal lands; 2) federal programs available for improving telecommunications on these lands; 3) barriers to improvements; and 4) how some tribes are addressing these barriers.

What GAO Recommends

In a draft of its report provided for agency comment, GAO recommended that FCC determine what data is needed to assess progress toward the goal of providing access to telecommunications services to Native Americans living on tribal lands and how this data should be collected, and then report to Congress on its findings. FCC agreed more data is needed but maintained that it is not the organization best positioned to determine what that data should be. Given FCC's response, Congress should consider directing FCC to carry out our recommendation. In addition, Congress should consider amending the Communications Act to facilitate and clarify tribal libraries' eligibility for universal service funds.

www.gao.gov/cgi-bin/getrpt?GAO-GAO-06-513T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Mark Goldstein at (202) 512-2834 or goldsteinm@gao.gov.

TELECOMMUNICATIONS

Challenges to Assessing and Improving Telecommunications for Native Americans on Tribal Lands

What GAO Found

Based on the 2000 decennial census, the telephone subscribership rate for Native American households on tribal lands was substantially below the national level of about 98 percent. Specifically, about 69 percent of Native American households on tribal lands in the lower 48 states and about 87 percent in Alaska Native villages had telephone service. This data indicates some progress since 1990, though changes since 2000 are not known. The U.S. Census Bureau is implementing a new survey that will provide annual telephone subscribership rates, but the results for all tribal lands will not be available until 2010. The status of Internet subscribership on tribal lands is unknown because no one collects this data at the tribal level. Without current subscribership data, it is difficult to assess progress or the impact of federal programs to improve telecommunications on tribal lands.

The Rural Utilities Service and the Federal Communications Commission (FCC) have several general programs to improve telecommunications in rural areas and make service affordable for low-income groups, which would include tribal lands. In addition, FCC created some programs targeted to tribes, including programs to provide discounts on the cost of telephone service to residents of tribal lands. However, one of FCC's universal service fund programs, which supports telecommunications services at libraries, has legislatively based eligibility rules that preclude tribal libraries in at least two states from being eligible for this funding. FCC officials told GAO that it is unable to modify these eligibility rules because they are contained in statute and thus modifications would require legislative action by Congress.

The barriers to improving telecommunications on tribal lands most often cited by tribal officials, service providers, and others GAO spoke with were the rural, rugged terrain of tribal lands and tribes' limited financial resources. These barriers increase the costs of deploying infrastructure and limit the ability of service providers to recover their costs, which can reduce providers' interest in investing in providing or improving telecommunications services. Other barriers include the shortage of technically trained tribal members and providers' difficulty in obtaining rights of way to deploy their infrastructure on tribal lands.

GAO found that to address the barriers of rural, rugged terrain and limited financial resources that can reduce providers' interest in investing on tribal lands, several tribes are moving toward owning or developing their own telecommunications systems, using federal grants, loans, or other assistance, and partnerships with the private sector. Some are also focusing on wireless technologies, which can be less expensive to deploy over rural, rugged terrain. Two tribes are bringing in wireless carriers to compete with wireline carriers on price and service. In addition, some tribes have developed ways to address the need for technical training, and one has worked to expedite the tribal decision-making process regarding rights-of-way approvals.