

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
A National Broadband Plan for our Future)	GN Docket No. 09-51
)	
High-Cost Universal Service Support)	WC Docket No. 05-337

**REPLY COMMENTS OF
SANDWICH ISLES COMMUNICATIONS, INC.
AND MESCALERO APACHE TELECOM, INC.**

Sandwich Isles Communications, Inc. (“Sandwich Isles” or “SIC”) and Mescalero Apache Telecom, Inc. (“MATI”) file their Reply Comments in this proceeding in response to the comments filed by various parties on or before July 12, 2010 and pursuant to the Public Notice issued by the Commission on April 21, 2010 (FCC 10-58). The Commission invited comments on potential approaches to providing targeted funding on an accelerated basis in order to extend broadband networks in unserved areas and particularly invited comments identifying unique circumstances in Tribal lands, insular areas, and Native Hawaiian homelands that would necessitate a different approach from that recommended in the National Broadband Plan. Sandwich Isles and MATI in their joint Comments stated that there are unique circumstances justifying the creation of a separate Tribal Broadband Fund for the dual purposes of 1) ensuring extension of broadband networks to Tribal lands, and 2) sustaining the provision of broadband services to Native Americans, i.e. American Indians, Alaska Natives, and Native Hawaiians.

I. SIGNIFICANT INDUSTRY AGREEMENT WITH THE COMMISSION THAT SPECIAL CONSIDERATION SHOULD BE GIVEN NATIVE AMERICANS

One of the many challenges before this Commission is prioritization of its goals as it plans to implement a National Broadband Plan. Although there are many worthy initiatives on the table, the long standing disadvantages working against the economic and social development of Native Americans in this country should be eliminated now. Patience is a virtue; Native Americans are a patient people. The nation is now at a new crossroads brought about by the onset of broadband communications. This new technology offers to erase some of the critical quality-of-life challenges for rural Americans, and particularly Native Americans, that are exacerbated by remote location and small population. SIC and MATI trust that when the Commission suggests it will provide “targeted funding on an accelerated basis,” that is precisely what is meant. There appears to be a sentiment at this Commission and among the industry that the languishing needs of Native Americans are clearly evident and should be addressed now.

As evidence, the “Associations”¹ generally suggest the Commission consider alternative approaches to support broadband networks and services and ways to improve broadband adoption rates. In addition and specific to the extreme plight of Native American populations that are geographically isolated on Tribal lands, the Associations “. . . agree the Commission should give special consideration to improving broadband deployment and adoption levels in Tribal lands, including areas such as the Hawaiian Homelands. Tribal lands are typically located in geographically-isolated areas, where small pockets of Native American groups are served. The costs associated with delivering broadband services to these consumers are very high even when compared to other rural areas.”

¹ NECA, NTCA, OPASTCO, WTA, the Rural Alliance, and 38 concurring associations at 8.

II. A SPECIFIC TRIBAL BROADBAND FUNDING PROGRAM FOR TRIBAL LANDS SHOULD BE ADOPTED BY THE COMMISSION

SIC and MATI in their joint comments stated that a new universal service program, i.e. a Tribal Broadband Fund (“TBF”), should be implemented by the Commission to encourage broadband deployment on Tribal lands. Native American groups, including native Hawaiians, have historically been significantly challenged by the federal government’s “exile policies,” supposedly aimed at resettling these groups on Tribal lands with the ability to sustain them culturally and economically. To counter the effects of geographic isolation, the FCC should facilitate creation of a robust broadband communications platform on Tribal lands, including HHL, to serve these native groups and resident businesses. With broadband services readily available in these areas, the native groups can embark on a mission to develop their own businesses and attract other new businesses to further economic development on Tribal lands, including HHL, so a base for economic stability and growth can be attained.

SIC and MATI proposed a “safety net” fund for broadband service providers serving Native American groups. The purpose of the fund would be to provide a stable and predictable revenue stream for eligible service providers, so that lenders would make loans for broadband infrastructure deployment in their service areas. Such proposed fund should be adopted by the Commission on an expedited basis to restore access to capital allowing service providers the ability to continue deploying broadband infrastructure in a game of catch-up with the rest of the nation.

In addition, in its comments, the Alaska Telephone Association (ATA)² not only supported inclusion of native Hawaiians with the other two Native American groups, i.e. American Indians and Alaska Natives, but also suggested another important pricing

² ATA at 13-14

consideration for broadband services on Tribal lands; SIC and MATI concur. ATA states, “the tremendous cost of . . . transport . . . often prohibits the local provider from offering its customers reasonably priced broadband services. Those high costs are due to factors specific to each locale, but all are aspects of vast distances, extreme terrain and weather, and small populations.” ATA then suggests that a USF pricing discount program, similar to that for Rural Health Care services, be applicable for Tribal land areas. The result would be truly comparable pricing for broadband services in Tribal land areas. Such a policy would overcome the effect of NECA’s banded rate structure for access that does not recognize the impact of local market pricing on NECA member customers.

The importance of comparable pricing cannot be overstated. Economic development on Tribal lands is key to successfully resettling and sustaining these geographically isolated service areas. New business will not be attracted to these areas, new jobs will not be created in these areas, until the economics attracting new business are comparable or better than urban areas. ATA echoes this viewpoint with its statement, “Unfortunately, many of these communities [on Tribal lands] also experience high unemployment rates; adversity that could be mitigated by having access to reasonably priced broadband services.”

III. CONCLUSION

In this proceeding the FCC will consider the unique needs of Native Americans and appropriate broadband regulatory policy that should address those needs on an accelerated basis. To further the goals of the FCC with regard to Native American access to broadband services and increased adoption rates, Sandwich Isles and MATI believe eligible broadband service providers should receive Tribal Broadband Funds (“TBF”) through a new federal universal

service program. Such support will act as a financial “safety net” assuring that lenders continue to make capital available for deployment of broadband infrastructure on Tribal lands. SIC and MATI also agree with ATA that providing a pricing discount for broadband services on Tribal lands, to match urban pricing, is a necessary second prong that would complete a Tribal Broadband Funding Program. FCC adoption of such a program will facilitate the accomplishment of broader congressional objectives previously espoused to ensure the successful resettlement of Tribal lands. Over time broadband services will help Native Americans gain access to better educational curriculum, improved health care, and added economic development opportunities on Tribal lands.

Respectfully submitted,

SANDWICH ISLES COMMUNICATIONS, INC.

MESCALERO APACHE TEL, INC.

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