# STATE OF HAWAI'I DEPARTMENT OF HAWAIIAN HOME LANDS

## January 18, 2022

To: Chairman and Members, Hawaiian Homes Commission

From: Cedric Duarte, ICRO

Subject: For Information Only – Update on issues related to Telecommunications

and Broadband services on Hawaiian Home Lands

#### RECOMMENDED ACTION

None. For information only.

#### **Discussion**

This informational briefing is to update the Hawaiian Homes Commission (HHC) on the status of the Department of Hawaiian Home Lands (DHHL) issues related to Telecommunications and Broadband services on Hawaiian Home Lands.

## **PURPOSE**

#### **BACKGROUND**

DHHL has informed its lessees, tenants, and permittees that under Federal law they may obtain broadband telecommunications services from any provider of their choice.

For many years, Sandwich Isle Communications, Inc. (SIC) was the exclusive provider of broadband telecommunications services under DHHL License No. 372 (License 372) which was issued to SIC's parent company, Waimana Enterprises, Inc. on May 9, 1995.

On June 30, 2017, the Federal Communications Commission (FCC) adopted a Memorandum Opinion and Order determining that all exclusivity claims arising from License 372 are preempted by Federal law and are therefore unenforceable.

Subsequently, on August 31, 2021, Hawaiian Telcom (HT) completed the purchase of inter-island submarine and middle-mile terrestrial fiber infrastructure assets from the bankruptcy estate of the Paniolo Cable Company, a firm previously within the Waimana Enterprises, Inc family of companies.

HT's purchase of the bankrupt Paniolo Cable Company assets did not include any previously negotiated commercial agreements with SIC. Use of the inter-island submarine

and middle-mile system by SIC to provide broadband telecommunications services to Hawaiian Home Lands will end on March 31, 2022, unless a new agreement can be reached.

The FCC's 2017 Order, combined with HT's purchase of telecommunications assets on DHHL lands, means that DHHL lessees, tenants, and permittees now have more options for broadband telecommunications services. In addition, a new conduit use agreement between SIC and Charter Communications, which does business as Spectrum in Hawai'i, will also open additional services.

Current SIC customers may choose to continue their current service or select services from other providers, including Hawaiian Telcom, Spectrum, or other carriers who can provide broadband telecommunications services.

DHHL will receive at least \$90 million from the Infrastructure Investment and Jobs Act to provide high-speed internet access to the Native Hawaiian community. In 2021, the Department received the last of five neighbor islands licenses from the FCC to access the 2.5 GHz band spectrum for the development of wireless broadband networks. Details on the Department's expansion plan for broadband services are anticipated for late 2022.

DAVID Y. IGE GOVERNOR STATE OF HAWAII

JOSH GREEN LT. GOVERNOR STATE OF HAWAII



WILLIAM J. AILA, JR CHAIRMAN HAWAIIAN HOMES COMMISSION

TYLER I. GOMES

#### STATE OF HAWAII DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879 HONOLULU, HAWAII 96805

January 14, 2022

Name Address City, State, Zip code

Dear Lessee:

Subject: Broadband Services Update on Hawaiian Home Lands

This letter is to inform you that in accordance with a Federal Communications Commission (FCC) Memorandum Opinion and Order adopted on June 30, 2017, the Department of Hawaiian Home Lands (DHHL), will no longer enforce the exclusivity provision of DHHL License Agreement No. 372, issued to Waimana Enterprises, Inc. on May 9, 1995.

Waimana Enterprises, Inc. is Sandwich Isle Communications, Inc.'s (Sandwich Isles) parent company from who you mave have telephone and internet services.

In the past, DHHL lessees were prevented from obtaining telecommunications services from any other carrier besides Sandwich Isles. As a result of the lifting of the former exclusivity provision, lessees on Hawaiian Home Lands are now able to choose who to receive these services from.

Current Sandwich Isles customers may choose to continue to use their existing service or may select services from other provides, including Hawaiian Telcom, Spectrum, or other carriers who can bring service to your lot. It is important to note that some service providers may not be able to provide all services immediately.

Please feel free to call (808) 620-9500 should you have additional questions or concerns.

Aloha,

William J. Ailā, Jr.

Chair, Hawaiian Homes Commission

cc:

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JOSH GREEN LT. GOVERNOR STATE OF HAWAII



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Waimana Enterprises, Inc. is Sandwich Isle Communications, Inc.'s (Sandwich Isles) parent company from whom many of you have telephone and internet services.

In the past, DHHL General Lessees and Permittees were prevented from obtaining telecommunications services from any other carrier besides Sandwich Isles. As a result of the lifting of the former exclusivity provision, tenants on Hawaiian Home Lands are now able to choose who to receive these services from and would not be in violation of their Lease, License, or Right-Of-Entry agreement.

Current Sandwich Isles customers may choose to continue to use their existing service or may select services from other provides, including Hawaiian Telcom, Spectrum, or other carriers who can bring service to your business. It is important to note that some service providers may not be able to provide all services immediately.

Please feel free to call (808) 620-9500 should you have additional questions or concerns.

Aloha,

William J. Ailā, Jr.

Chair, Hawaiian Homes Commission

cc: