

**JOINT STATEMENT OF COMMISSIONERS  
MIGNON CLYBURN AND AJIT PAI**

Re: *Sandwich Isles Communications, Inc.*, WC Docket No. 10-90.

Today, the Commission speaks with a unified voice as we take action to restore the integrity of the Universal Service Fund. In this order, we seek to recover more than \$27 million of federal subsidies that Hawaiian telecommunications carrier Sandwich Isles improperly accrued—subsidies that were intended to benefit the people of the Hawaiian Homeland but instead lined the pockets of the company’s owner. (The company’s conduct was egregious enough that earlier this year, its founder was sentenced to 46 months in prison following his conviction for “corruptly interfering with the Internal Revenue Service in the calculation and collection of his taxes, and with filing six false individual tax returns.”) In companion orders, we end the ability of Sandwich Isles to force other rural telephone companies to fund its self-dealing and we propose a forfeiture of almost \$50 million for its misconduct. Steps like these are essential if the American people are to have confidence in our stewardship of a program meant to benefit all American consumers.