

THE THIRTY-SIXTH LEGISLATURE OF AMERICAN SAMOA

Second Regular Session

Begun and held at Fagatogo, Tutuila, American Samoa  
on Monday, the eighth day of Julyy  
two thousand and nineteen

AN ACT DEFINING AND ALLOCATING REVENUE FROM HAWAIIKI  
BANDWIDTH SALES; CREATING A SECTION 15.0303 IN CHAPTER 03 OF TITLE  
15 A.S.C.A.

Preamble:

WHEREAS, the Hawaiki cable branch and associated Indefeasible Right of Use is a significant investment that can provide sufficient bandwidth to support new economic and social development in American Samoa and also provide the opportunity for American Samoa Telecommunications Authority (ASTCA) to sell bandwidth capacity to third parties; and

WHEREAS, ASTCA is the telecommunications arm of the American Samoa Government (ASG) and shall be in charge of Hawaiki operations and sales; and

WHEREAS, Hawaiki capacity will be sold to third parties which will provide additional revenue for ASTCA and ASG; and

WHEREAS, there is an urgent need to fund the unfunded liabilities of the American Samoa Government Employees' Retirement Fund (ASGERF); and

WHEREAS, to support the Fund in funding these liabilities, 25% of Hawaiki revenue earned by ASTCA shall be allocated to ASGERF.

BE IT ENACTED BY THE LEGISLATURE OF AMERICAN SAMOA:

**Section 1. There is created a Section 15.0303 A.S.C.A. which reads:**

**"15.0303 Defining and allocating Hawaiki revenues.**

**(a) Hawaiki branch and associated Hawaiki Indefeasible Right of Use (IRU) shall be reported as an asset of American Samoa Telecommunications Authority (ASTCA). ASTCA shall have the authority to operate Hawaiki and to sell its**

bandwidth. ASTCA shall create a separate Hawaiki accounting entity to account for Hawaiki expenses and revenues.

(b) Hawaiki revenue shall be defined as: any revenue coming from Hawaiki direct wholesale bandwidth sales to third-parties. It shall not include what ASTCA considers as its operating revenue. ASTCA operating revenue shall include, but is not limited to: local network services revenue, long distance network services revenue, International Private Line Circuits, and mobile and wireless revenue.

(c) Hawaiki revenue shall be earmarked and allocated as follows:

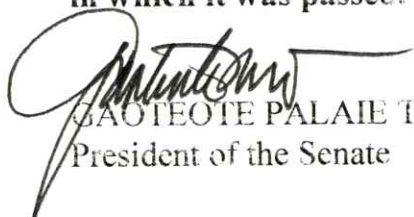
(1) 50% to ASTCA,

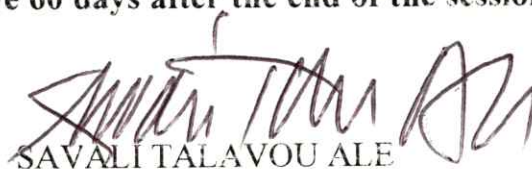
(2) 25% to the American Samoa Government Employees' Retirement Fund to fund its unfunded liabilities, and

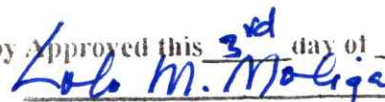
(3) 25% shall be placed in an earmarked account to pay for ASEDAs 2018 bond debt related to the financing of the Hawaii branch and IRU."

**Sec 2. Effective date.**

In accordance to Article II, Section 19 of the Revised Constitution of American Samoa, this bill shall become effective 60 days after the end of the session in which it was passed.

  
LAOTEOTE PALAIE TOFAU  
President of the Senate

  
SAVALI TALAVOU ALE  
Speaker, House of Representatives

Hereby Approved this 3<sup>rd</sup> day of OCT. 2019  
  
Governor Of American Samoa