

DEPARTMENT OF THE ATTORNEY GENERAL

DAVID Y. IGEGOVERNOR

CLARE E. CONNORS ATTORNEY GENERAL

For Immediate Release March 11, 2020

News Release 2020-30

Hawaii Attorney General Announces Agreement with T-Mobile/Sprint Merger

HONOLULU – Hawaii Attorney General Clare E. Connors today announced a settlement agreement with T-Mobile on behalf of a 12-state coalition. This agreement resolves the state's challenge to the company's merger with Sprint, and includes terms to resolve Hawaii's concerns over pricing and to protect current T-Mobile and Sprint employees in Hawaii. T-Mobile will reimburse Hawaii for the costs and fees of its investigation and its litigation challenging the merger. As a result, Hawaii has agreed to not appeal the judgment.

"The merger raised significant concerns about the prospect of harm to consumers, and this settlement provides assurances of low prices by T-Mobile," said Attorney General Connors. "The district court approved the merger and signaled its belief that DISH will rise to replace Sprint as a fourth competitor. We will be watching to ensure that DISH lives up to its commitments on network buildout."

As required by the settlement, the merged company is required to:

- Make low-cost plans available in Hawaii for at least 5 years, including a plan offering 2 GB of high-speed data at \$15 per month and 5 GB of high-speed data at \$25 per month;
- Extend for at least an additional two years the rate plans offered by T-Mobile and Sprint pursuant to its earlier FCC commitment, ensuring Hawaii consumers can retain T-Mobile plans held in February 2019 for a total of five years;
- Protect Hawaii jobs by offering all Hawaii T-Mobile and Sprint retail employees in good standing an offer of substantially similar employment.
- Reimburse the coalition of states up to \$15 million for the costs of the investigation and litigation challenging the merger.

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The states involved in this settlement were Wisconsin, Connecticut, Hawaii, Illinois, Maryland, Massachusetts, Michigan, Minnesota, Oregon, Pennsylvania, Virginia and the District of Columbia.

In June 2019, a coalition of states filed a lawsuit to halt the proposed merger of T-Mobile and Sprint in the U.S. District Court for the Southern District of New York. In February 2020, the court entered a judgment in favor of the companies. This coalition of states will not appeal the decision of the Southern District Court of New York.

A copy of the agreement can be found <u>here</u>.

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