

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 2289 of the Regular Session

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: S3/16/05 H4/7/05

A Bill

SENATE BILL 1089

5 By: Senator Horn
6
7

8 **For An Act To Be Entitled**

9 AN ACT TO ESTABLISH THE ARKANSAS LIFELINE
10 INDIVIDUAL VERIFICATION EFFORT CORPORATION; AND
11 FOR OTHER PURPOSES.
12

13 **Subtitle**

14 AN ACT TO ESTABLISH THE ARKANSAS
15 LIFELINE INDIVIDUAL VERIFICATION EFFORT
16 CORPORATION.
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18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code Title 25 is amended to add an additional
22 chapter to read as follows:

23 25-37-101. Title.

24 This chapter shall be known and may be cited as the "Arkansas Lifeline
25 Individual Verification Effort Corporation Act".
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27 25-37-102. Definitions.

28 As used in this chapter:

29 (1) "Eligible telecommunications carrier" has the same meaning
30 as provided in § 23-17-403;

31 (2) "LinkUp America" means the federally mandated LinkUp America
32 program through the Federal Communications Commission that helps qualified
33 low-income consumers to connect, or hook up, to the telephone network;

34 (3) "Lifeline Assistance Program" means the federally mandated
35 Lifeline Assistance Program that provides certain discounts on monthly



1 service for qualified telephone subscribers.

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3 25-37-103. Creation - Board of directors.

4 (a) There is created the Arkansas Lifeline Individual Verification
5 Effort Corporation.

6 (b) The corporation shall be governed by a seven-member board of
7 directors appointed by the Governor as follows:

8 (1) Three (3) shall be consumers; and

9 (2) Four (4) shall be representatives of eligible
10 telecommunications carriers.

11 (c) The Governor shall choose representatives of eligible
12 telecommunications carriers from a list of three (3) names for each position
13 submitted by representatives of eligible telecommunications carriers.

14 (d) The initial appointments shall be for terms that will result in
15 two (2) serving a one-year term, two (2) serving a two-year term, and three
16 (3) serving a three-year term. All successors shall serve three-year terms.

17 (e) The Governor shall designate one (1) of the board members to
18 preside over the initial meeting of the board, at which meeting the board
19 shall elect a president, a secretary, and such other officers as it deems
20 appropriate.

21 (f) Members of the board shall serve without compensation but may be
22 reimbursed for reasonable expenses, except that no corporate money shall be
23 used for out-of-state travel expenses.

24 (g) All vacancies on the board shall be filled in the same manner as
25 the original appointments.

26
27 25-37-104. Board of directors - Attendance at meetings required.

28 (a) In order to ensure broad representation and a quorum, all members
29 of the Board of Directors of the Arkansas Lifeline Individual Verification
30 Effort Corporation have a responsibility to attend all regular or special
31 meetings of the board.

32 (b) A board member shall be subject to removal from the board if the
33 member fails to present to the Governor a satisfactory excuse for his or her
34 absence. Unexcused absences from three (3) successive regular meetings
35 without attending any intermediary called special meetings shall constitute
36 sufficient cause for removal.

1 (c) Removal of board members shall be in accordance with the
2 following:

3 (1)(A) Within thirty (30) days after each regular board meeting,
4 the secretary of the board shall give written notice to the Governor of any
5 member who has been absent from three (3) successive regular meetings without
6 attending any intermediary called special meetings.

7 (B) The secretary's notice to the Governor shall include a
8 copy of all meeting notices and attendance records for the past year.

9 (C) Failure by the secretary to submit the notices and
10 documentation required by this chapter shall be considered cause for removal
11 by the Governor in accordance with the procedures set forth at § 25-17-210;

12 (2) Within sixty (60) days after receiving the notice and
13 supporting documentation from the secretary, the Governor shall notify, in
14 writing, the board member of his or her intent to remove the member for
15 cause. This notice shall suffice for the notice required in § 25-17-210(a);

16 (3) Within twenty (20) days after the date of the Governor's
17 notice, the board member may request an excused absence as provided by this
18 chapter or may file with the Governor's office notice that the member
19 disputes the attendance records and the reasons therefor;

20 (4) The Governor shall grant an excuse for illness of the member
21 when verified by a written sworn statement by the attending physician or
22 other proper excuse as determined by the Governor; and

23 (5) If no rebuttal is received or other adequate documentation
24 submitted within twenty (20) days after the date of the Governor's notice,
25 the board member may be removed in accordance with the provisions set forth
26 in § 25-17-210.

27 (d) Any board member referred to the Governor because of excessive
28 absences under the provisions of this chapter shall not be entitled to any
29 expense reimbursement for travel to or attendance at any subsequent meeting
30 until the board receives notification from the Governor that the member has
31 been excused for the absences.

32
33 25-37-105. Assessment on eligible telecommunications carriers.

34 (a) (1) The Board of Directors of the Arkansas Lifeline Individual
35 Verification Effort Corporation shall levy assessments on all eligible
36 telecommunications carriers participating in the verification program not to

1 exceed ten cents (10¢) per subject access line per month in order to fund the
2 services provided by the corporation.

3 (2) Participation in the verification program shall be available
4 only for eligible telecommunications carriers having a customer access base
5 of fifteen thousand (15,000) or fewer.

6 (b) The board may adjust the assessment in January of each year, but
7 at no time shall the assessment exceed ten cents (10¢) per subject access
8 line per month.

9 (c) The assessment shall not be levied on more than one hundred (100)
10 access lines at any single customer location.

11 (d)(1) The assessment may be collected by an eligible
12 telecommunications carrier from its customers and transmitted monthly to the
13 board, and the board shall deposit the assessment into a financial
14 institution authorized to accept public funds.

15 (2) The assessment shall appear on the bills of customers as a
16 combined total with the assessment by the Arkansas Deaf and Hearing Impaired
17 Telecommunications Services Corporation under § 25-29-103. The item on the
18 bill shall identify both assessments by name.

19 (e) The assessments levied by the corporation shall not be considered
20 a tax and shall not be affected by any laws of this state governing taxation,
21 nor shall the assessments be subject to any state or local tax or franchise
22 fee.

23
24 25-37-106. Option to participate or cease participation.

25 (a) An eligible telecommunications carrier may elect not to
26 participate under this subchapter, without the need for approval by the
27 corporation, if the eligible telecommunications carrier files notice with the
28 corporation within one hundred twenty (120) days after the effective date of
29 this chapter.

30 (b)(1) If approved by the corporation:

31 (A) A participating eligible telecommunications carrier
32 may cease participation under this subchapter; and

33 (B) A nonparticipating eligible telecommunications carrier
34 may begin participation under this subchapter.

35 (2) Applications to participate or cease participation shall be
36 accepted at times approved by the board.

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25-37-107. Powers and duties.

(a)(1) The Arkansas Lifeline Individual Verification Effort Corporation shall provide services to verify eligibility under the Lifeline Assistance Program for individuals for whom other governmental entities do not verify the data. If another governmental entity provides verification, the corporation shall not duplicate the verification.

(2) The corporation may provide services to verify eligibility under the LinkUp America program for individuals for whom other governmental entities do not verify the data. If another governmental entity provides verification, the corporation shall not duplicate the verification.

(b) The corporation shall:

(1) Have perpetual succession as a body politic and corporate, adopt bylaws for the regulation of the affairs and the conduct of its business, and prescribe rules, regulations, and policies in connection with the performance of its functions and duties;

(2) Adopt an official seal and alter it at pleasure;

(3) Sue and be sued in its own name and plead and be impleaded;

(4) Make and execute contracts and other instruments necessary or convenient in the exercise of the powers and functions of the authority under this chapter, including contracts with persons, firms, corporations, and others;

(5) Purchase insurance; and

(6) Do any and all other acts and things necessary, convenient, or desirable to carry out the purposes of this chapter and to exercise the powers granted to it by this chapter.

25-37-108. Staff - Real property - Debt.

(a) The Arkansas Lifeline Individual Verification Effort Corporation shall not employ any person as a salaried employee but shall rely upon volunteers and professional services obtained by contract.

(b) No corporate asset may be used to purchase or lease any real property, nor is the corporation authorized to incur any indebtedness.

25-37-109. Corporate offices.

The Arkansas Lifeline Individual Verification Effort Corporation may

1 maintain an office at such location as it deems suitable.

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3 25-37-110. Annual audit.

4 The Arkansas Lifeline Individual Verification Effort Corporation shall
5 be audited annually in accordance accounting principles generally accepted in
6 the United States and file a copy of the audit with the Legislative Joint
7 Auditing Committee and the Arkansas Public Service Commission.

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9 25-37-111. Articles of incorporation.

10 Within thirty (30) days after the first meeting of the Board of
11 Directors of the Arkansas Lifeline Individual Verification Effort
12 Corporation, it shall cause articles of incorporation be filed with the
13 Secretary of State.

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15 25-37-112. Purchase of telecommunications services.

16 The purchase of verification services by the Arkansas Lifeline
17 Individual Verification Effort Corporation shall be by competitive bid using
18 procedures substantially similar to the Arkansas Procurement Law, § 19-11-201
19 et seq.

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21 25-37-113. Annual report.

22 The Board of Directors of the Arkansas Lifeline Individual Verification
23 Effort Corporation shall transmit to the Legislative Council, the Governor,
24 and the Arkansas Public Service Commission an annual report of its
25 activities. The annual report shall be filed by March 31 of each year.

26
27 */s/ Horn*

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30 **APPROVED: 4/14/2005**

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