

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.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003
4

As Engrossed: H3/20/03 H4/7/03 H4/10/03

A Bill

HOUSE BILL 2409

5 By: Representative Stovall
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For An Act To Be Entitled

9 AN ACT TO AMEND THE ARKANSAS TELECOMMUNICATIONS
10 REGULATORY REFORM ACT TO EXCLUDE CHARGES FOR
11 EXTENDED AREA SERVICES IN DETERMINING RATE
12 INCREASES UNDER ARKANSAS CODE § 23-17-412; AND
13 FOR OTHER PURPOSES.
14

Subtitle

15 AN ACT TO EXCLUDE CHARGES FOR EXTENDED
16 AREA SERVICES IN DETERMINING RATE
17 INCREASES UNDER ARKANSAS CODE § 23-17-
18 412.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 *SECTION 1. Arkansas Code § 23-17-403, concerning definitions under the*
25 *Telecommunications Regulatory Reform Act of 1997, is amended to add a new*
26 *subdivision to read as follows:*

27 *(28) "Extended area service" means an unlimited local service provided*
28 *to the customer at a fixed rate that:*

29 *(A) Is mandated by the commission at the election of customers*
30 *within a local exchange area;*

31 *(B) Provides one-way or two-way calling between basic local*
32 *exchange service customers within the local exchange area of one or more*
33 *incumbent local exchange carriers; and*

34 *(C) Is not included as part of basic local exchange service.*
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36 *SECTION 2. Arkansas Code § 23-17-412(i)(1), concerning rate increases*



1 for non-tier one rural telephone companies, is amended to read as follows:

2 (i)(1) The commission on its own motion may review basic local
3 exchange service rates of any company subject to this section if the company
4 has increased the rates by more than the greater of fifteen percent (15%) or
5 two dollars (\$2.00) per access line per month within any consecutive twelve-
6 month period, excluding rate increases ordered by the commission pursuant to
7 § 23-17-404 or rate increases resulting from the provision of extended area
8 services required as the result of customer election under commission rules.
9

10 SECTION 3. Arkansas Code § 23-17-407(b)(1), concerning regulation of
11 rates for basic local exchange service and switched access service of
12 electing companies, shall be amended to read as follows:

13 (b)(1) After the expiration of the three year period, the rates for
14 basic local exchange services and switched-access services, excluding the
15 intrastate carrier common line charge, may be adjusted by the electing
16 company filing a price list with the commission, as long as the rates remain
17 at or below the inflation-based rate cap or the rate increase results from
18 the provision of extended area services required as the result of customer
19 election under commission rules.
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21 SECTION 4. Arkansas Code Title 23, Chapter 17, Subchapter 4, is
22 amended to add a new section read as follows:

23 23-17-414. Extended area service.

24 (a) The commission shall promulgate rules that enable customers in a
25 local exchange service area to petition the commission directly, or by a
26 resolution of the customers' quorum court or other local governing body, to
27 request that an ILEC provide extended area service.

28 (b)(1) The rules relating to the provision of extended area service
29 shall include:

30 (A) The procedure by which customers may petition the
31 commission for an election on the provision of extended area service;

32 (B) A description of the information required for the
33 commission to verify that the rate to be charged for providing extended area
34 service will be just and reasonable and to verify that the rate includes an
35 ILEC's revenue that is replaced by extended area service revenue.

36 (C) Notice requirements to customers regarding the rate,

1 terms, and conditions under which extended area service would be provided as
2 a result of a scheduled election under subsection (a) of this section; and

3 (D) The procedure for conducting an election under
4 subsection (a) of this section, and for determining whether extended area
5 service will be provided as a result of the election.

6 (2) After the initial election and adoption of extended area
7 service, no subsequent change in the rate charged for the provision of
8 extended area service shall be effective unless adopted under the
9 commission's rules promulgated to implement this section.

10 (c) If the affected customers vote in favor of instituting or renewing
11 extended area service under this section, the carrier shall implement
12 extended area service at a rate that is consistent with subdivision (b)(1)(B)
13 of this section.

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15 /s/ Stovall
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