

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

# A Bill

HOUSE BILL 2407

4  
5 By: Representative Stovall  
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## For An Act To Be Entitled

9 AN ACT AMENDING THE ARKANSAS TELECOMMUNICATIONS  
10 REGULATORY REFORM ACT TO IMPOSE A PER-LINE LIMIT  
11 ON RECOVERY OF REVENUE REDUCTIONS FROM THE  
12 ARKANSAS UNIVERSAL SERVICES FUND, UNLESS THE  
13 CARRIER PROVIDES BASIC LOCAL EXCHANGE SERVICE OR  
14 EXTENDED AREA SERVICE; AND FOR OTHER PURPOSES.

## Subtitle

16 AN ACT TO IMPOSE A PER-LINE LIMIT ON  
17 RECOVERY OF REVENUE REDUCTIONS FROM THE  
18 ARKANSAS UNIVERSAL SERVICES FUND, UNLESS  
19 THE CARRIER PROVIDES BASIC LOCAL  
20 EXCHANGE SERVICE OR EXTENDED AREA  
21 SERVICE.  
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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27 SECTION 1. Arkansas Code § 23-17-403, concerning definitions under the  
28 Telecommunications Regulatory Reform Act of 1997, is amended to read as  
29 follows:

30 (12) "Extended area service" means an unlimited local service provided  
31 to the customer at a fixed rate that:

32 (A) Is mandated by the commission at the election of customers  
33 within a local exchange area;

34 (B) Provides one-way or two-way calling between basic local  
35 exchange service customers within the local exchange area of one or more  
36 incumbent local exchange carriers; and



1           (C) Is not included as a part of basic local exchange service,  
 2           (27)(A) "Total intrastate revenues" means all amounts received,  
 3           charged, or chargeable for or on account of any telecommunications services  
 4           furnished or supplied in this state by any telecommunications provider,  
 5           including all amounts from any subordinate or subsidiary operations of any  
 6           telecommunications provider providing telecommunications services in this  
 7           state.

8           (B) However, amounts from the provision, sale, or rental of  
 9           premise equipment and for the provision of information services shall not be  
 10           included in determining total intrastate revenues.

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 12           SECTION 2. Arkansas Code § 23-17-404(e)(4)(A) and (B), concerning the  
 13           limits of a rural telephone company's net revenue reductions recoverable from  
 14           the Arkansas Universal Services Fund, is amended to read as follows:

15                   (A) In the event of a Federal Communications Commission  
 16           order, rule, or policy pursuant to 47 U.S.C. § 254(a)(2), the effect of which  
 17           is to change the federal universal service fund revenues of an incumbent  
 18           local exchange carrier, the commission shall either increase the rates for  
 19           basic local exchange service or increase the incumbent local exchange  
 20           carrier's recovery from the AUSF or a combination thereof to replace the  
 21           reasonably projected change in revenues. In determining whether to increase  
 22           basic local exchange service rates or increase the AUSF for a tier one  
 23           company pursuant to this section, the commission shall take into account that  
 24           company's rates and consider whether the rates are below the statewide  
 25           average.

26                   (B)(i) Any rural telephone company, excluding tier one  
 27           companies, that, as a result of changes caused by new or existing federal or  
 28           state regulatory or statutory directives, experiences a change in intrastate  
 29           or interstate switched-access services revenues or in net revenue received  
 30           from the intrastate Carrier Common Line Pool, interstate access charge pools,  
 31           or the Arkansas IntraLATA Toll Pool, shall be allowed to recover the  
 32           reductions from the AUSF or through modifications in rates applicable to  
 33           basic local exchange service. ~~The recovered amounts shall be limited to the~~  
 34           ~~net reduction in revenues from all sources of support listed in subdivision~~  
 35           ~~(e)(4)(A) of this section and this subdivision (e)(4)(B).~~

36                   (ii)(a) For each local exchange service area, an

1 eligible telecommunication carrier's recovery shall not exceed the net  
2 reduction in revenues from all sources of support listed in subdivisions  
3 (e)(4)(A) and (e)(4)(B) of this section.

4 (b) However, regardless of the revenue  
5 reduction experienced by a carrier, no carrier shall recover from the AUSF  
6 more than two-hundred dollars (\$200) per access line per month unless the  
7 carrier:

8 (1) Provides unlimited calling  
9 throughout its local exchange area in the rate for its basic local exchange  
10 service; or

11 (2) Provides extended area service  
12 between basic local exchange service customers within the carrier's local  
13 exchange area in the rate for its basic local exchange service.

14 (c) No reduction in net revenue that would  
15 otherwise be recoverable under subsection (e) of this section shall be  
16 recoverable from the AUSF if that reduction results from a carrier providing  
17 services under subdivision (e)(4)(B)(ii)(b) of this section.

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