

APR 5 2 19 PM '05

ARKANSAS PUBLIC SERVICE COMMISSION

FILED

IN THE MATTER OF ARKANSAS')
ELIGIBLE TELECOMMUNICATIONS)
CARRIERS COMPLIANCE WITH)
REQUIREMENTS GOVERNING THE)
PROVISION OF LIFELINE / LINK-UP)
PROGRAMS)

DOCKET NO. 05-038-U
ORDER NO. 1

ORDER

The Federal Communications Commission ("FCC") has adopted an Order¹ ("the Order") which establishes a number of requirements for the provision of Lifeline and Link-Up services which must be adopted by Arkansas' eligible telecommunications carriers ("ETCs") in order to remain eligible to receive federal Universal Service Fund ("USF") support. The requirements governing the provision of Lifeline and Link-Up services must be provided by ETCs pursuant to 47 C.F.R. § 54.405 and 47 U.S.C. §§214 & 254 (also see Federal Register, Vol. 69, No. 119 at 34590, June 22, 2004) .

The Order requires all states, including federal default states, to adopt certification procedures to document income-based eligibility for Lifeline/Link-Up enrollment, and for those states governed by the federal default Lifeline/Link-Up rules, the Order requires an officer of the ETC enrolling the consumer in Lifeline/Link-Up to certify, under penalty of perjury, that the ETC has procedures in place to review income documentation and that, to the best of his or her knowledge, the ETC was presented documentation that the consumer's household income is at or below 135% of the Federal Poverty Guidelines. Further, all states, including federal default states, are required to

establish procedures to verify consumers' continued eligibility for the Lifeline/Link-Up program under both program and income-based eligibility criteria.

Arkansas qualifies as a default state under the Order since Arkansas adopts the FCC's requirements for the provision of Lifeline and Link-Up and does not administer its own programs with differing qualification requirements. As a default state, Arkansas annually certifies the ETCs in Arkansas to the FCC and the Universal Service Fund Administrative Company. This certification is mandatory for ETCs to qualify for USF support. To accomplish the certification, Arkansas relies on affidavits from each company certifying compliance with the requirements of 47 U.S.C. Part 54 and 47 U.S.C. §§214 & 254.

For ETCs which maintain tariffs with the Arkansas Public Service Commission ("this Commission") the procedures for the provision of Lifeline and Link-Up services are established in the tariffs and the tariffs should be kept in compliance with the requirements for default states under the rules established in 47 U.S.C. Part 54. The ETCs which maintain tariffs are also subject to this Commission's consumer complaint procedures which meet the dispute resolution requirements for Lifeline and Link-Up. With regard to consumer complaint resolution the Order states:

We recognize that some states may have existing dispute resolution procedures between telephone companies and consumers governing termination of telephone service that could apply to termination of Lifeline benefit. . . . Accordingly, in such a state, consumers would have an opportunity to dispute Lifeline termination, and there would be no need for the eligible telecommunications carriers (ETC) to follow the federal default procedures, as described. Therefore, where a state maintains its own procedures that would require, at a minimum, written customer

¹ FCC Report and Order, In the Matter of Lifeline/LinkUp, WC Docket No. 03-109 Adopted: April 2, 2004 Released: April 29, 2004 (FCC 04-87).

notification of impending termination of Lifeline benefits, similar to federal default requirements, that state will retain the flexibility to develop its own appeals process. Moreover, we agree with the PaPUC and the Joint Board that preempting a state's existing appeals process could result in customer confusion and unnecessary expense for the carrier. States should make their own determination as to whether the state's existing laws could apply to termination of Lifeline benefits.²

In the case of ETCs which maintain tariffs with this Commission and are subject to this Commission's consumer complaint procedures, amendment of an ETC's tariffs to comply with the Order should be sufficient to meet the Order's requirements. Wireless cellular mobile carriers are not required to maintain tariffs and must therefore adopt procedures to comply with the Orders and certify those procedures to this Commission.

All ETCs who maintain tariffs with this Commission are directed to amend the Lifeline and Link-Up provisions in those tariffs, through filings in this docket, to reflect compliance with this Order and the FCC's Order. At a minimum the tariffs should provide for:

1. Eligibility for Lifeline and Link-up services if the consumer's household income is at or below 135% of the Federal Poverty Guidelines,
2. Eligibility for Lifeline and Link-up services based on participation in the Temporary Assistance to Needy Families program or the National School Lunch's free lunch program,
3. Certification procedures which include self-certification by the consumer, under penalty of perjury, with supporting documentation,
4. Certification procedures by the ETC which requires an officer of the ETC to certify, at time of enrollment, that the ETC has procedures in place to review

² Id. at ¶ 21.

documentation and that the ETC was presented with documentation that confirms the consumer's household eligibility,

5. A record retention policy in accordance with paragraph 21 of the Order, and
6. Procedures to verify annually the continued eligibility of a statistically valid sample of an ETC's lifeline subscribers.

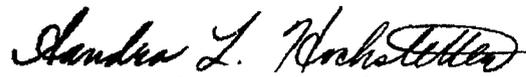
For ETCs that do not maintain tariffs with this Commission, the establishment of the procedures required by this Order and the FCC's Order should be verified by the filing, in this docket, of the procedures adopted by each ETC to comply with the requirements established by this Order and the FCC's Order. Cellular carriers who have ETC status should also affirmatively state that they will submit to this Commission's consumer dispute resolution procedures for consumers applying for Lifeline or Link-up service, or establish their own complaint resolution procedures which comply with the FCC's Order, as a condition of maintaining their ETC status.

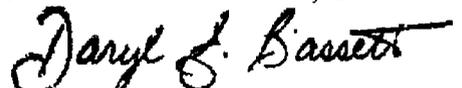
All filings required by this Order are to be made on or before May 22, 2005.

BY ORDER OF THE COMMISSION.

This 5th day of April, 2005.

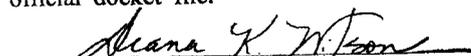

Diana K. Wilson
Secretary of the Commission


Sandra L. Hochstetter, Chairman


Daryl E. Bassett, Commissioner


Randy Bynum, Commissioner

I hereby certify that the following order issued by the Arkansas Public Service Commission has been served on all parties of record this date by U.S. mail with postage prepaid, using the address of each party as indicated in the official docket file.


Diana K. Wilson
Secretary of the Commission

Date 4-5-05