

RESOLUTION NO. 2-80

RESOLUTION REQUESTING ARKANSAS PUBLIC SERVICE COMMISSION
TO ESTABLISH UNIFORM MUNICIPAL FRANCHISE CHARGE
AND OTHER MATTERS PERTAINING THERETO

WHEREAS, Cities and Towns in Arkansas have the right to determine the terms and conditions upon which a public utility may occupy the streets of the City or Town, including the amount and rate of the Municipal Franchise Tax, and

WHEREAS, The Arkansas Public Service Commission, hereinafter referred to as "PSC", has the right and duty to prohibit discrimination between utility rate-payers and between municipalities, and

WHEREAS, at this hearing, many city officials appeared personally, the Arkansas Municipal League filed written comments and League staff members made personal appearances on behalf of all cities and towns urging the PSC to establish a Uniform Municipal Utility Franchise Charge of 4% of gross revenues to be rolled into the rates of all utilities at the time they apply for a rate increase in the future; and

WHEREAS, at the 45th Annual Convention of the Arkansas Municipal League held in Hot Springs on November 6, 1979, the official delegates from cities and towns all over Arkansas did unanimously urge the PSC to adopt the 4% Uniform Charge for all utilities in Arkansas.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COTTER, ARKANSAS:

Section 1. That we urge the Arkansas Public Service Commission to establish a Uniform Municipal Franchise Charge of 4% on gross revenues to be rolled into the rates of all utilities when the utilities apply for a rate increase in the future.

Section 2. We sincerely believe that anything other than a percentage is inequitable and any percentage less than 4% is inadequate for municipal needs.

Section 3. Any attempt to take all franchise taxes out of the base rates would make the Public Utility itself exempt from all municipal taxes and charges for the use of Municipal Streets and would give the Public Utility preferred status as a tax-exempt private corporation and would discriminate against all other businesses, individual taxpayers and against Municipal Governments.

Section 4. That we further urge the PSC to resolve this question at the earliest possible time.

Section 5. The City Recorder is hereby directed to mail a copy of this resolution to the Public Service Commission.

DATED January 16, 1980

ATTEST:



MAYOR



RECORDER