RESOLUTION NO.

3 A RESOLUTION TO INFORM THE ARKANSAS CONGRESSIONAL DELEGATION OF THE NEED FOR A CLEAR METHOD TO ASSESS 4 COMPENSATING USE TAXES TO INTERNET SALES; TO NOTE THAT 5 **APPROXIMATELY \$3.9 MILLION IN REVENUES FROM ONE OF THE** 6 **REVENUE SOURCES AVAILABLE TO AN ARKANSAS** 7 FEW MUNICIPALITY WERE LOST TO THE CITY OF LITTLE ROCK IN 2017 8 9 DUE TO THE LACK OF SUCH LEGISLATION; AND FOR OTHER PURPOSES. 10

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WHEREAS, the Board of Directors of the City of Little Rock, Arkansas, has long noted the need for legislation to recognize the impact of Internet sales on the revenues available to the City in its efforts to provide basic services; and,

WHEREAS, in Little Rock, Ark., Resolution No. 14,083 (March 3, 2015), the City encouraged the Arkansas General Assembly to act in this fashion; and, in Little Rock, Ark., Resolution No. 14,547 (April 18, 2017) in light of legal developments in cases such as *Direct Marketing Ass'n v. Brohl*, 814 F.3d 1129 (10th Cir. 2016), the City again encouraged the Arkansas General Assembly to take action to help Arkansas municipalities collect authorized Compensating Use Taxes; and,

WHEREAS, in Little Rock, Ark., Resolution No. 14,074 (February 24, 2015), the City encouraged the Arkansas Congressional delegation to help address this issue, and in Little Rock, Ark., Resolution No. 14,493 (January 17, 2017), the City invited the delegation to meet with the Board of Directors, and other governmental bodies within Pulaski County, to gain first-hand information regarding the impact that these unpaid and uncollected revenues have on the provision of local services; and,

WHEREAS, in a year where massive fires have devastated the western United States from California to Oregon and beyond, and where natural disasters have had tremendous impacts in Florida, Puerto Rico, and Texas, and where winter storms created tremendous difficulties on the east coast and northern United States, so that even with Federal Emergency Assistance, local governments have tremendous unbudgeted costs to repair infrastructure, schools, emergency services, parks, and so much more, yet are not able to use the funds legally available to them through Compensating Use Taxes never identified or collected on Internet sales;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS:

Section 1. The Mayor and Members of the Board of Directors ask the Arkansas Congressional delegation, either individual or as a group, to publicly meet with the Board of Directors of the City of Little Rock, Arkansas, and any other Pulaski County governing body that wishes to attend, so the true impact of lost revenues from Internet sales can be demonstrated, particularly when Sales and Compensating Use Taxes are one of the few means that Arkansas municipalities have to raise funds for public services.
Section 2. The Mayor is directed to send an executed copy of this resolution to each member of the

Arkansas Congressional Delegation, and to work with City Staff to coordinate a public meeting in an
appropriate location for a detailed discussion of this issue, preferably during one of the Congressional
recesses before the end of 2017.

Section 3. *Severability*. In the event any title, section, paragraph, item, sentence, clause, phrase, or word of this resolution is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the resolution which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional were not originally a part of the resolution.

15 Section 4. *Repealer*. All laws, ordinances, resolutions, or parts of the same, that are inconsistent with 16 the provisions of this resolution, are hereby repealed to the extent of such inconsistency.

17 **ADOPTED:** November 7, 2017

18 **ATTEST:**

20 21 Susan Langley, City Clerk 22 APPROVED AS TO LEGAL FOR

APPROVED AS TO LEGAL FORM:23

APPROVED:

Mark Stodola, Mayor

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25 Thomas M. Carpenter, City Attorney26 //

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