

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
94th General Assembly
Regular Session, 2023

A Bill

HOUSE BILL 1477

By: Representative Pilkington

By: Senator Gilmore

For An Act To Be Entitled

AN ACT TO AMEND THE ARKANSAS ELECTRIC UTILITY AND GAS UTILITY STORM RECOVERY SECURITIZATION ACT; TO EXEMPT CERTAIN DATA CENTERS FROM STORM RECOVERY COSTS AND CHARGES; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE ARKANSAS ELECTRIC UTILITY AND GAS UTILITY STORM RECOVERY SECURITIZATION ACT; TO EXEMPT CERTAIN DATA CENTERS FROM STORM RECOVERY COSTS AND CHARGES; AND TO DECLARE AN EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code Title 23, Chapter 18, Subchapter 9, is amended to add an additional section to read as follows:

23-18-913. Exemptions for electricity sold to data center – Definition.

(a)(1) As used in this section, "data center" means a data center that:

(A) Is classified within codes 516210, 517111, 518210, 519290, 541512, or 541513 of the North American Industry Classification System, as in effect on January 1, 2023;

(B) Makes a capital investment in the state of at least ten million dollars (\$10,000,000); and



(C) Creates at least fifty (50) new full-time permanent jobs in the state that have an average hourly wage, as defined in § 15-4-2703, of at least one hundred fifty percent (150%) of the lesser of the county or state average hourly wage, as defined in § 15-4-2703, for the county in which the data center is located.

(2) As used in this section, "data center" does not include a facility that is used for cryptocurrency operations.

(b) If a data center has a dedicated substation or owns a substation, then the data center is exempt from any storm recovery costs and charges under this subchapter.

SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that it is in the best interest of the state to attract and incentivize the data center industry to locate in Arkansas by supporting pending economic development projects that are time-sensitive to site selection and market price determinants in the data center industry; that the data center industry is heavily reliant on and highly sensitive to electric utility costs; that this act will make Arkansas more attractive and prepared to accept large-scale development of data center industry; and that this act is immediately necessary because this act will provide economic development efforts involved with data center projects with the flexibility and expeditious support required to establish the industry in Arkansas. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

(1) The date of its approval by the Governor;

(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or

(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.