

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

State of Arkansas
95th General Assembly
Regular Session, 2025

As Engrossed: H4/3/25

A Bill

HOUSE BILL 1683

By: Representative McAlindon

By: Senator C. Penzo

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE PURCHASE OF AN ELECTRIC VEHICLE OR A COMPONENT OF AN ELECTRIC VEHICLE BY A GOVERNMENTAL ENTITY; TO PROHIBIT THE PROCUREMENT BY A GOVERNMENTAL ENTITY OF AN ELECTRIC VEHICLE OR A COMPONENT OF AN ELECTRIC VEHICLE THAT WAS MANUFACTURED IN WHOLE OR IN PART USING FORCED LABOR; AND FOR OTHER PURPOSES.

Subtitle

TO PROHIBIT THE PROCUREMENT BY A GOVERNMENTAL ENTITY OF AN ELECTRIC VEHICLE OR A COMPONENT OF AN ELECTRIC VEHICLE THAT WAS MANUFACTURED IN WHOLE OR IN PART USING FORCED LABOR.

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

SECTION 1. DO NOT CODIFY. Legislative findings.

The General Assembly finds that:

(1) Many electric vehicles are being made with components created through the use of forced labor, including materials mined by Uyghur and other Muslim minorities in the People's Republic of China's Xinjiang Uyghur Autonomous Region;

(2) Concerns about the use of forced labor to create these components and materials prompted the United States Government to pass the Uyghur Forced Labor Prevention Act, Pub. L. No. 117-78, with overwhelming bipartisan support;



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(3) Under the Uyghur Forced Labor Prevention Act, Pub. L. No. 117-78, there is a rebuttable presumption that any product manufactured in whole or in part in the Xinjiang Uyghur Autonomous Region was produced by forced labor;

(4) The United States Government recently restricted the application of its newly created tax credits for electric vehicles so that "[b]eginning in 2024, an eligible clean vehicle may not contain any battery components that are manufactured by a foreign entity of concern, and beginning in 2025, an eligible clean vehicle may not contain any critical minerals that were extracted, processed, or recycled by a foreign entity of concern";

(5) The United States Government recently proposed a regulation for another act that any company subject to the People's Republic of China's jurisdiction will be defined as a "foreign entity of concern," which would prevent federal tax credits from supporting sales of electric vehicles made with battery components from entities of the People's Republic of China;

(6) Many electric vehicles are also being made with components created through the use of oppressive child labor, most notably, through cobalt ore mined in dangerous conditions by thousands of young children in the Democratic Republic of the Congo and sent to the People's Republic of China for use in manufacturing lithium-ion batteries;

(7) The United States Government recently concluded that "downstream products containing lithium-ion batteries may be produced with an input produced with child labor, such as electric cars";

(8) The use of forced labor is repugnant and deplorable, violates basic human rights, constitutes unacceptable discrimination, and damages free and fair competition; and

(9) State governments should take steps to ensure that taxpayer dollars are not being used to pay for electric vehicles that may have been partially manufactured through forced labor.

SECTION 2. Arkansas Code Title 25, Chapter 1, Subchapter 1, is amended to add an additional section to read as follows:

25-1-130. Purchase of electric vehicle.

(a) As used in this section:

(1) "Electric vehicle" means a motor vehicle that is propelled

to a significant extent by an electric motor that draws electricity from a battery that is capable of being recharged from an external source of electricity;

(2) "Forced labor" means labor or service that is:

(A) Obtained by force, fraud, or coercion, including by:

(i) Threat of serious harm to or physical restraint against any person;

(ii) Means of a scheme, plan, or pattern intended to cause the person to believe that if the person did not perform the labor or services, the person or another person would suffer serious harm or physical restraint; or

(iii) Means of the abuse or threatened abuse of law or the legal process;

(B) Imposed on the basis of a characteristic protected by the Arkansas Civil Rights Act of 1993, § 16-123-101 et seq.;

(C) Not offered or provided voluntarily by the worker; or

(D) Produced through a condition of employment under which a person under the age of fourteen (14) years of age is employed in an occupation hazardous for the employment of children, including without limitation manufacturing or mining; and

(3) "Governmental entity" means a:

(A) State agency, including without limitation any department, agency, board, commission, office, and other authority of the state;

(B) Political subdivision of the state, including without limitation a county, municipality, public school district, water district, and improvement district; and

(C) College, university, authority, or other enterprise operated by the state or a political subdivision of the state.

(b) A governmental entity shall not enter into a contract for the procurement of an electric vehicle or a component of an electric vehicle unless the manufacturer of the electric vehicle or component of an electric vehicle *in good faith provides* the governmental entity a sworn certification that certifies that no entity involved in the production of the electric vehicle or the component of an electric vehicle being sold, including the production of a constituent part or the mining or other sourcing of materials

for the electric vehicle or the component of an electric vehicle, used forced labor in its activities.

(c)(1) In addition to any other remedies available at law or equity, if the manufacturer or seller is found to have knowingly provided false or misleading information under subsection (b) of this section, a civil penalty shall be imposed against the manufacturer for the greater of:

(A) Ten thousand dollars (\$10,000) for each false or misleading statement; or

(B) One-half (1/2) of the total price paid by the governmental entity for the electric vehicle or the component of an electric vehicle.

(2) A governmental entity that is found to have knowingly violated subsection (b) of this section shall pay to the state the greater of:

(A) Ten thousand dollars (\$10,000) for each false or misleading statement; or

(B) The total price paid by the governmental entity for the electric vehicle or the component of an electric vehicle.

(3) An employee of a governmental entity who is found to have knowingly violated subsection (b) of this section shall be found to be acting outside the course and scope of his or her employment and is personally liable for a civil penalty of five thousand dollars (\$5,000) to the state.

(4) Each member of a board who votes in the affirmative to authorize the purchase of an electric vehicle that is found to violate subsection (b) of this section shall personally pay a fine of five thousand dollars (\$5,000) to the state.

(d) This section applies to a procurement contract for an electric vehicle or a component of an electric vehicle that is entered into, amended, or renewed on or after the effective date of this act.

/s/McAlindon