

1 State of Arkansas
2 94th General Assembly
3 Regular Session, 2023
4

A Bill

HOUSE BILL 1477

5 By: Representative Pilkington
6 By: Senator Gilmore
7

For An Act To Be Entitled

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

16 TO AMEND THE ARKANSAS ELECTRIC UTILITY
17 AND GAS UTILITY STORM RECOVERY
18 SECURITIZATION ACT; TO EXEMPT CERTAIN
19 DATA CENTERS FROM STORM RECOVERY COSTS
20 AND CHARGES; AND TO DECLARE AN EMERGENCY.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 SECTION 1. Arkansas Code Title 23, Chapter 18, Subchapter 9, is
27 amended to add an additional section to read as follows:

28 23-18-913. Exemptions for electricity sold to data center –

29 Definition.

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

32 (A) Is classified within codes 516210, 517111, 518210,
33 519290, 541512, or 541513 of the North American Industry Classification
34 System, as in effect on January 1, 2023;

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



1 (C) Creates at least fifty (50) new full-time permanent
2 jobs in the state that have an average hourly wage, as defined in § 15-4-
3 2703, of at least one hundred fifty percent (150%) of the lesser of the
4 county or state average hourly wage, as defined in § 15-4-2703, for the
5 county in which the data center is located.

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

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

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

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

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

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