

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

A Bill

SENATE BILL 315

5 By: Senator B. Johnson
6 By: Representative Torres
7

For An Act To Be Entitled

9 AN ACT TO ESTABLISH THE FARMER PROTECTION ACT; AND
10 FOR OTHER PURPOSES.

Subtitle

14 TO ESTABLISH THE FARMER PROTECTION ACT.

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

18 SECTION 1. Arkansas Code Title 2, Chapter 1, is amended to add an
19 additional subchapter to read as follows:

20 Subchapter 4 – Farmer Protection Act

22 2-1-401. Title.

23 This subchapter shall be known and may be cited as the "Farmer
24 Protection Act".

26 2-1-402. Findings.

27 The General Assembly finds that:

28 (1) Environmental, social, and governance activists demand “zero
29 emissions on farm machinery” but ignore that electric heavy farm machinery
30 would be far larger than diesel counterparts, would require extensive
31 charging infrastructure on farms to meet harvesting demands, may struggle in
32 cold weather, and simply is not feasible for farmers in Arkansas;

33 (2) Farmers in Arkansas depend on the availability of financing,
34 and consumers depend on farmers for food;

35 (3) Reducing financing, restricting fertilizer usage, or forcing
36 farmers to purchase electric farm machinery may put farmers out of business



1 and raise food prices for consumers; and

2 (4) State governments should take steps to ensure that financial
3 institutions do not unfairly discriminate against agriculture producers.

4
5 2-1-403. Definitions.

6 As used in this subchapter:

7 (1)(A) "Agriculture producer" means a natural person or company
8 engaged in the production of goods derived from plants or animals.

9 (B) "Agriculture producer" includes without limitation:

10 (i) The growing of crops;

11 (ii) Animal husbandry; and

12 (iii) The production of livestock or dairy products;

13 (2)(A) "Company" means a for-profit organization, association,
14 corporation, partnership, joint venture, sole proprietorship, limited
15 partnership, limited liability partnership, or limited liability company.

16 (B) "Company" includes without limitation a wholly-owned
17 subsidiary, majority-owned subsidiary, parent company, or affiliate of the
18 entity or business association;

19 (3) "Discriminate in the provision of financial services" means
20 to directly or indirectly deny or restrict services or decline to provide
21 full and equal enjoyment in the provision of financial services;

22 (4)(A) "Environmental, social, and governance commitment" means
23 a public or private commitment to use market position, market power,
24 influence, or ability to withhold or provide business or credit to eliminate,
25 reduce, offset, or disclose greenhouse gas emissions or achieve other
26 environmental standards or objectives beyond the standards or objectives
27 imposed by applicable laws by a:

28 (i) Financial institution;

29 (ii) Subsidiary or affiliate of a financial
30 institution;

31 (iii) Financial institution's board of directors; or

32 (iv) Financial institution's officers.

33 (B) "Environmental, social, and governance commitment"
34 includes a financial institution's decision to join an initiative or
35 organization that has a purpose for its signatories' or members' customers to
36 be aligned with environmental, social, or political goals;

1 (5) "Financial institution" means a company that:

2 (A) Offers financial services;

3 (B) Has total assets over one hundred billion dollars
4 (\$100,000,000,000), including without limitation the assets of a subsidiary
5 or affiliate of the company; and

6 (C) Has financial services that account for at least ten
7 percent (10%) of the company's revenues; and

8 (6) "Financial services" means a product or service that is of a
9 financial nature, including without limitation:

10 (A) Banking services;

11 (B) Lending;

12 (C) Credit card or debit card services;

13 (D) Investment banking services;

14 (E) Securities brokerage or securities dealing;

15 (F) Investment advice;

16 (G) Insurance;

17 (H) Electronic payment services; and

18 (I) Money transfer services.

19
20 2-1-404. Prohibition on unlawful discrimination in agriculture
21 financing.

22 (a) A financial institution shall not discriminate in the provision of
23 financial services to an agriculture producer based, in whole or in part,
24 upon the agriculture producer's:

25 (1) Greenhouse gas emissions;

26 (2) Use of fossil-fuel derived fertilizer; or

27 (3) Use of fossil-fuel powered machinery.

28 (b)(1) If a financial institution has made an environmental, social,
29 and governance commitment, there is a rebuttable presumption that the
30 financial institution's denial or restriction of a financial service to an
31 agriculture producer violates subsection (a) of this section.

32 (2) Evidence of an environmental, social, and governance
33 commitment includes without limitation:

34 (A) Advertising;

35 (B) Public or private statements, resolutions,
36 explanations, reports, memoranda, or other communications; or

1 (C) Participation in, affiliation with, or status as a
2 signatory to any coalition, initiative, joint statement of principles, or
3 agreement, the purpose of which is to use business activity to further
4 environmental, social, or governance goals.

5 (3)(A) A financial institution may overcome the rebuttable
6 presumption in subdivision (b)(1) of this section by demonstrating, through
7 clear and convincing evidence, that its denial or restriction of a financial
8 service was based solely on a documented ordinary business purpose and not on
9 an environmental, social, and governance commitment.

10 (B) An ordinary business purpose used to overcome the
11 rebuttable presumption in subdivision (b)(1) of this section shall not
12 include any purpose to further environmental, social, or governance
13 interests.

14
15 2-1-405. Enforcement.

16 (a) A violation of § 2-1-404 is a violation of the Arkansas Civil
17 Rights Act of 1993, § 16-123-101 et seq., and the Deceptive Trade Practices
18 Act, § 4-88-101 et seq.

19 (b) The Attorney General and the Secretary of the Department of
20 Agriculture shall coordinate efforts to enforce this subchapter.

21 (c) The Attorney General may investigate and seek remedies as provided
22 under the Arkansas Civil Rights Act of 1993, § 16-123-101 et seq., and the
23 Deceptive Trade Practices Act, § 4-88-101 et seq.

24 (d)(1) If the secretary has reasonable cause to believe that a
25 financial institution has engaged in or is engaging in a violation of this
26 subchapter, the secretary may:

27 (A) Require the financial institution to file a statement
28 or report in writing on forms prescribed by the secretary, under oath, as to
29 all the facts and circumstances concerning the violation as well as other
30 data and information the secretary deems necessary;

31 (B) Examine under oath any person in connection with the
32 violation; and

33 (C) Examine any record, book, document, account, or paper
34 the secretary deems necessary.

35 (2) In enforcing this subchapter, the secretary may:

36 (A) Conduct hearings;

1 (B) Make recommendations;

2 (C) Issue orders;

3 (D) Adopt rules;

4 (E) Conduct statistical studies or surveys in order to
5 collect data related to the existence and effect of environmental, social,
6 and governance commitments or environmental, social, and governance policies
7 that are related to agriculture;

8 (F) Prepare and disseminate the information gathered under
9 subdivision (d)(2)(E) of this section or any other information related to the
10 existence and impact of those environmental, social, and governance
11 commitments or environmental, social, and governance policies; and

12 (G) Assess civil penalties of up to ten thousand dollars
13 (\$10,000) per violation.

14 (e)(1) The secretary may refer cases to the Attorney General for
15 additional action, including without limitation to bring a civil action for
16 relief.

17 (2) The additional action authorized under subdivision (e)(1) of
18 this section may include an application for a permanent or temporary
19 injunction, restraining order, or other order as necessary to enforce this
20 subchapter.

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22 SECTION 2. DO NOT CODIFY. SEVERABILITY CLAUSE. If any provision of this
23 act or the application of this act to any person or circumstance is held
24 invalid, the invalidity shall not affect other provisions or applications of
25 this act which can be given effect without the invalid provision or
26 application, and to this end, the provisions of this act are declared
27 severable.

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