

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 87th General Assembly
3 Regular Session, 2009

As Engrossed: H3/31/09

A Bill

HOUSE BILL 1926

4
5 By: Representative Maxwell
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For An Act To Be Entitled

8 AN ACT TO PROMOTE THE PRODUCTION, THE
9 DEVELOPMENT, AND THE USE OF LIGNITE IN THIS
10 STATE; AND FOR OTHER PURPOSES.
11

Subtitle

12
13 TO PROMOTE THE PRODUCTION, THE
14 DEVELOPMENT, AND THE USE OF LIGNITE IN
15 THIS STATE.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. [DO NOT CODIFY]. The General Assembly finds that:

22 (1) Lignite is a vast energy resource with nine billion
23 (9,000,000,000) tons in southern Arkansas that is virtually untapped and is
24 easily extracted;

25 (2) Lignite is an important form of energy for generating
26 electricity that produces an average of fourteen million British Thermal
27 Units (14,000,000 BTU) per ton or eight thousand three hundred British
28 Thermal Units (8,300 BTU) per pound;

29 (3) Lignite is a natural Arkansas resource that can create an
30 industry and ancillary industries critical to the economic well-being of this
31 state;

32 (4) Lignite production in Arkansas can lead to the discovery and
33 development of new products and to viable alternative uses of lignite to the
34 benefit the citizens of this state as well as persons in the lignite
35 industry;

36 (5) Lignite development in Arkansas should proceed in an orderly



1 manner that is mutually beneficial to landowners, miners, and processors of
2 lignite in a manner that is environmentally responsible to future generations
3 of Arkansans;

4 (6) Lignite has the potential to be used with fuel products in a
5 variety of ways to augment the imported coal that is currently used to
6 generate electricity in Arkansas's power plants;

7 (7) In the United States, approximately seventy-nine percent
8 (79%) of lignite is used to generate electricity, thirteen and five-tenths
9 percent (13.5%) of lignite is used to generate synthetic natural gas, and
10 seven and five-tenths percent (7.5%) of lignite is used to produce fertilizer
11 products; and

12 (8) Currently, Arkansas is not utilizing its lignite resources
13 while other states, such as Texas, Mississippi, Louisiana, and North Dakota,
14 regard lignite as an important source for electrical power generation,
15 synfuels production, and other value-added products."

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17 SECTION 2. Arkansas Code Title 6, Chapter 65, Subchapter 4 is amended
18 to add an additional section to read as follows:

19 "6-65-411. The Arkansas Lignite Resource Program.

20 (a) The Arkansas Lignite Resource Program is established to promote
21 the production, development, and use of lignite in this state.

22 (b) The program shall be administered by the Southern Arkansas
23 University Lignite Resource Center which shall:

24 (1) Prepare a comprehensive business plan for the production,
25 development, and use of lignite in an environmentally responsible manner as:

26 (A) An alternative energy source, including without
27 limitation as a synfuel; and

28 (B) A value-added product;

29 (2) Conduct a feasibility study along with a detailed commercial
30 market analysis for the promotion of the production, development, and use of
31 lignite;

32 (3) Provide a local match for the Southern Arkansas University's
33 Economic Development Administration grant to construct the Southern Arkansas
34 University Lignite Resource Center adjacent to the Science Center on the
35 Southern Arkansas University campus at Magnolia; and

36 (4) Secure a business partnership to demonstrate a pilot

1 gasification model at an existing south Arkansas industry that will stimulate
2 the local economy.”

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/s/ Maxwell