

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.

INTERIM STUDY PROPOSAL 2007-167

State of Arkansas  
86th General Assembly  
Regular Session, 2007

**A Bill**

**DRAFT GLG/LEF  
HOUSE BILL**

By: Representative L. Smith  
By: Senator Broadway

Filed with: Legislative Council  
pursuant to A.C.A. §10-3-217.

**For An Act To Be Entitled**

AN ACT TO CREATE THE ARKANSAS CLEAN ENERGY  
DEVELOPMENT ACT; TO CREATE THE CLEAN ENERGY  
FUND; TO CREATE THE ARKANSAS CLEAN ENERGY BOARD;  
AND FOR OTHER PURPOSES.

**Subtitle**

TO CREATE THE ARKANSAS CLEAN ENERGY  
DEVELOPMENT ACT; TO CREATE THE CLEAN  
ENERGY FUND; AND TO CREATE THE CLEAN  
ENERGY BOARD.

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

SECTION 1. Arkansas Code Title 15, Chapter 10 is amended to add an additional subchapter to read as follows:

15-10-801. Title.

This subchapter shall be known and cited as the “Arkansas Clean Energy Development Act of 2007”.

15-10-802. Legislative findings.

(a) A diversified portfolio of clean energy technologies, energy efficiency, low income weatherization programs, and energy education will benefit Arkansans, leverage private investment, and have positive impacts in

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1 terms of economic development, additional employment opportunities, and  
2 environmental attributes.

3 (b) The state of Arkansas seeks to build on and expand existing energy  
4 efficiency programs, remove market barriers related to the development and  
5 deployment of renewable energy, and reduce the state's reliance on imported  
6 energy resources through the creation of a Clean Energy Fund.

7 (c) Therefore, the General Assembly finds that it is in Arkansas'  
8 long-term interest to adopt the Arkansas Clean Energy Development Act of  
9 2007.

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11 15-10-803. Definitions.

12 For the purposes of this subchapter, "energy service provider" means a  
13 public utility or an investor-owned utility, an electric cooperative, a  
14 municipal utility, or any private power supplier or marketer that is engaged  
15 in the business of supplying electric energy, natural gas, or liquid propane  
16 to the end user.

17  
18 15-10-804. Clean Energy Fund.

19 (a) There is created on the books of the Treasurer of State, Auditor  
20 of State, and Chief Fiscal Officer of the State a special fund to be known as  
21 the "Clean Energy Fund".

22 (b)(1) All moneys collected under § 15-10-805 shall be deposited into  
23 the State Treasury to the credit of the fund as special revenues.

24 (2) The fund shall also consist of any other revenues as may be  
25 authorized by law.

26 (c) The fund shall be used by:

27 (1) The Arkansas Clean Energy Board to provide grants and loans  
28 for:

29 (A) Energy efficiency programs;

30 (B) Renewable energy development;

31 (C) Education; and

32 (D) Research and development; and

33 (2) The Department of Health and Human Services to supplement  
34 the federal Weatherization Assistance Program.

35  
36 15-10-805. Arkansas Clean Energy Board.

1 (a) There is created the Arkansas Clean Energy Board.

2 (b) The board shall consist of the following seven (7) members  
3 appointed by the Governor:

4 (1) One (1) member shall be a commissioner of the Arkansas  
5 Public Service Commission;

6 (2) One (1) member shall be an employee of the Arkansas Energy  
7 Office;

8 (3) One (1) member shall be a representative of the public  
9 utility industry;

10 (4) One (1) member shall be a professor at a state-supported  
11 institution of higher education;

12 (5) One (1) member shall be a representative of the renewable  
13 energy industry;

14 (6) One (1) member shall be a representative of the financial  
15 community; and

16 (7) One (1) member shall be a representative of the agricultural  
17 or forestry community.

18 (c) The board shall annually elect one (1) of its members as chair.

19 (d) Four (4) members of the board shall be a quorum for the  
20 transaction of any business.

21 (e) The initial meeting of the board shall be called by the Governor.

22 (f) Members of the board shall serve without pay but may receive  
23 expense reimbursement in accordance with § 25-16-902.

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25 15-10-806. Duties of the Arkansas Clean Energy Board.

26 After notice and opportunity for public comment, the Clean Energy Board  
27 shall:

28 (1) Levy assessments on energy service providers that may not exceed  
29 one dollar (\$1.00) per month per customer account;

30 (2) Administer the Clean Energy Fund;

31 (3) Promulgate rules and regulations for the implementation of this  
32 subchapter, including the criteria under which an applicant or a program may  
33 qualify for a grant or loan from the board;

34 (4) Hire staff if funds are available for that purpose; and

35 (5) File a report with the Legislative Council by September 15 of each  
36 year about the grants and loans made by the board and the results for the

1 period of the previous fiscal year ending on June 30.

2  
3 15-10-807. Assessments.

4 (a) By the twentieth day of each calendar month, each energy service  
5 provider shall remit its assessment under § 15-10-806(1) to the Director of  
6 the Department of Finance and Administration who shall deposit:

7 (1) Seventy percent (70%) of the remittance into the State  
8 Treasury as special revenues credited to the Clean Energy Fund; and

9 (2) Thirty percent (30%) of the remittance into the State  
10 Treasury as special revenues credited to the Arkansas Weatherization  
11 Assistance Fund.

12 (b)(1) Each energy service provider that remits an assessment under §  
13 15-10-806(1) may recover the cost of that assessment from its customers.

14 (2)(A) The assessment under § 15-10-806(1) shall not be  
15 considered a rate or tariff under the jurisdiction of the Arkansas Public  
16 Service Commission.

17 (B) The moneys collected under subdivision (b)(1) of this  
18 section by public utilities regulated by the Arkansas Public Service  
19 Commission shall not be considered revenues for ratemaking purposes.

20 (c) The assessments made under § 15-10-806(1) shall not be considered  
21 a tax and shall not be subject to any state or local tax or franchise fee.

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23 SECTION 2. Effective date. This act is effective on October 1, 2007.

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36 Filed: 3/3/07 By: GLG/LEF