

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 86th General Assembly  
3 Regular Session, 2007  
4

# A Bill

HOUSE BILL 2442

5 By: Representative Maloch  
6  
7

## For An Act To Be Entitled

9 AN ACT TO DEVELOP AN ENERGY UTILIZATION STRATEGY  
10 FOR LIGNITE PRODUCTION AND USE; TO CREATE THE  
11 ARKANSAS LIGNITE RESOURCES PILOT PROGRAM; TO  
12 REDUCE OUR DEPENDENCY ON FOREIGN OIL FOR THE  
13 CREATION OF ELECTRICITY AND OTHER ENERGY SOURCES;  
14 AND FOR OTHER PURPOSES.

## Subtitle

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16 TO DEVELOP AN ENERGY UTILIZATION  
17 STRATEGY FOR LIGNITE PRODUCTION AND USE  
18 BY CREATING THE ARKANSAS LIGNITE  
19 RESOURCES PILOT PROGRAM.  
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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25 SECTION 1. Arkansas Code Title 15, Chapter 55, is amended to add an  
26 additional subchapter to read as follows:

27 15-55-401. Title.

28 This subchapter shall be known and may be cited as the "Lignite  
29 Development Act".  
30

31 15-55-402. Findings.

32 The General Assembly finds:

33 (1) Lignite in Arkansas is a vast energy resource that is  
34 virtually untapped and is easily extracted;

35 (2) Lignite could potentially be used in a variety of ways  
36 including blending with fuel products to augment imported coal that is



1 currently used to generate electricity in Arkansas power plants; as a primary  
 2 fuel source for newly constructed electric power generating plants; and as a  
 3 primary fuel source for the generation of synthetic natural gas, gasoline,  
 4 and other economically important by-products;

5 (3) The Arkansas Geological Survey, formerly known as the  
 6 Arkansas Geological Commission, is interested in developing a research  
 7 agreement with academic institutions of higher education or industry partners  
 8 or both for purposes of pursuing a research program on Arkansas lignite and  
 9 lignite’s commercial and economic contributions to the state.

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

14 (5) Currently, Arkansas is not utilizing its lignite resources;  
 15 whereas, Texas, Mississippi, Louisiana, and North Dakota regard lignite as an  
 16 important energy source for electrical power generation or synfuels  
 17 production; and

18 (6) With the creation of strategic partnerships, Arkansas can  
 19 truly begin a new era in lignite-driven energy and economic development.

20  
 21 15-55-403. Arkansas Lignite Resources Pilot Program.

22 (a) There is created a program to be known as the “Arkansas Lignite  
 23 Resources Pilot Program”.

24 (b) The Arkansas Lignite Resources Pilot Program shall be developed  
 25 and administered by Southern Arkansas University, the Arkansas Geological  
 26 Survey, and the Arkansas Department of Economic Development.

27 (c) The purpose of the program is to:

28 (1) Examine the feasibility of the use of lignite as a potential  
 29 energy source;

30 (2) Explore and utilize lignite as an energy resource including  
 31 without limitation a synfuels-based research program;

32 (3) Develop public and private partnerships with other entities  
 33 to develop the untapped energy resource of lignite to stimulate Arkansas’  
 34 economy; and

35 (4) Develop practical applications for the use of lignite  
 36 resources as an alternative energy source.

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15-55-404. Participation in other grant programs.

The Arkansas Lignite Resources Pilot Program may participate in federal, state, or industry grant opportunities that are available for the program.

15-55-405. Reporting.

Representatives from Southern Arkansas University, the Arkansas Geological Survey, and the Arkansas Department of Economic Development shall report the status of the Arkansas Lignite Resources Pilot Program periodically to the Legislative Council and the Joint Committee on Energy.