

91st Arkansas General Assembly: Property Assessed Clean Air Energy Act Amendments



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A bill has been introduced which would undertake various revisions to the Arkansas Property Assessed Clean Energy Act (“PACE”).

House bill (“HB”) 2026 is sponsored by Representatives Sabin, L. Eads, Beck Tucker, D. Whitaker, J. Williams, and Leding.

The PACE Act was enacted in 2013 and authorized the creation of Energy Efficiency Improvement Districts. The purpose of such districts is the creation of programs to fund energy efficiency improvement, renewable energy, and water conservation projects by owners of commercial real estate. The program provides loans to the owners which are paid back through property tax assessments.

A number of Arkansas communities have passed ordinances authorizing the creation of Energy Efficiency Improvement Districts for the purposes of implementing a PACE program.

HB 2026 amends Ark. Code §§ 8-15-102 and 8-15-103, 8-15-105 and 8-15-107. Also revised are Arkansas Code provisions §§ 8-15-112 – 8-15-116.

Terms added to the “definition” section of the PACE Act include:

- Assessment
- Assessment contract
- Assessment obligation
- Financial obligation
- Lending entity
- PACE improvement
- PACE project

Revisions are made to certain other definitions.

The legislation also addresses provisions for public hearings, powers and duties of the District Board of Directors, annual report requirements, financing project provisions, provisions for assessment contracts, lien enforcement, case program guidelines, and financial obligations.

The Arkansas Advanced Energy Association describes the legislation as a bi-partisan PACE-enhancement bill.

Note that the deadline for filing bills in the 91st Arkansas General Assembly was yesterday.

[A copy of HB 2026 can be downloaded here.](#)

