

Dave Elswick Show,

Over the past few years there has been notable growth in digital asset mining in Arkansas. Act 851 is the first regulatory act that intends to protect Arkansas' power grid and regulate power providers. We wanted to make sure that our power grid could provide power without overload, and that there would be plentiful power for all Arkansans.

Similar bills from Missouri, Mississippi, and Montana were used to see how other states were dealing digital asset mining. Entergy, Electric Co-ops, Municipal Association of Power Providers, and Public Service Commission all understood the intent of the bill. The Association of Counties and Municipal League reviewed the drafting process and took a position of "neutral" on the bill.

Act 851 gives a list of laws that digital asset miners must follow. In short, they must follow all the laws any other industry follows. That would include any city, county, state, or federal laws. That would also include environmental and sound guidelines. Act 851 does not address any industry specific noise issues, just reaffirmed existing laws.

HB1799 / Act 851 was approved 93-1 in the House, and 33-0 in the Senate. No one spoke against the bill in committees, or on the legislative floors. In the weeks following there have been several reported situations of problems with noise generated by digital asset miners. Large digital asset mining operations without sound abatement can be a problem. They can be loud and annoying. Act 851 was not intended to address industry specific sound, other than current guidelines that would be enforced by ADEQ,(Arkansas Department of Environmental Quality) and the federal EPA.

Act 851 does not change city zoning, commercial and industrial zoning guidelines that should already include noise restrictions. The same to

be true in Industrial Parks.

The valid concerns of ownership by countries not friendly to the US will need to be addressed, but unfortunately was not included in Act 851.

Act 851 is now in legislative interim study. The discussion will continue on how to best address the valid concerns expressed throughout the state.

Thanks,  
Rick McClure  
State Representative.