

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

A Bill

SENATE BILL 409

5 By: Senators B. Johnson, Hill
6 By: Representatives Torres, Achor, Andrews, Barker, Beaty Jr., Beck, Bentley, S. Berry, Breaux, Brooks,
7 K. Brown, M. Brown, N. Burkes, R. Burkes, Joey Carr, John Carr, Cavanaugh, Childress, C. Cooper,
8 Cozart, Crawford, Eaton, Evans, Furman, Gazaway, Gramlich, Hall, Hawk, Hollowell, L. Johnson, Long,
9 Lundstrum, Lynch, Maddox, McAlindon, McClure, M. McElroy, McGrew, B. McKenzie, McNair,
10 Milligan, J. Moore, Nazarenko, Painter, Pearce, Perry, Pilkington, Puryear, Ray, R. Scott Richardson,
11 Richmond, Rose, Rye, Schulz, M. Shepherd, Steimel, Tosh, Underwood, Unger, Vaught, Walker, Wing,
12 Wooten
13

For An Act To Be Entitled

14
15 AN ACT TO PROHIBIT DISCRIMINATION OF AGRICULTURAL
16 PRODUCERS BY FINANCIAL SERVICES PROVIDERS; TO AMEND
17 THE LAW CONCERNING ENVIRONMENTAL, SOCIAL JUSTICE, OR
18 GOVERNANCE SCORES OR METRICS; TO ESTABLISH THE FARMER
19 PROTECTION ACT; AND FOR OTHER PURPOSES.
20

Subtitle

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22
23 TO PROHIBIT DISCRIMINATION OF
24 AGRICULTURAL PRODUCERS BY FINANCIAL
25 SERVICES PROVIDERS; AND TO ESTABLISH THE
26 FARMER PROTECTION ACT.
27

28 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
29

30 SECTION 1. Arkansas Code § 25-1-1001(4), concerning the definition of
31 "discriminate" used for environmental, social justice, or governance scores
32 or metrics, is amended to read as follows:

33 (4)(A) "Discriminate" means a company's:

34 (i) Refusal to engage in the trade of any goods or
35 services with an entity based solely on its status as an energy, fossil fuel,
36 firearms, ~~or~~ ammunition industry entity, or agricultural producer; or



1 (ii) Termination of an existing business
 2 relationship with an entity based solely on the entity's status as an energy,
 3 fossil fuel, firearms, ~~or~~ ammunition industry entity, or agricultural
 4 producer.

5 (B) "Discriminate" does not include actions by an
 6 investment adviser according to the investment-related guidelines, policies,
 7 or preferences of ~~its~~ the investment adviser's clients;
 8

9 SECTION 2. Arkansas Code § 25-1-1001, concerning definitions used for
 10 environmental, social justice, or governance scores or metrics, is amended to
 11 add an additional subdivision to read as follows:

12 (14)(A) "Agricultural producer" means a natural person or
 13 company engaged in the production of goods derived from plants or animals.

14 (B) "Agricultural producer" includes without limitation:

15 (i) The growing of crops;

16 (ii) Animal husbandry; and

17 (iii) The production of livestock or dairy products.
 18

19 SECTION 3. Arkansas Code § 25-1-1002 is amended to read as follows:
 20 25-1-1002. List of financial services providers.

21 (a) The Treasurer of State shall maintain a list of financial services
 22 providers as determined by the ESG Oversight Committee under § 25-1-1006 on
 23 the Treasurer of State's website.

24 (b) The Treasurer of State shall post the list of financial services
 25 providers that discriminate against energy companies, ~~or~~ firearms entities,
 26 or agricultural producers or otherwise refuse to deal based on environmental,
 27 social justice, and other governance-related factors on the Treasurer of
 28 State's website.

29 (c)(1) Forty-five (45) days before including a financial services
 30 provider on a list under § 25-1-1006, the ESG Oversight Committee shall send
 31 a written notice to the financial services provider.

32 (2) The written notice under subdivision (c)(1) of this section
 33 shall include the following information:

34 (A) A determination by the ESG Oversight Committee under §
 35 25-1-1006 that the financial services provider has discriminated against
 36 energy companies, ~~or~~ firearms entities, or agricultural producers or

1 otherwise refused to deal based on environmental, social justice, and other
2 governance-related factors;

3 (B) Identification of the evidence of discrimination
4 relied on by the ESG Oversight Committee, in making the determination;

5 (C) Placement of the financial services provider on a list
6 in forty-five (45) days unless, within thirty (30) days following the receipt
7 of the written notice, the financial services provider demonstrates that it
8 is not discriminating against energy companies, ~~or~~ firearms entities, or
9 agricultural producers or otherwise refusing to deal based on environmental,
10 social justice, and other governance-related factors; and

11 (D) Publication of the list will be on the Treasurer of
12 State's website.

13 (d)(1) If the ESG Oversight Committee provides written notice to a
14 financial services provider under subdivision (c)(1) of this section based on
15 information from an energy, fossil fuel, firearms, ~~or~~ ammunition company, or
16 agricultural producer, then the energy, fossil fuel, firearms, ~~or~~ ammunition
17 company, or agricultural producer shall be required to consent to the
18 disclosure of any financial information held by the financial services
19 provider of the energy, fossil fuel, firearms, ~~or~~ ammunition company, or
20 agricultural producer to the ESG Oversight Committee, whether or not the
21 information is confidential or proprietary, to allow the financial services
22 provider to demonstrate that the financial services provider is not
23 discriminating against energy, fossil fuel, firearms, ~~or~~ ammunition
24 companies, or agricultural producers or otherwise refusing to deal with
25 energy, fossil fuel, firearms, ~~or~~ ammunition companies, or agricultural
26 producers based on environmental, social justice, and other governance-
27 related factors.

28 (2) If the energy, fossil fuel, firearms, ~~or~~ ammunition company,
29 or agricultural producer refuses to consent to the disclosure of financial
30 information under subdivision (d)(1) of this section, then the:

31 (A) ESG Oversight Committee shall withdraw the written
32 notice to the financial services provider under subdivision (c)(1) of this
33 section; and

34 (B) Financial services provider shall not be on the list
35 under subsection (a) of this section.

APPROVED: 3/25/25

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