



Hugh McDonald  
SECRETARY OF COMMERCE

Jimmy Harris  
COMMISSIONER,  
ARKANSAS INSURANCE  
DEPARTMENT

September 30, 2025

Senator Tyler Dees, Co-Chair  
Representative Matthew Shepherd, Co-Chair  
Administrative Rules Subcommittee  
Arkansas Legislative Council  
Via Rebecca Miller-Rice [miller.ricer@blr.arkansas.gov](mailto:miller.ricer@blr.arkansas.gov)

Re: State Insurance Department Arkansas Code § 25-15-216(c) Request to be Excluded from Promulgating Rules for Acts 560 and 779 of 2025, To Create a More Sustainable System of Property Insurance for Public Schools, Institutions of Higher Education, and State-Owned Property.

Dear Senator Dees and Representative Shepherd;

Pursuant to Arkansas Code § 25-15-216(c), the State Insurance Department respectfully requests that it be excluded from the requirements of Arkansas Code § 25-15-216(b)(3)-(5), because it believes that promulgation of a rule to implement Acts 560 and 779 of 2025 is unnecessary.

Acts 560 and 779 create the State Captive Insurance Program for buildings, structures, facilities, and business personal property owned by public schools, state-supported institutions of higher education, and the state. The text of these Acts are identical, and Section Four requires the Department to adopt rules for a cybersecurity risks insurance program for public elementary and secondary schools, education service cooperatives, and open-enrollment public charter schools.

The Department will facilitate access to an insurance policy for cybersecurity risks, and the selected insurer will provide application and policy materials that describe eligibility for coverage and coverages available to public elementary and secondary schools, education service cooperatives, and open-enrollment public charter schools. The Department does not believe that rule promulgation would provide any additional clarity as the terms of the cybersecurity risk insurance policy will address eligibility and coverages.

The Department requests that the Administrative Rules Subcommittee and Arkansas Legislative Council determine that rulemaking is unnecessary and excuse the Department from having to promulgate a rule for Acts 560 and 779 of 2025.

Sincerely,

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