EXHIBIT B8

Revised May 2023

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QUESTIONNAIRE FOR FILING PROPOSED RULES WITH THE ARKANSAS LEGISLATIVE COUNCIL

DEPARTMENT Shared Administrative Services, Office of Property Risk
BOARD/COMMISSION
BOARD/COMMISSION DIRECTOR OPR Director: Grant Wallace
CONTACT PERSON Jessica Patterson
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NAME OF PRESENTER(S) AT SUBCOMMITTEE MEETING
Jessica Patterson and Grant Wallace
PRESENTER EMAIL(S) jessica.patterson@arkansas.gov, grant.wallace@arkansas.gov

INSTRUCTIONS

In order to file a proposed rule for legislative review and approval, please submit this Legislative Questionnaire and Financial Impact Statement, and attach (1) a summary of the rule, describing what the rule does, the rule changes being proposed, and the reason for those changes; (2) both a markup and clean copy of the rule; and (3) all documents required by the Questionnaire.

If the rule is being filed for permanent promulgation, please email these items to the attention of Rebecca Miller-Rice, miller-ricer@blr.arkansas.gov, for submission to the Administrative Rules Subcommittee.

If the rule is being filed for emergency promulgation, please email these items to the attention of Director Marty Garrity, garritym@blr.arkansas.gov, for submission to the Executive Subcommittee.

Please answer each question completely using layman terms.

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1. What is the official title of this rule?
Rules Concerning Building Maintenance Schedules for Ark. School Districts in the State Captive Insurance Program

2. What is the subject of the proposed rule? Building Maintenance Schedules and Coverage Requirements

3. Is this rule being filed under the emergency provisions of the Arkansas Administrative Procedure Act? Yes ☐ No ☑

If yes, please attach the statement required by Ark. Code Ann. § 25-15-204(c)(1).

If yes, will this emergency rule be promulgated under the permanent provisions of the Arkansas Administrative Procedure Act? Yes ☐ No ☐

4. Is this rule being filed for permanent promulgation? Yes ☑ No ☐

If yes, was this rule previously reviewed and approved under the emergency provisions of the Arkansas Administrative Procedure Act? Yes ☐ No ☑

If yes, what was the effective date of the emergency rule? _____

On what date does the emergency rule expire?_____

5. Is this rule required to comply with a *federal* statute, rule, or regulation? Yes ☐ No ☑

If yes, please provide the federal statute, rule, and/or regulation citation.

6. Is this rule required to comply with a *state* statute or rule? Yes ☑ No ☐

If yes, please provide the state statute and/or rule citation.

Act 560 of 2025

7. Are two (2) rules being repealed in accord with Executive Order 23-02? Yes ☐ No ☑

If yes, please list the rules being repealed.
If no, please explain.

The Office of Property Risk is a new division which administers the State Captive Insurance Program. This rule is required by Act 560 of 2025.

8. Is this a new rule? Yes ☑ No ☐

Does this repeal an existing rule? Yes ☐ No ☑
If yes, the proposed repeal should be designated by strikethrough. If it is being replaced with a new rule, please attach both the proposed rule to be repealed and the replacement rule.

Is this an amendment to an existing rule? Yes ☐ No ☑
If yes, all changes should be indicated by strikethrough and underline. In addition, please be sure to label the markup copy clearly as the markup.

9. What is the state law that grants the agency its rulemaking authority for the proposed rule, outside of the Arkansas Administrative Procedure Act? Please provide the specific Arkansas Code citation(s), including subsection(s).

Ark. Code Ann. § 6-21-506 (Section 10 of Act 560 of 2025)

10. Is the proposed rule the result of any recent legislation by the Arkansas General Assembly?
Yes ☑ No ☐

If yes, please provide the year of the act(s) and act number(s).

Act 560 of 2025

11. What is the reason for this proposed rule? Why is it necessary?

These rules implement Act 560 of 2025, which requires the Office of Property Risk to promulgate rules regarding the requirements associated with public school district schedules for maintenance, repair, and renovation activities in public school academic and nonacademic facilities, that shall be included in the Public School Facilities Custodial, Maintenance, Repair, and Renovation Manual required by § 6-21-808; insurance coverage requirements, including without limitation insurance coverage amounts and types of insurance coverage; preventive maintenance work requirements for each public school academic and nonacademic facility; projected replacement schedule requirements for major building systems in each public school academic and nonacademic facility; and a depreciation schedule for roofs and heating, ventilation, and air conditioning systems.

12. Please provide the web address by which the proposed rule can be accessed by the public as provided in Ark. Code Ann. § 25-19-108(b)(1).

https://www.transform.ar.gov/secretarys-office/legal/rules-hearings/

13. Will a public hearing be held on this proposed rule? Yes ☑ No ☐

If yes, please complete the following:

Date: March 20, 2026

Time: 1:30 pm

Place: Timberlands-1, GS-05 Meeting Room, 501 Woodlane Avenue, Little Rock, AR 72201

Please be sure to advise Bureau Staff if this information changes for any reason.

14. On what date does the public comment period expire for the permanent promulgation of the rule? Please provide the specific date. April 7, 2026

15. What is the proposed effective date for this rule? May 2026

16. Please attach (1) a copy of the notice required under Ark. Code Ann. § 25-15-204(a)(1) and (2) proof of the publication of that notice.

17. Please attach proof of filing the rule with the Secretary of State, as required by Ark. Code Ann. § 25-15-204(e)(1)(A).

18. Please give the names of persons, groups, or organizations that you anticipate will comment on these rules. Please also provide their position (for or against), if known.

None.

19. Is the rule expected to be controversial? Yes ☐ No ☑

If yes, please explain.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY.

DEPARTMENT Shared Administrative Services, Office of Property Risk
BOARD/COMMISSION
PERSON COMPLETING THIS STATEMENT Jessica Patterson
TELEPHONE NO. (501) 680-5403 **EMAIL** jessica.patterson@arkansas.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the Financial Impact Statement and email it with the questionnaire, summary, markup and clean copy of the rule, and other documents. Please attach additional pages, if necessary.

TITLE OF THIS RULE Department of Shared Administrative Services, Office of Property Risk Rules Concerning Building Maintenance Schedules for Arkansas School Districts participating in the SCIP

1. Does this proposed, amended, or repealed rule have a financial impact?
   Yes ☐ No ☑

2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule?
   Yes ☑ No ☐

3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes ☑ No ☐

   If no, please explain:

   (a) how the additional benefits of the more costly rule justify its additional cost;

   (b) the reason for adoption of the more costly rule;

   (c) whether the reason for adoption of the more costly rule is based on the interests of public health, safety, or welfare, and if so, how; and

   (d) whether the reason for adoption of the more costly rule is within the scope of the agency's statutory authority, and if so, how.

4. If the purpose of this rule is to implement a *federal* rule or regulation, please state the following:

   (a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year	**Next Fiscal Year**
General Revenue_____	General Revenue_____
Federal Funds_____	Federal Funds_____
Cash Funds_____	Cash Funds_____
Special Revenue_____	Special Revenue_____
Other (Identify)_____	Other (Identify)_____
Total_____	Total_____

(b) What is the additional cost of the state rule?

Current Fiscal Year	**Next Fiscal Year**
General Revenue_____	General Revenue_____
Federal Funds_____	Federal Funds_____
Cash Funds_____	Cash Funds_____
Special Revenue_____	Special Revenue_____
Other (Identify)_____	Other (Identify)_____
Total_____	Total_____

5. What is the total estimated cost by fiscal year to any private individual, private entity, or private business subject to the proposed, amended, or repealed rule? Please identify those subject to the rule, and explain how they are affected.

Current Fiscal Year	**Next Fiscal Year**
$_____	$_____

6. What is the total estimated cost by fiscal year to a state, county, or municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year	**Next Fiscal Year**
$_____	$_____

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars ($100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes ☐ No ☑

If yes, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

(1) a statement of the rule's basis and purpose;

(2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;

(3) a description of the factual evidence that:
(a) justifies the agency's need for the proposed rule; and
(b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;

(4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;

(5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;

(6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and

(7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
(a) the rule is achieving the statutory objectives;
(b) the benefits of the rule continue to justify its costs; and
(c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

Stricken language would be deleted from and underlined language would be added to the Code of Arkansas Rules.

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Proposed Rulemaking

Rules Concerning Building Maintenance Schedules for Arkansas School Districts participating in the State Property Insurance Program

~~Title~~

Promulgated by: Office of Property Risk, Department of Shared Administrative Services

Title 6. Education

Chapter XXXIV. Office of Property Risk, Department of Shared Administrative Services

Subchapter A. Generally

Part 640. Building Maintenance Schedules for Arkansas School Districts participating in the State Property Insurance Program

Subpart 1. Generally

6 CAR § 21-101.

Definitions

For the purposes of this rule, all definitions shall be given their meaning as found in the Arkansas Public School Academic Facilities Program Act (Ark. Code Ann. § 6–21–801 to § 6–21–817) and the Public School Facilities, Maintenance, Repair and Renovation Manual, as currently amended.

6 CAR § 21-102.

Applicability and Scope

This rule applies to all Arkansas school districts as defined by Ark. Code Ann. § 6-21-803(15).

DRAFT

6 CAR § 21-103.

Requirements for Custodial, Maintenance, Repair, and Renovation Activities

(a) Each school district shall utilize the Public School Facilities, Maintenance, Repair and Renovation Manual to adopt a Custodial Care Plan and develop a schedule of custodial activities for each public school facility. At a minimum, the custodial activity schedule shall include the following:

(1) Schedule for Routine Care, Renovation, and Cleaning;

(2) Evidence of adherence to maintain adequate staff or contract services to perform the Custodial Care Plan;

(3) Proof of training for staff members or contract services to perform the Custodial Care Plan;

(4) Appropriate work schedules to address:

a. routine cleaning and care;

b. renovation cleaning; and

c. custodial equipment cleaning.

(b) Each school district shall develop and adhere to a Preventive Maintenance Program in compliance with the Public School Facilities, Maintenance, Repair and Renovation Manual. Each school district shall maintain appropriate documentation to describe preventive maintenance work for each public school facility and the documentation shall distinguish between preventive maintenance associated with academic facilities and preventive maintenance work associated with nonacademic facilities.

(1) Each school district shall participate in the state-level computerized maintenance management system (OperationsHERO) to track work orders and preventive maintenance work and shall execute the Statement of Assurance (Section #1) to evidence compliance.

(2) Each school district shall have a school safety expert review and advise on architectural plans for a public school facility before new construction of the public school facility and shall execute the Statement of Assurance (Section #2) to evidence compliance prior to new construction projects.

(3) Each school district shall execute and adhere to the Statement of Assurance developed by the Arkansas Division of Public School Academic Facilities and Transportation.

6 CAR § 21-104.

Replacement Schedules

Each school district shall provide a self assessment to rate major building systems for each building system. In conjunction with the Arkansas Division of Public Schools and Academic Facilities and Transportation, the self assessment shall be used to develop a projected replacement schedule for major building systems in each public school facility.

6 CAR § 21-105.

Insurance Coverage Requirements

Each school district shall purchase insurance in the amounts and types necessary to participate in the Arkansas State Captive Insurance Program with respect to insurance coverage of the buildings, structures, facilities, and business personal property owned by the school district in order to be eligible for financial participation under the Academic Facilities Partnership Program (Ark. Code Ann. § 6-20-2507), the Academic Facilities Catastrophic Program (Ark. Code Ann. § 6-20-2508), and the Programs' promulgated rules.

6 CAR § 21-106.

Depreciation Schedule

Each school district shall develop and maintain a depreciation schedule for roofs, heating, ventilation and air conditioning systems.

6 CAR § 21-107.

Statement of Value

(a) Each school district shall maintain a current Statement of Value for each property, which shall include at least the following information:

(1) Description of each building and any other structures;

(2) Address;

(3) Year built;

(4) Number of square feet;

(5) Estimated value of building per square foot;

(6) Estimated value of building contents, including machinery or equipment; and

(7) Total insured value.

(b) Each school district shall provide its current Statement of Value for each property within thirty (30) days of the effective date of this rule.

DEPARTMENT OF SHARED ADMINISTRATIVE SERVICES, OFFICE OF PROPERTY RISK

SUBJECT: Building Maintenance Schedules for Arkansas School Districts Participating in the State Property Insurance Program, 6 CAR pt. 640

DESCRIPTION: These rules implement Act 560 of 2025, which requires the Office of Property Risk to promulgate rules regarding the requirements associated with public school district schedules for maintenance, repair, and renovation activities in public school academic and nonacademic facilities, that shall be included in the Public School Facilities Custodial, Maintenance, Repair, and Renovation Manual required by § 6-21-808; insurance coverage requirements, including without limitation insurance coverage amounts and types of insurance coverage; preventive maintenance work requirements for each public school academic and nonacademic facility; projected replacement schedule requirements for major building systems in each public school academic and nonacademic facility; and a depreciation schedule for roofs and heating, ventilation, and air conditioning systems.

PUBLIC COMMENT: A public hearing was held on March 20, 2026. The public comment period expired on April 7, 2026. The agency indicated it received no public comments.

Camille Fleming, an attorney with the Bureau of Legislative Research, asked the following questions:

1. **QUESTION**. 6 CAR § 21-103(b)(2). This subsection mentions that each school district shall have a school safety expert review and advise on architectural plans for a public school facility before new construction of the facility. Does the safety school expert need to be vetted or otherwise certified by the Office of Property Risk or any other state entity? **RESPONSE**: No. 6 CAR § 321-106(g)(1)-(2) sets out the requirements for an individual to be considered a school safety expert.

2. **QUESTION**. 6 CAR § 21-104. This section states that "each school district shall provide a self-assessment to rate major building systems for each building system." Are the districts meant to provide this assessment to the Office of Property Risk or any other state entity? **RESPONSE**: The self-assessment would be provided to the Division of Public School Academic Facilities and Transportation.

3. **QUESTION**. 6 CAR § 21-107(b). This subsection states that "each school district shall provide its current Statement of Value for each property within thirty (30) days of the effective date of this rule." Who are the school districts meant to provide this statement to? **RESPONSE**: This language was written under the emergency guidelines when these rules were previously promulgated as an emergency. It was to be provided to the Office of Property Risk and the Division of Public School Academic Facilities and Transportation.

4. **QUESTION**. 6 CAR § 21-107(b). This subsection states that "each school district shall provide its current Statement of Value for each property within thirty (30) days of the effective date of this rule." What consequences will occur, if any, should a school district fail to provide

this statement within the stated time frame? **RESPONSE**: There aren't necessarily consequences that will occur if not provided within the time frame. The master plan is due February 1st every even year; the statement of values are supposed to be done under that master plan. The exception to this is if it is a new facility, then it needs to be done immediately. The entities that do not provide these timely have to reach out to be able to provide them.

5. **QUESTION**. 6 CAR § 21-107. How often are the school districts required to update the Statement of Value, if at all? **RESPONSE**: At the Division of Public School Academic Facilities and Transportation, they are required by February 1st every even year—the same time the Master Plans are due—or whenever a school district adds a new facility.

6. **QUESTION**: If a district obtains new property or otherwise needs to update the statement, by when should they send the statement? **RESPONSE**: For the purposes of the Division of Public School Academic Facilities and Transportation, see above. For OPR, if a district obtains a new property, the statement of value should be provided as soon as possible, otherwise the new property is at risk of not being covered.

7. **QUESTION**: Arkansas Code § 6-21-806(f) requires five topics to be promulgated by the department, in consultation with the Division of Public School Academic Facilities and Transportation. It appears that the following sections within the rule could correspond to these requirements. For my understanding, can you please confirm this?

6 CAR § 21-103(a) is promulgated pursuant to (f)(1)
6 CAR § 21-105 is promulgated pursuant to (f)(2)
6 CAR § 21-103(b) is promulgated pursuant to (f)(3)
6 CAR § 21-104 is promulgated pursuant to (f)(4)
6 CAR § 21-106 is promulgated pursuant to (f)(5)

If I am incorrect in these assumptions, can you please let me know where the rules are found that should be promulgated pursuant to (f)? **RESPONSE**: Confirmed.

8. **QUESTION**: If the sections of 6 CAR pt. 21 that I mentioned above are being promulgated in response to Arkansas Code § 6-21-806(f), can you confirm or deny whether they were promulgated in consultation with the Division of Public School Academic Facilities and Transportation? **RESPONSE**: Confirmed.

9. **QUESTION**. 6 CAR § 21-106. Just so I'm understanding this properly, is 6 CAR § 21-106 saying that the public school districts shall create the depreciation schedules for their own property, rather than the department creating the schedules for the school districts? **RESPONSE**: Yes.

10. **QUESTION**. 6 CAR § 21-104. Is this section on self-assessment replacement schedules being promulgated in response to the requirement in Arkansas Code § 6-21-806(b)(5), which states that a facilities master plan shall include "[a] projected replacement schedule for major building systems in each public school facility, that shall be based on the rules promulgated by the department"? **RESPONSE**: Yes.

11. **QUESTION**. Arkansas Code § 6-21-806(b)(7)(A) requires a facilities master plan to include "Identification of committed projects within the school district that includes, as applicable, a breakdown of the portion of each project into maintenance, repair, and renovation activities and new construction activities, that shall be based on the rules promulgated by the department." Are the rules mentioned here that shall be promulgated found in 6 CAR pt. 21 or will they be part of another rule? If they are in 6 CAR pt. 21, can you please direct me to where they are found? **RESPONSE**: They are located in 6 CAR § 21-103(b), as well as 6 CAR § 322-103.

The proposed effective date is pending legislative review and approval.

FINANCIAL IMPACT: The agency indicated that there is no financial impact.

LEGAL AUTHORIZATION: The Office of Property Risk shall administer the State Captive Insurance Program, and the program shall be administered by the Secretary of the Department of Shared Administrative Services. *See* Arkansas Code § 25-45-105(a) and (b). The secretary is delegated the day-to-day operations and responsibilities of the captive insurance company and promulgation of rules to implement Arkansas Code § 19-3-506, which created the authority to establish and maintain a captive insurance company. *See* Arkansas Code § 19-3-506(5)(A). The secretary shall ensure the captive insurance company's compliance with applicable laws and rules and perform other duties or actions necessary for the effective implementation, operation, and administration of the captive insurance company. *See* Arkansas Code § 25-45-104(a)(7) and (8).

According to Arkansas Code § 6-21-806(a)(2)(D), the Academic Facilities Master Plan Program shall require each school district to base its facilities master plan on rules promulgated by the Department of Shared Administrative Services as they relate to requirements associated with public school district schedules for maintenance, repair, and renovation activities in public school academic facilities and nonacademic facilities.

Arkansas Code § 6-21-806(a) and (b) state that school districts are required to develop a facilities master plan, which shall include, at a minimum, requirements based on rules promulgated by the department. The requirements based on rules promulgated by the department shall include a schedule of maintenance, repair, and renovation activities for each public school facility used by a school district, documentation that describes preventive maintenance work for each public school facility as required by rules promulgated by the department, a projected replacement schedule for major building systems in each public school facility, and identification of committed projects within the school district that includes, as applicable, a breakdown of the portion of each project into maintenance, repair, and renovation activities and new construction activities. *See* Arkansas Code § 6-21-806(b)(2)(A), (3)(A), (5), and (7)(A).

The department, in consultation with the Division of Public School Academic Facilities and Transportation, shall promulgate rules regarding, without limitation, the requirements associated with public school district schedules for maintenance, repair, and renovation activities in public school academic facilities and nonacademic facilities, that shall be included in the Public School Facilities Custodial, Maintenance, Repair, and Renovation Manual required by Arkansas Code §

6-21-808, insurance coverage requirements, including without limitation, insurance coverage amounts and types of insurance coverage, preventive maintenance work requirements for each public school academic facility and nonacademic facility, projected replacement schedule requirements for major building systems in each public school academic facility and nonacademic facility, and a depreciation schedule for roofs and heating, ventilation, and air conditioning systems. *See* Arkansas Code § 6-21-806(f).

This act implements Acts 2025, No. 560, sponsored by Representative Jeff Wardlaw, and Acts 2025, No. 779, sponsored by Senator Ben Gilmore, which created a more sustainable system of property insurance for public schools, state-supported institutions of higher education, and state-owned property, created the Office of Property Risk within the Department of Transformation and Shared Services, amended the Public Elementary and Secondary School Insurance Act, revised the Employee Benefits Division Oversight Committee, amended the Arkansas Multi-agency Insurance Trust Fund Act, combined public elementary and secondary schools with state-owned property under a single program to ensure proper valuation for property insurance purposes, created the State Captive Insurance Program Act, prohibited the use of public adjusting in property insurance claims, and allowed for the creation of a captive insurance company by the State of Arkansas.