EXHIBIT B9

Revised May 2023

RECEIVED
MAR 16 2026
BLR

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
ADDRESS 501 Woodlane, Suite 101-N
PHONE NO. (501) 680-5403 **EMAIL** jessica.patterson@arkansas.gov
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.

****

1. What is the official title of this rule?
Department of Shared Administrative Services, Office of Property Risk - Rules Governing the Submission of Claims under

2. What is the subject of the proposed rule? Property Claims Submission under the SCIP

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? 08/15/2025

On what date does the emergency rule expire? 12/13/2025

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).

Section 26 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 filing dates for a property claim that is incurred but not reported and the date that a property claim must be adjusted and paid under the Public Elementary and Secondary School Insurance Act, § 6-20-1501 et seq. or the Arkansas Multi-Agency Insurance Trust Fund Act, § 25-35-101 et seq.

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 Office of Property Risk Rules Concerning the Submission of Claims under the SCIP and the Purchase of Mitigation Services for Covered Losses

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.

RECEIVED
MAR 16 2026
BLR

Proposed ~~Emergency~~ Rulemaking

Title

Rules Governing the Submission of Claims under the State Captive Insurance Program and the Purchase of Mitigation Services for Covered Losses

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

Title 25 – State Government

Chapter 44 – State Captive Insurance Program

25 CAR § 44-104.

(a) Contracting for Mitigation Services for Covered Losses.

(1) State agencies shall purchase mitigation services following a property loss covered by the State Captive Insurance Program Act from the qualified vendor list maintained by the Office of State Procurement.

(2) Mitigation services purchased from the qualified vendor list do not require prior review by Arkansas Legislative Council but shall be promptly reported to Council.

25 CAR § 44-111. Submission of Property Claims incurred after July 1, 2025, under the State Captive Insurance Program Act

(a) Notice of Claim. Upon receiving notification of a claim under the State Captive Insurance Program Act, the Office of Property Risk shall promptly acknowledge the receipt of the notice and furnish the claimant with forms for proof of loss.

(b) Investigation of Claims. The Office will ensure investigations of a reported claim are completed and advise the claimant in writing of the acceptance or denial of a claim within a reasonable period of time. If any delays in the investigation occur, the Office shall promptly notify claimants.

DRAFT

(c) Appeal. A claimant may appeal the denial of a claim to the Director of the Office. The decision of the Director shall be final and conclusive and is not an order as defined in the Arkansas Administrative Procedures Act, Ark. Code Ann. § 25-15-201 et seq.

(d) Time Periods for Submission of Claims.

(1) A claimant shall give prompt notice of a loss to covered property to the Office.

(2) To be timely, a notice of claim must be submitted in writing to the Office within one year from the date of the occurrence of loss.

25 CAR § 44-1121. Submission of Property Claims incurred but not reported before July 1, 2025, under the Public Elementary and Secondary School Insurance Act or the Arkansas Multi-Agency Insurance Trust Fund Act

(a) Notice of Claim. Upon receiving written notification of a claim under the Public Elementary and Secondary School Insurance Act, § 6-20-1501 et seq. or the Arkansas Multi-Agency Insurance Trust Fund Act, § 6-20-1501 et seq., the Office of Property Risk shall promptly acknowledge the receipt of the notice and furnish the claimant with forms for proof of loss.

(b) Investigation of Claims. The Office will ensure investigations of a reported claim are completed and advise the claimant in writing of the acceptance or denial of a claim within a reasonable period of time. If any delays in the investigation occur, the Office shall promptly notify claimants.

(c) Appeal. A claimant may appeal the denial of a claim to the Director of the Office. The decision of the Director shall be final and conclusive and is not an order as defined in the Arkansas Administrative Procedures Act, Ark. Code Ann. § 25-15-201 et seq.

(d) Time Periods for Submission of Claims.

(1) A claimant shall give prompt notice of a loss to covered property to the Office.

(2) To be timely, a notice of claim must be submitted in writing to the Office by September 30, 2025, or one year from the date of the occurrence of loss, whichever is later.

DEPARTMENT OF SHARED ADMINISTRATIVE SERVICES, OFFICE OF PROPERTY RISK

SUBJECT: Rules Governing the Submission of Claims under the State Captive Insurance Program and the Purchase of Mitigation Services for Covered Losses, 25 CAR pt. 44

DESCRIPTION: These rules implement Act 560 of 2025, which requires the Office of Property Risk to promulgate rules regarding the filing dates for a property claim that is incurred but not reported and the date that a property claim must be adjusted and paid under the Public Elementary and Secondary School Insurance Act, § 6-20-1501 et seq., or the Arkansas Multi-Agency Insurance Trust Fund Act, § 25-35-101 et seq.

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**: 25 CAR § 44-111(d) and 112(d). Both sections 44-111(d) and 44-112(d) state the requirements necessary for a claim to be timely submitted to the Office of Property Risk. If a claim is submitted to the office and it is found to not be timely, will that alone be a sufficient basis for the office to reject the claim? **RESPONSE**: Correct. The rule also follows the statute Ark. Code Ann. § 25-45-111, which states that a claim made under the State Captive Insurance Program is required to be filed no later than one year after the loss is incurred.

2. **QUESTION**:25 CAR § 44-112(d). The title of this section references the submissions of claims "incurred but not reported before July 1, 2025". Subsection (d) of this section states that to be timely, a notice of the claim must be submitted to the Office of Property Risk "by September 30, 2025, or one year from the date of occurrence of loss, whichever is later." Is it possible for the date of occurrence of loss to be a different date than the date the claim was incurred? **RESPONSE**: If I am understanding the question correctly, the answer is no, the date of the occurrence of loss is the date the loss occurred, which would also be the date provided to OPR on the notice for the claim.

3. **QUESTION**: 25 CAR § 44-112(d). This subsection states that in order to be timely, "a notice of claim must be submitted in writing to the Office by September 30, 2025, or one year from the date of the occurrence of loss, whichever is later." For what reason has the agency decided to include the September 30, 2025, deadline when that period has passed? **RESPONSE**: This rule was a part of the emergency rulemaking; the non-codified section 26(a) of Act 560/779 required a date to be established by which claims would be paid under either the Public Elementary and Secondary School Insurance Act/Arkansas Multi-Agency Insurance Trust Fund Act. Since the September 30, 2025 date has passed, the outstanding claims under the two above-referenced Acts must be submitted within one-year from the date of the occurrence of loss — if any remain.

4. **QUESTION**: 25 CAR § 44-112(d)(2). In the subsection (a) of the Do Not Codify section of Act 560/779, it states that the department "shall promulgate rules to address the filing dates for a

property claim that is incurred by not reported under the Public Elementary and Secondary School Insurance Act, § 6-20-1501 et seq., or the Arkansas Multi-Agency Insurance Trust Fund Act, § 25-35-101 et seq., once the State Captive Insurance Program is operational." Are the filing dates mentioned in the Acts the same as the dates mentioned 25 CAR § 44-112(d)(2), which states that a claim should be submitted by "September 30, 2025, or one year from the date of occurrence of loss, whichever is later"? **RESPONSE**: Yes.

5. **QUESTION**. In the subsection (b) of the Do Not Codify section of Act 560/779, it states that there shall be "a date to be determined by the secretary by rule" in which a claim shall be adjusted and paid under the Public Elementary and Secondary School Insurance Act or the Arkansas Multi-Agency Insurance Trust Fund Act. Is this the July 1, 2025, date found in 25 CAR § 44-112? **RESPONSE**: Yes.

6. **QUESTION**. Arkansas Code § 19-3-506(c)(5)(A) states that the State Board of Finance shall delegate to the Secretary of the Department of Shared Services the promulgation of rules to implement Arkansas Code § 19-3-506, which is the authority to establish and maintain captive insurance program. Does the department have plans to promulgate any other future rules to implement Arkansas Code § 19-3-506 other than this rule, 25 CAR pt. 44, Rules Governing the Submission of Claims Under the State Captive Insurance Program and the Purchase of Mitigation Services for Covered Losses? **RESPONSE**: Not at this time. The Captive program is a brand-new entity, and the Office of Property Risk is a new division; depending on how the implementation of the program progresses, it may be determined that additional rules need to be promulgated in the future.

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).

The secretary shall promulgate rules to address the filing dates for a property claim that is incurred but not reported under the Public Elementary and Secondary School Insurance Act, Arkansas Code § 6-20-1501 et seq., or the Arkansas Multi-Agency Insurance Trust Fund Act, § 25-35-101 et seq., once the State Captive Insurance Program is operational. *See* Acts 2025, No. 560 and 779, § 26.

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.