

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015
4

As Engrossed: H3/17/15

A Bill

HOUSE BILL 1807

5 By: Representative C. Douglas
6

For An Act To Be Entitled

8 *AN ACT TO AMEND THE ARKANSAS MULTI-AGENCY INSURANCE*
9 *TRUST FUND ACT; TO PROVIDE FOR INFORMATION TECHNOLOGY*
10 *THREAT MITIGATION; TO ALLOW FOR ASSESSING AND*
11 *INSURING RISK CONCERNING CYBERSECURITY; TO DECLARE AN*
12 *EMERGENCY; AND FOR OTHER PURPOSES.*

Subtitle

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16 *TO AMEND THE ARKANSAS MULTI-AGENCY*
17 *INSURANCE TRUST FUND ACT; TO PROVIDE FOR*
18 *INFORMATION TECHNOLOGY THREAT MITIGATION;*
19 *TO ALLOW FOR ASSESSING AND INSURING RISK*
20 *CONCERNING CYBERSECURITY; AND TO DECLARE*
21 *AN EMERGENCY.*

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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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26 *SECTION 1. Arkansas Code § 25-35-103(b), concerning permitted uses of*
27 *the Arkansas Multi-Agency Insurance Trust Fund, is amended to read as*
28 *follows:*

29 *(b) No money shall be appropriated from the trust fund for any purpose*
30 *except to pay:*

31 *(1) Insurance and reinsurance premiums;*

32 *(2) Loss adjustment expenses;*

33 *(3) Related educational and training expenses;*

34 *(4) Insured claims falling below the annual aggregate deductible*
35 *level; and*

36 *(5) Expenses including actuarial, consultant, and service*



1 contract fees; and

2 (6) Cybersecurity risk insurance premiums and expenses.

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4 SECTION 2. Arkansas Code § 25-36-104, concerning participation, is
5 amended to read as follows:

6 (a) ~~Effective July 1, 2003, the~~ The following state agencies shall
7 participate in the Arkansas Multi-Agency Insurance Trust Fund:

8 (1) State agencies participating in the Arkansas Master Agency
9 Property Policy as of June 30, 2003;

10 (2) The Department of Correction;

11 (3) The Department of Community Correction; ~~and~~

12 (4) The Department of Information Systems; and

13 (5) State agencies participating in the Arkansas State Master
14 Vehicle Policy as of June 30, 2003.

15 (b) Upon approval by the risk manager, other state agencies may
16 participate in the trust fund.

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18 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
19 General Assembly of the State of Arkansas that cyber incidents, including
20 data breaches, business interruption, and network damage, present an
21 immediate and ongoing threat to the efficient operation of state government;
22 that obtaining cybersecurity insurance and contributing to a more robust
23 cybersecurity insurance market will facilitate the adoption of appropriate
24 preventative measures and best practices to guard against this threat; and
25 that this act is immediately necessary to protect the state and its computer
26 networks from cyber attacks that may interrupt the provision of state
27 services or damage computer networks at great expense to the state.
28 Therefore, an emergency is declared to exist, and this act being immediately
29 necessary for the preservation of the public peace, health, and safety shall
30 become effective on:

31 (1) The date of its approval by the Governor;

32 (2) If the bill is neither approved nor vetoed by the Governor,
33 the expiration of the period of time during which the Governor may veto the
34 bill; or

35 (3) If the bill is vetoed by the Governor and the veto is
36 overridden, the date the last house overrides the veto.

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/s/C. Douglas