

ARKANSAS BOARD OF FINANCE
Proposed Resolutions of the Board of Finance
June 12, 2025

ESTABLISHMENT OF THE ARKANSAS STATE CAPTIVE INSURANCE COMPANY

WHEREAS, Section 12 of Act 560 of 2025 authorizes the Treasurer of the State to establish, and the Secretary of the Department of Transformation and Shared Services to maintain, a captive insurance company with the approval of the State Board of Finance (the “Board”).

WHEREAS, the captive insurance company shall insure only the losses, exposures, and risks of entities that are subject to the insurance and self-insurance requirements under state law, including without limitation executive, legislative, and judicial branch state agencies, public schools, and state-supported institutions of higher education.

WHEREAS, the Board shall approve regulatory filings to be made by the state on behalf of the captive insurance company, except that the State Insurance Commissioner shall recuse himself from the Board with respect to such discussions and approval .

NOW, THEREFORE, LET IT BE RESOLVED, the Treasurer of the State is authorized, directed, and empowered to prepare, execute, deliver, acknowledge, attest, file and record (or cause to be prepared, executed, delivered, acknowledged, attested, filed and recorded) such applications, certificates, instruments and other documents, to seek the establishment of a captive insurance company to be known as “The Arkansas State Captive Insurance Company”; and

FURTHER RESOLVED, that the initial directors of the captive insurance company shall be the following, until their successor may be duly elected and qualified:

Leslie Fiskien, Secretary of the Department of Transformation and Shared Services

John Thurston, State Treasurer of Arkansas

Jim Hudson, Secretary of the Department of Finance and Administration, and

FURTHER RESOLVED, that each of the President, Secretary and Treasurer of the captive insurance company duly elected by the Board of Directors (the “Authorized Officers”) shall be authorized and empowered to take all such further actions, to execute, deliver and file all additional agreements, certificates and documents and to pay all fees and expenses as such Authorized Officer deems necessary, desirable or appropriate to carry out the full intent and purposes of the foregoing resolutions; and

IT IS FURTHER RESOLVED, that all actions heretofore or hereafter taken by any authorized person of any officer in good faith and in furtherance of the business of the captive insurance company otherwise permitted under or contemplated by these resolutions be, and each of them hereby is, ratified, confirmed and approved for all purposes and in all respects.

IT IS FURTHER RESOLVED, that Leslie Fiskien, Secretary of the Department of Transformation and Shared Services, is hereby delegated authority to carry out the day to day operations of the captive insurance company in accordance with Ark. Code Ann. §§ 19-3-706(c)(5) and 25-44-104, including but not limited to the authority to bind the captive insurance company to insurance companies, to set deductible amounts, and to assign duties and responsibilities as she deems necessary and proper.

IT IS FURTHER RESOLVED, that the proposed budget for the captive insurance company is approved as indicated on Exhibit A, including the premium amounts for fiscal year 2026.

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