### BEFORE THE COMMISSIONER OF INSURANCE OF THE STATE OF KANSAS

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In the Matter of the Kansas Nonresident Insurance Agent's License of CHARLES L. MYRICK, JR.

Docket No. 3161-SO

**FINAL ORDER** 

Effective: 06/03/03

#### SUMMARY ORDER (Pursuant to K.S.A. 2002 Supp. 40-4909 and K.S.A. 77-537)

Pursuant to authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 2002 Supp. 40-4909, the Commissioner hereby revokes the nonresident agent's license of Charles L. Myrick, Jr. ("Myrick") by way of Summary Order as provided by K.S.A. 77-537.

## **Findings of Fact**

The Commissioner has been shown the following facts:

1. Records maintained by the Kansas Insurance Department ("KID") indicate that Myrick is licensed as a nonresident agent to transact the business of insurance in the State of Kansas. KID records further indicate a legal and mailing address of 2900 Camp Creek Parkway, D-13, College Park, GA 30337.

2. The KID received notice from First Colony Life Insurance Company of cancellation of Myrick's authority in all states as a result of revocation of his license in Georgia.

3. The National Association of Insurance Commissioners ("NAIC") Regulatory Information Retrieval System ("RIRS") database reflects the following information: The State of Connecticut revoked Myrick's nonresident insurance agent's license, effective April 2, 2003, because Myrick was no longer licensed in his home state. Previously, the State of Arizona revoked Myrick's license, effective January 21, 2003, for "failure to respond."

4. To date, none of these actions has been reported to the KID.

5. By letters dated March 25 and April 17, 2003, KID requested that Myrick provide

details of the Arizona revocation.

6. In the April 17 letter, Myrick was advised that if he did not respond by May 1,

2003, action would be taken to revoke his Kansas license.

7. To date, Myrick has not responded to the KID inquiries.

## **Applicable Law**

8. K.S.A. 2002 Supp. 40-4909(a) provides, in relevant part:

"The commissioner may deny, suspend, revoke or refuse renewal of any license issued under this act if the commissioner finds that the applicant or license holder has . . . (2) Violated: (A) Any provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rule and regulation promulgated thereunder; (B) Any subpoena or order of the commissioner . . . (9) Had an insurance agent license, or its equivalent, denied, suspended or revoked in any other state, district or territory." K.S.A. 2002 Supp. 40-4909(a).

9. Administrative regulations require that a person licensed in this state as an insurance agent shall, within 30 days of the occurrence, report enumerated events to the Commissioner. Among these events are disciplinary actions against the agent's license by the insurance regulatory official of any other state or territory. K.A.R. § 40-7-9.

10. K.S.A. 2002 Supp. 40-4906 and 4908 provide for issuance of a nonresident agent's license in reliance upon the agent's valid license in the agent's home state.

11. The Commissioner may revoke any license issued under the Insurance Agents Licensing Act if the Commissioner finds that the insurable interests of the public are not properly served under such license. K.S.A. 2002 Supp. 40-4909(b).

#### **Conclusions of Law**

12. The Commissioner has jurisdiction over Myrick as well as the subject matter of this proceeding, and such proceeding is held in the public interest.

13. The Commissioner finds that Myrick's Kansas license may be revoked solely because Myrick has had a license revoked in another state.

14. The Commissioner further finds that Myrick's Kansas nonresident insurance agent's license is based on reciprocity with the State of Georgia and issued in reliance upon Georgia licensing standards.

15. The Commissioner concludes that Myrick is no longer entitled to hold a license based on reciprocity because the Georgia license has been revoked.

16. The Commissioner further finds that Myrick violated the administrative regulation requiring a licensed agent to report disciplinary action by other states within 30 days.

17. The Commissioner finds that Myrick failed to respond to the inquiry regarding the Arizona action despite having been advised that failure to respond would result in action to revoke his Kansas license.

18. Accordingly, the Commissioner concludes that sufficient grounds exist for the revocation of the insurance agent's license of Charles L. Myrick, Jr., pursuant to K.S.A. 2002 Supp. 40-4909(a).

19. Moreover, the Commissioner finds that Myrick's insurance agent's license should be revoked pursuant to K.S.A. 2002 Supp. 40-4909(b) for the protection of the insurable interests of the public.

20. Based on the facts and circumstances set forth herein, it appears that the use of summary proceedings in this matter is appropriate, in accordance with the provisions set forth in

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K.S.A. 77-537(a), in that the use of summary proceedings does not violate any provision of the law and the protection of the public interest does not require the KID to give notice and opportunity to participate to persons other than Charles L. Myrick, Jr.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT the Kansas resident insurance agent's license of Charles L. Myrick, Jr., is hereby REVOKED.

#### **Notice and Opportunity for Hearing**

Charles L. Myrick, Jr., within fifteen (15) days of service of this Summary Order, may file with the KID written request for a hearing on this Summary Order, as provided by K.S.A. 77-542. In the event a hearing is requested, such request should be directed to John W. Campbell, General Counsel, Kansas Insurance Department, 420 S.W. 9<sup>th</sup> Street, Topeka, KS 66612.

Any costs incurred as a result of conducting any administrative hearing shall be assessed against the agent who is the subject of the hearing as provided by K.S.A. 40-4909(f). Costs shall include witness fees, mileage allowances, any costs associated with the reproduction of documents which become part of the hearing record, and the expense of making a record of the hearing.

If a hearing is not requested, this summary order shall become effective as a Final Order, without further notice, upon the expiration of the fifteen-day period for requesting a hearing. The Final Order will constitute final agency action in this matter.

In the event the Petitioner files a petition for judicial review, the agency officer designated pursuant to K.S.A. 77-613(e) to receive service of a petition for judicial review on

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behalf of the KID is John W. Campbell, General Counsel, Kansas Insurance Department, 420 S.W. 9<sup>th</sup> St., Topeka, KS 66612-1678.

IT IS SO ORDERED THIS \_15<sup>th</sup>\_ DAY OF MAY, 2003, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



\_/s/ Sandy Praeger Sandy Praeger Commissioner of Insurance BY:

\_/s/ John W. Campbell\_\_\_\_\_ John W. Campbell General Counsel

# **Certificate of Service**

The undersigned hereby certifies that he served the above and foregoing Summary Order on this \_15<sup>th</sup>\_ day of May, 2003, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Charles L. Myrick, Jr. 2900 Camp Creek Parkway, D-13 College Park, GA 30337

> \_/s/ John W. Campbell\_\_\_\_\_ John W. Campbell