

**BEFORE THE COMMISSIONER OF INSURANCE
OF THE STATE OF KANSAS**

In The Matter of the Kansas Nonresident)
Insurance Agent's License of) Docket No. 2853-SO
KENNETH MCRA Y JONES)

SUMMARY ORDER
**(Pursuant to K.S.A. 1999 Supp. 40-242
and K.S.A. 77-537)**

Pursuant to authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 1999 Supp. 40-242, the Commissioner hereby revokes the license of Kenneth McRay Jones ("Jones"), by way of Summary Order, as provided by K.S.A. 77-537.

The Commissioner has been shown the following facts, and takes the following action:

1. Records maintained by the Kansas Insurance Department ("KID") indicate that Jones is a resident of the State of Missouri, and has a current mailing address of 10421 Manchester, Kansas City, Missouri 64134, and that he is licensed to transact the business of insurance as a nonresident insurance agent in the State of Kansas.
2. Accordingly, the Commissioner has jurisdiction over Jones and the subject matter of this proceeding, and such proceeding is held in the public interest.
3. On December 14, 1999, KID received an application for an insurance agent's license for Jones and a check for \$80.00 drawn on the account of Ms. Marilee Schmit for the application fee.

4. Based on the information contained in Jones' application, he was granted a nonresident agent's license to transact the business of insurance on December 21, 1999.

5. Subsequently, the check that Jones remitted in payment of the \$80.00 application fee was returned to KID for insufficient funds.

6. On January 7, 2000, KID made written request to Jones for a cashier's check or money order to replace the insufficient funds check by January 22, 2000.

7. In response, Jones did not remit payment, but rather contacted KID by telephone to request an extension. He was advised that the replacement fee was to be received by KID no later than February 11, 2000. To this date, KID has not received the replacement fee.

8. Jones has not been certified or appointed to transact the business of insurance by any insurance company.

Conclusions of Law

9. K.S.A. 1999 Supp. 40-241 provides in relevant part:

"...If the commissioner of insurance finds that the individual applicant is trustworthy, competent and has satisfactorily completed the examination, the commissioner shall forthwith issue to the applicant a license as an insurance agent but the issuance of such license shall confer no authority to transact business in this state until the agent has been certified by a company pursuant to K.S.A. 40-241i, and amendments thereto..."

10. K.S.A. 1999 Supp. 40-242 provides in relevant part:

(a) The commissioner of insurance may impose a penalty prescribed by subsection (e) or revoke or suspend the license of any broker or agent in the event that investigation by the commissioner discloses that...

(7) the interests of the insurer or the insurable interests of the public are not properly served under such license.

11. Based upon the allegation contained in paragraph 8 above, it appears that Jones has not been certified by a company and, therefore, has no authority to transact the business of insurance in the State of Kansas, in violation of K.S.A. 40-241.

12. Based upon the allegations contained in paragraphs 3 through 7 above, it appears that the interests of the insurer and insurable interests of the public are not properly being served under Jones' license due to his repeated refusals and/or failures to respond to or remit the \$80.00 replacement fee to KID, all in violation of K.S.A. 1999 Supp. 40-242(a)(7).

13. Accordingly, sufficient grounds exist for the revocation of the insurance agent's license of Kenneth McRay Jones, pursuant to K.S.A. 1999 Supp. 40-242.

14. Based upon the facts and circumstances set forth hereinabove, it appears that the use of summary proceedings in the manner set forth herein does not violate any provision of the law, and the protection of the public interest does not require KID to give notice and opportunity to participate to persons other than Kenneth McRay Jones, all in accordance with the provisions set forth in K.S.A. 77-537(a).

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:

1. The Kansas nonresident insurance agent's license of Kenneth McRay Jones is hereby revoked.

Notice and Opportunity for Hearing

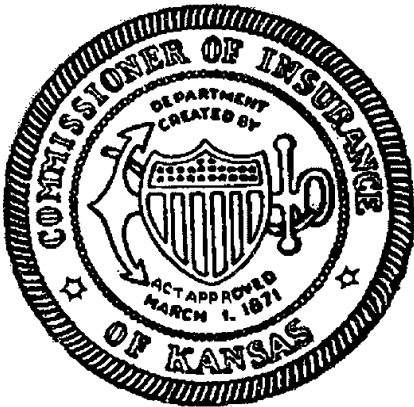
Kenneth McRay Jones, within fifteen (15) days of service of this Summary Order, may file with KID written request for a hearing on this Summary Order, as provided for by K.S.A. 77-542. In the event a hearing is requested, such request should be directed to:

Kathy J. Greenlee
General Counsel
Kansas Insurance Department
420 S.W. 9th Street
Topeka, Kansas 66612-1678

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 (15) day period for requesting a hearing.

Any costs incurred as a result of conducting any administrative hearing authorized under the provisions of K.S.A. 1999 Supp. 40-242 shall be assessed against the Agent who is the subject of the hearing, as provided for under K.S.A. 1999 Supp. 40-242(c). Costs shall include witness fees, mileage allowances, any costs associated with the reproduction of documents which become a part of the hearing record and the expense of making a record of the hearing.

**IT IS SO ORDERED _4th_ DAY OF APRIL 2000 IN THE CITY OF
TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.**



_____/s/ Kathleen Sebelius_____
Kathleen Sebelius
Commissioner of Insurance

BY:

_____/s/ Kathy Greenlee_____
Kathy J. Greenlee
General Counsel

Certificate of Service

The undersigned hereby certifies that the above and foregoing Summary Order was served this 4th day of April 2000, by depositing the same in the United States Mail, first class postage prepaid, addressed to the following:

Kenneth McRay Jones
10421 Manchester
Kansas City, Missouri 64134

/s/ Kathy Greenlee _____
Kathy J. Greenlee