

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

FINAL ORDER

Effective: 4-27-03

In the Matter of the Kansas Nonresident)	
Insurance Agent's License of)	Docket No. 3140-SO
Julie A. Carasone)	

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 Julie A. Carasone ("Carasone") 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 Carasone is licensed as a nonresident agent to transact the business of insurance in the State of Kansas and has been so licensed since July 11, 2000. KID records further indicate a legal address of 206 4th Street, Colonial Beech, VA 22443, and mailing address of Geico Direct, One Geico Blvd, Fredericksburg, VA 22412.
2. By letter dated January 24, 2003, Carasone advised KID that her Kentucky license had been revoked based on the revocations of her Washington and Illinois licenses, which were revoked as a result of her "admission to having been charged with a crime involving money (two bad checks)."
3. By separate letter of the same date, Carasone advised that a restriction had been placed on her license in California as a result of an administrative action dated September 17, 2002, and concluded in October.

4. Upon further investigation, KID determined that Carasone's Washington license was revoked by order effective March 22, 2001, because it was discovered that she had submitted a clean application, denying having been convicted of or charged with a crime, dated June 26, 2000, ten days after having been arrested in Stafford, Virginia, on charges of issuing bad checks, and Carasone failed to respond to inquiries.

5. On July 21, 2000, Carasone was sentenced to a six-month jail term, suspended, and mental health monitoring for five years.

6. The National Association of Insurance Commissioners ("NAIC") Regulatory Information Retrieval System ("RIRS") database reflects the following information: Carasone's Kentucky producer license was revoked, effective January 6, 2003, because of the action of other states and Carasone's criminal history; an action against Carasone's California producer license based on a misdemeanor conviction resulted in probation of unspecified length, effective September 10, 2002; Carasone's Illinois license was revoked, effective April 13, 2002, as a result of actions by other states; and Carasone's Washington producer license was revoked, effective March 22, 2001, for failure to respond, demonstrated lack of fitness or trustworthiness, and criminal history.

7. KID records indicate that Carasone submitted a clean application on July 10, 2000, denying any history of misdemeanor or felony convictions and certifying that all information was true and complete.

8. KID has no record that Carasone provided notice of the conviction and sentence or of the Illinois and Washington revocations.

Conclusions of Law

9. 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 . . . (1) Provided incorrect, misleading, incomplete or untrue information in the license application. (2) Violated: (A) Any provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rule and regulation promulgated thereunder . . . (6) Been convicted of a misdemeanor or a felony. (8) Used any fraudulent, coercive, or dishonest practice, or demonstrated any incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere. (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).

10. 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 action against the agent’s license by the insurance regulatory official of any other state or territory and the details of any conviction of a felony or misdemeanor. K.A.R. § 40-7-9.

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).

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

13. The Commissioner finds that Carasone provided incorrect, misleading, incomplete or untrue information in the license application, violated the administrative regulation requiring a licensed agent to report disciplinary action by other states and criminal convictions, was convicted of misdemeanors involving financial misconduct or irresponsibility, and had equivalent licenses revoked or restricted in four other states.

14. Accordingly, the Commissioner concludes that sufficient grounds exist for the revocation of the insurance agent’s license of Julie A. Carasone pursuant to K.S.A. 2002 Supp. 40-4909(a).

15. Moreover, the Commissioner finds that Carasone'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.

16. 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 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 Julie A. Carasone.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT the Kansas resident insurance agent's license of Julie A. Carasone is hereby **REVOKED**.

Notice and Opportunity for Hearing

Julie A. Carasone, 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. 9th Street
Topeka, KS 66612

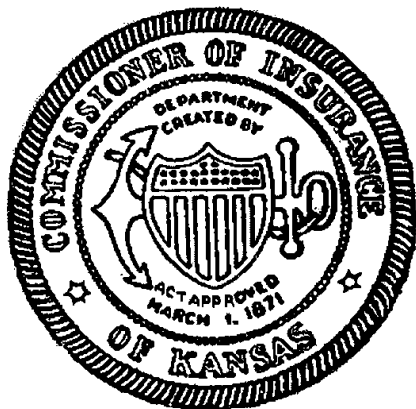
Any costs incurred as a result of conducting any administrative hearing shall be assessed against the agent who is the subject of the hearing as provided by K.S.A. 40-4909(f). Costs shall include witness fees, mileage allowances, any costs associated with the reproduction of documents which become part 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 behalf of the KID is John W. Campbell, General Counsel, Kansas Insurance Department, 420 S.W. 9th St., Topeka, KS 66612-1678.

IT IS SO ORDERED THIS _9th_ DAY OF APRIL, 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 _9th_ day of April, 2003, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Julie A. Carasone
Geico Direct
One Geico Blvd
Fredericksburg, VA 22412

/s/ John W. Campbell
John W. Campbell