

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

FINAL ORDER

Effective: 10/17/03

In the Matter of the Kansas Nonresident)	
Insurance Agent's License of)	Docket No. 3222-SO
MARLA L. GRAHAM)	

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 Marla L. Graham ("Graham") 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 Graham is licensed as a nonresident agent to transact the business of insurance in the State of Kansas and has been so licensed since May 25, 2001. KID records further indicate a legal and mailing address of 3207 W. Kimberly Way, Phoenix, AZ 85027.

2. The National Association of Insurance Commissioners ("NAIC") Regulatory Information Retrieval System ("RIRS") database reflects the following information: In an action against her Mississippi producer's license, Graham was fined by order effective October 23, 2002, for "misstatement on application" and "demonstrated lack of fitness or trustworthiness." Graham's New York license was revoked, effective April 7, 2003, for "demonstrated lack of fitness or trustworthiness."

3. By letter of September 5, 2003, the KID attempted to contact Graham for an explanation of the actions, requesting a response by September 19, 2003.

4. The September 5 letter was returned on September 15, 2003, marked “not deliverable as addressed” as of September 12, 2003.

5. Upon checking RIRS for the most recent information, KID discovered that Graham’s license in Arizona, her home state, had not been renewed on April 30, 2003.

6. To date, the KID has not received notice from Graham of the disciplinary action, nonrenewal, or change of address.

Applicable Law

7. 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 . . . (C) any insurance law or regulation of another state; . . . (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).

8. 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 a change of address. K.A.R. § 40-7-9.

9. 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.

10. 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

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

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

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

14. The Commissioner concludes that Graham is no longer entitled to hold a license based on reciprocity because the Arizona license is no longer valid.

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

16. Accordingly, the Commissioner concludes that sufficient grounds exist for the revocation of the insurance agent's license of Marla Graham, pursuant to K.S.A. 2002 Supp. 40-4909(a).

17. Moreover, the Commissioner finds that Marla Graham'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.

18. 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 Marla Graham.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT the Kansas resident insurance agent's license of Marla Graham is hereby REVOKED.

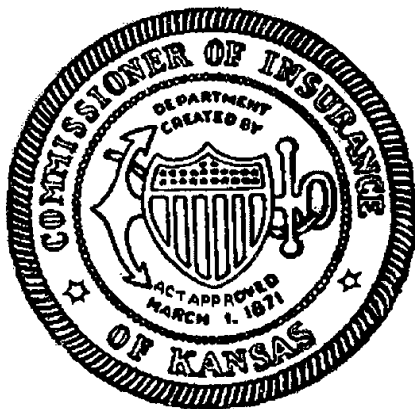
Notice and Opportunity for Hearing

Marla Graham, 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.

IT IS SO ORDERED THIS 29th DAY OF SEPTEMBER 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

NOTICE: In the event Respondent 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.

Certificate of Service

The undersigned hereby certifies that she served the above and foregoing Summary Order on this _29th_ day of September 2003, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Marla Graham
3207 W. Kimberly Way
Phoenix, AZ 85027

_ /s/ Brenda J. Clary _____
Brenda J. Clary