

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

FINAL ORDER

Effective: 01/25/06

In the Matter of the Kansas Nonresident)
Insurance Agent's License of)
FRANK S. HULSEY) Docket No. 3504-SO

SUMMARY ORDER

(Pursuant to K.S.A. (2004 Supp.) 40-4909 and K.S.A. 77-537)

Pursuant to authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. (2004 Supp.) 40-4909, the Commissioner hereby revokes the nonresident agent's license of Frank S. Hulsey ("Hulsey") 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 Hulsey is licensed as a nonresident agent to transact the business of insurance in the State of Kansas, and has been so licensed since May 1, 1999. KID records further indicate a legal and mailing address of 4102 Trail Bend Court, Colleyville, TX 76034.

2. The National Association of Insurance Commissioners ("NAIC") Regulatory Information Retrieval System ("RIRS") database reflects the following information: as the result of a complaint investigation, Hulsey's Texas insurance agent's license was revoked, effective July 22, 2005, for selling for an unlicensed insurer.

3. To date, KID has not received any notification from Hulsey regarding the revocation of his insurance agent's license by the State of Texas.

Applicable Law

4. K.S.A. (2004 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. (2004 Supp.) 40-4909(a).

5. 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.

6. 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. (2004 Supp.) 40-4909(b).

Conclusions of Law

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

8. The Commissioner finds that Hulsey’s Kansas license may be revoked solely because he has had a license revoked in another state.

9. The Commissioner further concludes that Hulsey violated the administrative regulation requiring a licensed agent to report disciplinary action by other states within 30 days by failing to report the disciplinary action in Texas.

10. Accordingly, the Commissioner concludes that sufficient grounds exist for the revocation of the insurance agent’s license of Frank S. Hulsey pursuant to K.S.A. (2004 Supp.) 40-4909(a).

11. Moreover, the Commissioner finds that Hulsey has demonstrated irresponsibility in the conduct of business by failing to report the disciplinary action taken by Texas to KID, and his insurance agent's license should be revoked pursuant to K.S.A. (2004 Supp.) 40-4909(b) for the protection of the insurable interests of the public.

12. 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 Frank S. Hulsey.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT the Kansas non-resident insurance agent's license of Frank S. Hulsey is hereby REVOKED.

Notice and Opportunity for Hearing

Frank S. Hulsey, 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/agency 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 6th DAY OF JANUARY, 2006, 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 6th day of January, 2006, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Frank S. Hulsey
4102 Trail Bend Court
Colleyville, TX 76034

/s/ Hsingkan Chiang
Hsingkan Chiang, Staff Attorney