

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

FINAL ORDER
Effective: 09/25/06

In the Matter of the Kansas Resident)
Insurance Agent's License of) Docket No. SO-3576
GREGORY M. STRAND)

SUMMARY ORDER

(Pursuant to K.S.A. 2005 Supp. 40-4909 and K.S.A. 77-537)

Pursuant to authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 2005 Supp. 40-4909, the Commissioner hereby proposes to find facts and impose sanctions against the resident agent's license of Ronald W. Reeves by way of Summary Order as provided by K.S.A. 77-537.

Findings of Fact:

The commissioner finds the following facts from Kansas Insurance Department (KID) files and Respondent's statements to staff:

1. Records maintained by the KID indicate that the Respondent is licensed as a resident agent to transact the business of insurance in Kansas and has been so licensed since July 23, 1976.
2. KID records further indicate both a home and a legal address of 11401 W. 114th Street, Overland Park, KS 66210.
3. On or about September 1, 2006 it became known to KID that the Respondent had been convicted of a felony in 1995. According to the Johnson County, Kansas District Court Public Records, the Respondent was found guilty in Case No. 95CR274 of one count of Attempted Aggravated Indecent Liberties with a Child, a Level 5, person felony on June 9, 1995. On September 15, 1995 the Respondent was sentenced to thirty-two (32) months in prison.
4. The Respondent has never reported his conviction to KID.

5. Upon checking with the State of Missouri Department of Insurance (MDOI), it was discovered that the Respondent entered into a “Voluntary Forfeiture Agreement” (#02A000348) in November of 2003 wherein the Respondent was fined \$100 for selling a health plan not authorized by the MDOI, in violation of the law.

6. The Respondent has never reported this administrative action to KID.

7. In February 1990 the Respondent reported to KID that he had been administratively sanctioned in Missouri and fined \$1,000.

8. In September 2003 KID and the Respondent entered into a Consent Order (3165-CO) wherein the Respondent’s Kansas insurance license was suspended until the Respondent satisfied the conditions of the Order and paid \$1,000 in penalties.

Applicable Law

9. K.S.A. 2005 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: (6) Been convicted of a misdemeanor or felony. . .” K.S.A. 2005 Supp. 40-4909(a).

10. The Commissioner may revoke any license issued under the Insurance Agents Licensing Act if the Commissioner finds that the interests of the insurer or the insurable interests of the public are not properly served under such license. K.S.A. 2005 Supp. 40-4909(b).

11. K.A.R. 40-7-9 requires the Respondent as a licensed insurance agent to report to KID within 30 days of occurrence:

- (b) each disciplinary action on an occupational license held by the licensee, other than an insurance agent’s license, by the appropriate regulatory authority of this or any other jurisdiction;
- (c) each judgment or injunction entered against the licensee on the basis of conduct involving fraud, deceit, or misrepresentation, or a violation of any insurance law; and,
- (d) all details of any conviction of a misdemeanor or felony. The details shall include the name of the arresting agency, the location and date of the

arrest, the nature of the charge or charges, the court in which the case was tried, and the disposition rendered by the court.

Conclusions of Law

12. The Commissioner has jurisdiction over Respondent as well as the subject matter of this proceeding, and such proceeding is held in the public interest. The Commissioner finds, based on the facts contained in paragraph 3, that the Respondent has been convicted of a felony.

13. The Commissioner concludes that sufficient grounds exist for the revocation of Respondent's insurance agent's license pursuant to K.S.A. 2005 Supp. 40-4909(a).

14. As well, the Commissioner concludes that sufficient grounds exist for the revocation of Respondent's insurance agent's license pursuant to K.S.A. 2005 Supp. 40-4909(b) because such license is not properly serving the interests of the insurer and the insurable interests of the public

15. 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 Ronald W. Reeves.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT the Kansas resident insurance agent's license of Gregory M. Strand is hereby REVOKED. It is further ordered, that Gregory M. Strand shall CEASE and DESIST from the sale, solicitation, or negotiation of insurance and/or receiving compensation

deriving from the sale, solicitation, or negotiation of insurance conducted after the effective date of this order.

IT IS SO ORDERED THIS 6th DAY OF SEPTEMBER, 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

NOTICE: The person designed 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 Street, Topeka, KS 66612.

Certificate of Service

The undersigned hereby certifies that she serviced a true and correct copy of the above and foregoing **Notice** and **Summary Order** on this 6th day of September, 2006, by placing the same in the United States Mail, first class postage prepaid, addressed to the following:

Gregory M. Strand
11401 W. 114th Street
Overland Park, KS 66210

_ /s/ Shelley J. Diehl _____
Shelley J. Diehl
Staff Attorney

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In the Matter of the Kansas Resident)	
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GREGORY M. STRAND)	

NOTICE OF SUMMARY ORDER

Notice is hereby given that the attached Summary Order will become effective fifteen (15) days after service of this Notice unless Respondent files with the Kansas Insurance Department ("KID") a written request for a hearing, as provided by K.S.A. 77-542. In the event a hearing is requested, the attached summary order will serve to give notice of the allegations upon which KID bases its proposed action.

A request for hearing 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 may be assessed against an agent who is the subject of the hearing as provided by K.S.A. 40-4909(f).

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.

Dated this __6th__ of September, 2006.

_ /s/ Shelley J. Diehl _____
Shelley J. Diehl
Staff Attorney
Kansas Insurance Department