

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

In the Matter of the Kansas)
Nonresident Insurance Agent's License of) Docket No. 3726-SO
GERALD T. FRANKS)

SUMMARY ORDER

(Pursuant to K.S.A. 2005 Supp. 40-4909 and K.S.A. 77-501)

Pursuant to the authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 40-4909, the Commissioner hereby revokes the nonresident agent's license of Respondent, Gerald T. Franks ("Mr. Franks"). This Summary Order shall become effective as a Final Order, without further notice, upon the expiration of the fifteen (15) day period if no request for hearing is made, pursuant to K.S.A. 77-542.

Findings of Fact

The Commissioner finds the following facts:

1. Records maintained by the Kansas Insurance Department ("KID") indicate Gerald T. Franks is licensed as a nonresident agent to transact the business of insurance in Kansas, and has been so licensed since July 12, 2002.
2. KID records indicate a legal and mailing address of 1211 Mayview, Independence, MO 64057.
3. Information Retrieval System ("RIRS") database reflects the following actions: Respondent and the State of Missouri Department of Insurance entered into a stipulated agreement/order, effective February 1, 2007, for criminal proceedings and on September 4, 2007, Respondent's resident license in the State of Missouri was refused for renewal.

4. To date, Respondent has failed to notify KID of the disciplinary actions taken by the State of Missouri Department of Insurance on February 1, 2007 and September 4, 2007, in violation of K.A.R. 40-7-9.
5. On September 15, 2005, the State of Missouri filed criminal charges in case number 43R030500063 in which Mr. Franks was charged with Possession of Controlled Substance Except 35 Grams or Less of Marijuana (Felony C RSMo: 195:202).
6. On February 7, 2006 Mr. Franks entered a plea of guilty to the charge of Possession of Controlled Substance, C Felony.
7. To date, Respondent has failed to notify KID of the felony conviction.

Applicable Law

8. K.S.A. 40-4909 states, in pertinent part:
 - (a) 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
 - (C) any insurance law or regulation of another state;
 - (6) Been convicted of a misdemeanor or felony.
 - (9) Had an insurance agent license, or its equivalent, denied, suspended or revoked in any other state, district or territory.
 - (b) In addition, the commissioner may suspend, revoke or refuse renewal of any license issued under this 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.
9. K.A.R. 40-7-9 states, in pertinent part: Each person licensed in this state as an insurance agent shall report the following to the commissioner of insurance within 30 days of occurrence:

- (a) Each disciplinary action on the agent's license or licenses by the insurance regulatory agency of any other state or territory of the United States.

Conclusions of Law

- 10. The Commissioner has jurisdiction over Mr. Franks as well as the subject matter of this proceeding, and such proceeding is held in the public interest.
- 11. The Commissioner finds that Mr. Franks' Kansas license may be revoked because Mr. Franks violated an insurance law or regulation in another state pursuant to K.S.A. 40-4909(a)(2)(C).
- 12. The Commissioner finds that Mr. Franks' Kansas license may be revoked because Mr. Franks has been convicted of a misdemeanor or felony pursuant to K.S.A. 40-4909(a)(6).
- 13. The Commissioner finds that Mr. Franks' Kansas license may be revoked because Mr. Franks' Missouri resident license was refused for renewal pursuant to K.S.A. 40-4909(a)(9).
- 14. The Commissioner finds that Mr. Franks violated K.A.R. 40-7-9 by failing to notify the Kansas Insurance Department of his disciplinary action taken by the State of Missouri Department of Insurance on February 1, 2007 and September 4, 2007.
- 15. The Commissioner finds, pursuant to K.S.A. 40-4909(b), that the insurable interests of the public are not properly served under Mr. Franks' license.
- 16. Accordingly, the Commissioner concludes sufficient grounds exist for the revocation of the insurance agent's license of Gerald T. Franks pursuant to K.S.A. 40-4909(a) and (b).

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:

1. The Kansas Nonresident Insurance Agent's License of GERALD T. FRANKS is hereby **REVOKED** effective the effective date of this Order.

2. **IT IS FURTHER ORDERED** that GERALD T. FRANKS 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.

NOTICE AND OPPORTUNITY FOR HEARING

Gerald T. Franks, within fifteen (15) days of service of this Summary Order, may file with the Kansas Insurance Department a written request for 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, Kansas 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 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 (15) day period for requesting a hearing. The Final Order will constitute final agency action in the 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 Kansas Insurance Department is:

John W. Campbell, General Counsel
Kansas Insurance Department
420 S.W. 9th St.
Topeka, Kansas 66612

IT IS SO ORDERED THIS __16th__ DAY OF OCTOBER, 2007, 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 __16th__ day of ____October____, 2007, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Gerald T. Franks
1211 Mayview
Independence, MO 64057

/s/ Stacy R. Bond _____
Stacy R. Bond
Staff Attorney