

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

In the Matter of the Kansas Resident)
Insurance Agent’s License of)
WILLIAM A. DEPLATO)
NPN: # 6084615) Docket No. 79603

SUMMARY ORDER
(Pursuant to K.S.A. 40-4909, 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 agent’s license of Respondent, **WILLIAM A. DEPLATO** (“Respondent”). 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

1. Respondent was licensed as a Kansas resident insurance agent on December 29, 1998, and remains licensed to date.
2. On July 31, 2019, the Kansas Insurance Department (“Department”) learned that Respondent was convicted of felonies in Johnson County District Court.
3. Department staff discovered that Respondent was convicted of two counts of securities fraud, both felonies, in Johnson County District Court on April 18, 2019. (Case No. 18-CR-2936) Respondent’s sentencing date was June 27, 2019.
4. Respondent, to this date, has not notified the Department of the convictions.
5. The felony conviction for securities fraud as detailed in K.S.A. 17-12a501 is a crime of dishonesty, which means it falls within the purview of 18 U.S.C.A. 1033. Therefore, Respondent is prohibited from engaging in the business of insurance without the written consent of the Commissioner. See 18 U.S.C.A. 1033(e)(2).

Applicable Law

- Pursuant to K.S.A. 40-4909(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:
 - (6) Been convicted of a misdemeanor or felony...[and/or]

- (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.” K.S.A. 40-4909
- Pursuant to K.S.A. 40-4909(b), “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.” K.S.A. 40-4909
- Pursuant to K.A.R. 40-7-9, “Agents; change in the information contained on the most recent application for a license. Each person licensed in this state as an insurance agent shall report the following to the commissioner of insurance within 30 days of occurrence:
 - (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;
 - (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. Minor traffic violations may be omitted;” K.A.R. 40-7-9
- Pursuant to 18 U.S.C.A. 1033(e):
 - (1)(A), “Any individual who has been convicted of any criminal felony involving dishonesty or a breach of trust, or who has been convicted of an offense under this section, and who willfully engages in the business of insurance whose activities affect interstate commerce or participates in such business, shall be fined as provided in this title or imprisoned not more than 5 years, or both.
 - (B) Any individual who is engaged in the business of insurance whose activities affect interstate commerce and who willfully permits the participation described in subparagraph (A) shall be fined as provided in this title or imprisoned not more than 5 years, or both.
 - (2) A person described in paragraph (1)(A) may engage in the business of insurance or participate in such business if such person has the written consent of any insurance regulatory official authorized to regulate the insurer, which consent specifically refers to this subsection.” 18 U.S.C.A. 1033

Policy Reasons

1. It is in the public interest that the license of an agent who has recently been convicted of a felony involving dishonesty be revoked.
2. It is in the public interest that the license of an agent who failed to notify the Department of a felony conviction be revoked.

Conclusions of Law

1. The Commissioner has jurisdiction over **WILLIAM A. DEPLATO** as well as the subject matter of this proceeding, and such proceeding is held in the public interest.
2. The Commissioner finds that Respondent's Kansas license may be revoked because **WILLIAM A. DEPLATO** was recently convicted of a felony involving dishonesty.
3. The Commissioner finds that Respondent's Kansas license may be revoked because **WILLIAM A. DEPLATO** failed to notify the Commissioner of his recent felony conviction.
4. The Commissioner finds, pursuant to K.S.A. 40-4909(b), that the interests of the public are not properly served under Respondent's license.
5. Accordingly, the Commissioner concludes that sufficient grounds exist for the revocation of the insurance agent's license of **WILLIAM A. DEPLATO**, pursuant to K.S.A. 40-4909(a) and (b).

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:


1. The Kansas resident Insurance Agent's License of **WILLIAM A. DEPLATO** is hereby **REVOKED** the effective date of this Order.
2. **IT IS FURTHER ORDERED** that **WILLIAM A. DEPLATO** 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 1st DAY OF August, 2019, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



Vicki Schmidt
Commissioner of Insurance

BY:


Justin L. McFarland
General Counsel

NOTICE AND OPPORTUNITY FOR HEARING

WILLIAM A. DEPLATO, 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:

Justin L. McFarland, 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 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 Kansas Insurance Department is:


Justin L. McFarland, General Counsel
Kansas Insurance Department
420 S.W. 9th St.
Topeka, Kansas 66612

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he served the above and foregoing Summary Order on this 1st day of August, 2019, by causing the same to be deposited in the United States Mail, certified first class postage prepaid, addressed to the following:

William A. Deplato

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Overland Park, KS ██████████


Toni Garrard
Senior Administrative Assistant