

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

In the Matter of the Kansas Resident)
Insurance Producer's License of)
CHERY PENNELL)
NPN # 16961147)

Docket No. 95685

SUMMARY ORDER
REFUSAL TO RENEW AND REVOCATION
(Pursuant to K.S.A. 40-4909 and K.S.A. 77-501 *et seq.*)

Pursuant to the authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 40-4909 and K.S.A. 77-501 *et seq.*, the Commissioner hereby **REVOKES** and **REFUSES RENEWAL** of the Kansas resident insurance producer's license of **CHERY PENNELL** ("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 a hearing is made.

Findings of Fact

1. Respondent was licensed as a Kansas resident insurance producer on June 15, 2017, and her license expired May 31, 2022.
2. Respondent's address of record is [REDACTED].
3. On May 31, 2022, Respondent submitted a Kansas resident insurance producer license renewal application ("Application") to the Kansas Insurance Department ("Department").
4. Respondent answered "Yes" to Question 1a of the Background Questions on the Application which asks, "Have you been convicted of a misdemeanor, had a judgment withheld or deferred, or are you currently charged with committing a misdemeanor, which has not been previously reported to this insurance department?"
5. Documents regarding the criminal charges were uploaded after an inquiry was made by the Department on June 14, 2022.

6. Upon the Department's review of the documentation submitted in connection with the renewal application, it was determined that Respondent was convicted of two misdemeanors, Battery on a Law Enforcement Officer and Driving Under the Influence, on August 24, 2021, in Pottawatomie County District Court, in Case Number 2021-CR-000045.

7. Respondent did not self-report this within 30 days of conviction as required. Respondent did report this on the renewal application from May 31, 2022.

Applicable Law

K.S.A. 40-4905(f)(1)(D) provide:

Each person or entity licensed in this state as an insurance agent shall report the following to the commissioner within 30 calendar days of occurrence all details of any conviction of a misdemeanor or felony other than minor traffic violations.

K.S.A. 40-4909(a)(2)(A) provides:

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 violated any provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rules and regulations promulgated thereunder.

K.S.A. 40-4909(a)(6) provides:

The Commissioner may deny, suspend, revoke or refuse renewal of an insurance producer's license upon finding that a license holder has been convicted of a misdemeanor or felony.

K.S.A. 40-4909(b) provides:

The Commissioner may deny, 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.

Policy Reasons

1. It is in the public interest that the license of a producer who fails to timely report a conviction to the Department be revoked.

2. It is in the public interest that the Commissioner refuse renewal of the license application of a producer who has fails to timely report a conviction to the Department.

3. It is in the public interest that the license of a producer who has been convicted of a misdemeanor of this type and circumstance be revoked.

4. It is in the public interest that the Commissioner refuse renewal of the license application of a producer who has been convicted of a misdemeanor of this type and circumstance.

Conclusions of Law

1. The Commissioner has jurisdiction over **CHERY PENNELL** as well as the subject matter of this proceeding, and such proceeding is held in the public interest.

2. Pursuant to K.S.A. 40-4905(f)(1)(D) and K.S.A. 40-4909(a)(2)(A), the Commissioner finds that Respondent's renewal application for a Kansas resident insurance producer's license may be refused renewal because **CHERY PENNELL** has failed to timely report convictions to the Department, a violation of a provision of Chapter 40.

3. Pursuant to K.S.A. 40-4905(f)(1)(D) and K.S.A. 40-4909(a)(2)(A), the Commissioner finds that Respondent's Kansas resident insurance producer's license may be revoked because **CHERY PENNELL** has failed to timely report the convictions to the Department, a violation of a provision of Chapter 40.

4. Pursuant to K.S.A. 40-4909(a)(6), the Commissioner finds that Respondent's renewal application for a Kansas resident insurance producer's license may be refused renewal because **CHERY PENNELL** has been convicted of a misdemeanor.

5. Pursuant to K.S.A. 40-4909(a)(6), the Commissioner finds that Respondent's Kansas resident insurance producer's license may be revoked because **CHERY PENNELL** has been convicted of a misdemeanor.

6. Pursuant to K.S.A. 40-4909(b), the Commissioner finds that the insurable interests of the public are no longer properly served under the Kansas resident insurance producer's license of **CHERY PENNELL**.

7. Pursuant to K.S.A. 40-4909(a) and (b), the Commissioner concludes that sufficient grounds exist for revocation of the Kansas resident insurance producer's license of **CHERY PENNELL**.

8. Pursuant to K.S.A. 40-4909(a) and (b), the Commissioner concludes that sufficient grounds exist for refusing to renew the renewal application for the Kansas resident insurance producer's license of **CHERY PENNELL**.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:

1. The Kansas resident insurance producer's license of **CHERY PENNELL** is hereby **REFUSED RENEWAL** the effective date of this Order.


2. The Kansas resident insurance producer's license of **CHERY PENNELL** is hereby **REVOKED** the effective date of this Order.

3. **IT IS FURTHER ORDERD** that **CHERY PENNELL** shall **CEASE** and **DESIST** from the sale, solicitation or negotiation of insurance in Kansas and/or receiving compensation deriving from the sale, solicitation or negotiation of insurance in Kansas conducted after the effective date of this Order.

IT IS SO ORDERED THIS 5th **DAY OF** December **2022, 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

CHERY PENNELL, within fifteen (15) days of service of this Summary Order, you 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:

Mindy Forrer
Kansas Insurance Department
1300 SW Arrowhead Rd.
Topeka, Kansas 66604

Any costs incurred as a result of conducting any administrative hearing shall be assessed against the producer/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 on 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
1300 SW Arrowhead Rd.
Topeka, Kansas 66604

Pursuant to K.S.A. 77-607 and 77-612, exhaustion of administrative remedies is a jurisdictional prerequisite to seeking judicial review.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that she served the above and foregoing Summary Order on this 6th day of December 2022, by causing the same to be deposited in the United States Mail, first class postage prepaid and certified mail, addressed to the following:

Chery Pennell



and via email to:



A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, positioned above a horizontal line.

Sarah Cowan
Legal Assistant