## BEFORE THE COMMISSIONER OF INSURANCE OF THE STATE OF KANSAS

In the Matter of the Application for a	)	
Kansas Nonresident Insurance Producer's	)	
License of WILLIAM HUGHES	)	Docket No. 97782
NPN # 20386953	j	

# FINAL ORDER OF DEFAULT AND DISMISSAL (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, the Commissioner affirms the denial of the application of William Hughes ("Applicant") for a Kansas nonresident insurance producer's license by Default Order and Dismissal, as provided by K.S.A. 77-520.

### **Factual Basis**

- 1. On December 6, 2022, Applicant, a resident of Louisiana, applied for a Kansas nonresident individual insurance producer license.
- 2. On January 5, 2023, the Kansas Insurance Department ("Department") staff notified Applicant by letter that his application was denied pursuant to K.S.A. 40-4909(a)(1), K.S.A. 40-4909(a)(6) and K.S.A. 40-4909(b).
  - 3. Applicant filed a timely request for a hearing.
- 4. A Prehearing conference was held via conference call on March 8, 2023. A formal hearing was scheduled for May 9, 2023. The Applicant was instructed, via a Prehearing Order issued March 27, 2023, that he was to pay investigative and hearing costs of \$500.00 no later than May 2, 2023.
- 5. The Applicant failed to timely pay the hearing fee and on May 4, 2023, the Presiding Officer issued a Notice of Cancellation of Hearing.

6. On June 13, 2023, the Presiding Officer issued a Proposed Default Order pursuant to K.S.A. 77-520, which stated:

IT IS THEREFORE ORDERED THAT THE APPLICANT MUST SUBMIT A WRITTEN REQUEST TO VACATE THIS PROPOSED DEFAULT ORDER WITHIN SEVEN (7) DAYS OF THE DATE OF THIS ORDER. SUCH REQUEST MUST BE ACCOMPANIED BY A MONEY ORDER FOR THE REQURIED \$500.00 HEARING FEE TO AVOID FURTHER DELAY. If a written request to vacate accompanied by the hearing fee is not timely received, the Applicant's proceeding will be DISMISSED.

IT IS FURTHER ORDERED THAT Applicant's failure to file a timely written motion to vacate WILL RESULT IN THIS ORDER BECOMING EFFECTIVE AS A FINAL ORDER and Applicant's application for a Kansas nonresident insurance producer's license will be DENIED. [Emphasis in original.]

7. The Applicant has not submitted a written request to vacate the Proposed Default Order.

## **Applicable Law**

- 8. Pursuant to K.S.A. 77-520(a), "If a party fails to attend or participate in a prehearing conference, hearing or other stage of an adjudicative proceeding, the presiding officer may serve upon all parties written notice of a proposed default order, including a statement of the grounds."
- 9. Pursuant to K.S.A. 77-520(b), Applicant may file a written motion requesting this proposed default order be vacated stating the grounds relied on within seven (7) days after the service of this proposed default order.
- 10. Pursuant to K.S.A. 77-520(c), "The proposed default order shall become effective after expiration of the time within which the party may file a written motion under subsection (b) unless a written motion to vacate the order is filed with the agency within such time."
- 11. The Assistant Commissioner of Insurance acting on behalf of the Commissioner of Insurance as the agency head is empowered to act as the Presiding Officer and render a default order which shall be deemed a Final Order. See K.S.A. 77-520(e), 77-547 and K.S.A. 77-514.

### Order

Based on the Applicant's failure to file a timely written motion to vacate the Proposed Default Order issued June 13, 2023, the Proposed Default Order is effective as **FINAL ORDER**. Accordingly, the Applicant's appeal of the Department's denial of his application for a Kansas nonresident insurance producer's license is **DISMISSED**, and Applicant's application for a Kansas nonresident insurance producer's license is **DENIED**.

IT IS SO ORDERED THIS TO DAY OF JULY 2023, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



VICKI SCHMIDT COMMISSIONER OF INSURANCE

Barbara W. Rankin

Assistant Commissioner

Presiding Officer

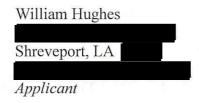
## NOTICE OF RIGHT TO JUDICIAL REVIEW

Pursuant to K.S.A. 77-601 through K.S.A. 77-631, Applicant is entitled to judicial review, of this Final Order of Default and Dismissal. The petition for judicial review must be filed within thirty (30) days of service of the date of this Final Order of Default and Dismissal. (plus three [3] days for service by mail pursuant to K.S.A. 77-531). In the event Applicant files a petition for judicial review pursuant to K.S.A. 77-613(e), the Agency Officer to be served on behalf of the Kansas Insurance Department is:

Justin L. McFarland, General Counsel Kansas Insurance Department 1300 SW Arrowhead Road Topeka, KS 66604

#### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that she served a true and correct copy of the above and foregoing FINAL ORDER OF DEFAULT AND DISMISSAL on this 7th day of July 2023, by causing the same to be electronically mailed and placed in the United States Mail, certified mail, return receipt requested and first class postage prepaid addressed to the following:



And hand-delivered to the following:

Kimberley Davenport Megrail, Senior Attorney Kansas Insurance Department 1300 SW Arrowhead Road Topeka, KS 66604 Counsel for the Kansas Insurance Department

Mindy Forrer

Legal Assistant to the Presiding Officer