

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

**In the Matter of the Application for a
Kansas Resident Insurance Producer's
License of HANNAH LASLEY
NPN # 20097629**

)
)
)
)

Docket No. 95616

PROPOSED DEFAULT ORDER
(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 proposes to find facts and affirm the denial of the application of Hannah Lasley ("Applicant") for a Kansas resident insurance producer's license by Default Order, as provided by K.S.A. 77-520.

Findings of Fact

1. On July 6, 2022, Applicant, a resident of Kansas City, Kansas, applied for a Kansas resident individual insurance producer license.

2. On August 23, 2022, the Kansas Insurance Department ("Department") staff notified Applicant by letter that the application was denied based on K.S.A. 40-4909(a)(1), K.S.A. 40-4909(a)(6), and K.S.A. 40-4909(b).

3. On August 23, 2022, Applicant filed a timely request for a hearing.

4. On November 8, 2022, the Presiding Officer conducted a formal hearing for this matter. Hannah Lasley ("Applicant") appeared *pro se* and the Kansas Insurance Department ("Department") appeared by and through counsel, Kimberley Davenport Megrail, Senior Attorney.

5. During the hearing, testimony provided by the Applicant indicated she continued to be on probation for a 2019 misdemeanor conviction for disorderly conduct, that a bench warrant had been issued by the District Court due to Applicant's failure to appear at a probation hearing, that the Applicant had been arrested on the bench warrant in the early morning hours the day of

the hearing, and that the Applicant had pending criminal charges in Missouri that had not been disclosed to the Department.

6. The Presiding Officer adjourned the hearing in order for the Applicant to provide documentation to the Department regarding the status of her probation, arrest, and pending Missouri charges.

7. On December 28, 2022, the Department issued a Revised Decision on License Application (“Revised Denial”) to include the following additional reasons for denial of the Applicant’s license application:

- a. Failure to provide the probable cause affidavit for the Disorderly Conduct charge and documentation regarding pending charges in Platte County, Missouri, to the Department in connection with her Application, which constituted providing incorrect, misleading, incomplete, or untrue information to the Department.
- b. Failing to provide additional documentation to the Department regarding the status of her probation on the Disorderly Conduct charge and the pending Missouri charges, despite numerous requests from the Department for such documentation.

8. In the Revised Denial, the Department advised the Applicant she had the right to request the November 8, 2022, hearing be continued, or had the option to withdraw her hearing request. She was further advised that if she continued with the hearing and the denial of her application was upheld, she would be unable to reapply for an insurance producer’s license for one year, as provided in K.S.A. 40-4909(j)(1).

9. At the request of the Presiding Officer, the Applicant was emailed on January 17, 2023, to schedule a status conference with regard to the Applicant’s hearing. The email provided

three potential dates and times for a status conference, and requested the Applicant respond with the time which would work best for her.

10. As of this date, Applicant has not communicated with the Department with regard to the Revised Denial, has not provided the Department with requested documentation, and has not responded to the request to schedule a status conference.

11. The Presiding Officer considers the above-stated facts to constitute grounds for a proposed default order on the basis that the Applicant has failed to respond to the Presiding Officer's request to schedule a status conference, which constitutes failure to participate in a stage of the hearing process.

Applicable Law

12. Before approving an application for a license, the Commissioner must determine the applicant has not committed any act that is grounds for denial pursuant to K.S.A. 40-4909. See K.S.A. 40-4905(b).

13. Pursuant to K.S.A. 40-4909(a)(1), the Commissioner may deny a license if the Applicant has provided incorrect, misleading, incomplete or untrue information in the license application.

14. Pursuant to K.S.A. 40-4909(a)(6), the Commissioner may deny a license if the Applicant has been convicted of a misdemeanor or felony.

15. Pursuant to K.S.A. 40-4909(d), "[a]ny action taken under this section that affects any license or imposes any administrative penalty shall be taken only after notice and an opportunity for a hearing conducted in accordance with the provisions of the Kansas administrative procedures act."

16. Pursuant to K.S.A. 77-520(a), “[i]f 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.”

17. Pursuant to K.S.A. 77-520(b), within seven (7) days after the service of this proposed default order an Applicant may file a written motion requesting the proposed default order be vacated and stating the grounds relied on for the request.

18. Pursuant to K.S.A. 77-520(c), “[t]he 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.”

19. Pursuant to K.S.A. 77-520(e), “[i]f the presiding officer is the agency head, or has been designated under K.S.A. 77-514, and amendments thereto, to issue a final order, the order shall be deemed a final order.”

Conclusions of Law

20. The Commissioner has jurisdiction over the Applicant as well as the subject matter of this proceeding, and such proceeding is held in the public interest.

21. The Assistant Commissioner of Insurance is acting on behalf of the Commissioner of Insurance as the agency head and is empowered to act as the Presiding Officer and issue a Final Order. See K.S.A. 77-547 and K.S.A. 77-514.

22. The Commissioner finds that Applicant has failed to respond to the Presiding Officer’s request to schedule a status conference and a Proposed Default Order should be served in accordance with K.S.A. 77-520(a).

IT IS THEREFORE ORDERED THAT THE APPLICANT MUST SUBMIT A WRITTEN REQUEST TO VACATE THIS PROPOSED DEFAULT ORDER WITHIN

SEVEN (7) DAYS (WITH AN ADDITIONAL THREE [3] DAYS FOR SERVICE) -OF THE DATE OF THIS ORDER. If a written request to vacate 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 resident insurance producer's license will be DENIED.

IT IS SO ORDERED THIS 21st DAY OF FEBRUARY 2023, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



VICKI SCHMIDT
COMMISSIONER OF INSURANCE

BY: *Barbara W. Rankin*
Barbara W. Rankin
Assistant Commissioner
Presiding Officer

NOTICE OF RIGHT TO FILE A MOTION TO VACATE

Pursuant to K.S.A. 77-520(b), Applicant is entitled file a Motion to Vacate. A Motion to Vacate must be filed within seven (7) days of service of this Proposed Default Order (plus three [3] days for service by mail pursuant to K.S.A. 77-531).

In the event Applicant files a Motion to Vacate pursuant to K.S.A 77-520(b), the Agency Officer to be served on behalf of the Kansas Insurance Department is:

Justin L. McFarland, General Counsel
Kansas Insurance Department
420 SW 9th Street
Topeka, KS 66612

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, if this Proposed Default Order becomes a Final Order. The petition for judicial review must be filed within thirty (30) days of service of the date the Proposed Default Order becomes a Final Order (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 PROPOSED DEFAULT ORDER on this 2/15 day of February 2023, by causing the same to be electronically mailed and placed in the United States Mail, first class postage prepaid addressed to the following:

Hannah M. Lasley

Kansas City, KS

Applicant

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