

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

**In the Matter of the Kansas  
Resident Insurance Producer's  
License of G. ALEX ACOSTA  
NPN # 13746142**

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**Docket No. 83245**

**SUMMARY ORDER OF 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** the Kansas resident insurance producer's license of **G. ALEX ACOSTA** ("Respondent"). This Summary Order of Revocation 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 May 14, 2009, and expired on January 31, 2023.
2. Respondent's address of record is [REDACTED] Wichita, KS [REDACTED]
3. On March 11, 2020, the Kansas Insurance Department ("Department") received a notification from American Family Insurance ("American") of a termination for cause of the Respondent on March 6, 2020. The termination was based a result of a financial audit conducted on the Respondent's business.
4. The financial audit was initiated on or about January 17, 2020, when American was contacted by a mortgage company inquiring about premium payments which had not posted to an account as expected. Further investigation revealed that the premium payments made were deposited into the Respondent's business operating account instead of the premium trust account.

It appeared from the audit that Respondent had been paying the premiums monthly by electronic transfer for the individual policyholder due to being cancelled repeatedly for nonpayment, then being reinstated again once payment was made. It appears that other policyholders' policies were cancelled and/or they were assessed a rate increase as a result. Respondent's premium trust account was repeatedly overdrawn. The audit also revealed that at least 13 policyholders' premium payments were not being applied properly or timely to accounts. At the time of the audit, there was approximately \$15,000 owing to these accounts. The conclusive finding of this audit was that the Respondent misappropriated premiums of his clients. As a result, his appointment and contractual agreement with American was terminated.

5. Due to the allegations of the Respondent's improperly withholding, misappropriating or converting monies in the business of insurance and demonstrating untrustworthiness and financial irresponsibility, the Respondent's license should be revoked.

#### **Applicable Law**

K.S.A. 40-4909(a)(4) provides:

The Commissioner may deny, suspend, revoke or refuse renewal of an insurance producer's license upon finding that Respondent improperly withheld, misappropriated or converted any moneys or properties received in the course of doing insurance business.

K.S.A. 40-4909(a)(8) provides:

The Commissioner may deny, suspend, revoke or refuse renewal of an insurance producer's license upon finding that Respondent has 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(b) provides:

The Commissioner may deny, suspend, revoke or refuse renewal of an insurance producer's upon finding 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 has improperly withheld, misappropriated or converted any monies or properties received in the course of doing insurance business be revoked.

2. It is in the public interest that the license of a producer who has used fraudulent, coercive or dishonest practice or demonstrated incompetence, untrustworthiness or financial irresponsibility in the conduct of business be revoked.

### Conclusions of Law

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

2. Pursuant to K.S.A. 40-4909(a)(4), the Commissioner finds that Respondent's Kansas resident insurance producer's license may be revoked because **G. ALEX ACOSTA** withheld, misappropriated or converted any monies or properties received in the course of doing insurance business.

3. Pursuant to K.S.A. 40-4909(a)(8), the Commissioner finds that Respondent's Kansas resident insurance producer's license may be revoked because **G. ALEX ACOSTA** used fraudulent, coercive, or dishonest practice, or demonstrated any incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere.

4. Pursuant to K.S.A. 40-4909(b), the Commissioner finds that the insurable interests of the public are not properly served under the Kansas resident insurance producer's license of **G. ALEX ACOSTA**.

5. 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 **G. ALEX ACOSTA**.

6. Pursuant to K.S.A. 40-4909(f)(3), the Commissioner has the jurisdiction and right to institute any disciplinary proceeding against the Kansas resident insurance producer's license of **G. ALEX ACOSTA**.

**IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:**

1. The Kansas resident insurance producer's license of **G. ALEX ACOSTA** is hereby **REVOKED** the effective date of this Order.

2. **IT IS FURTHER ORDERED** that **G. ALEX ACOSTA** 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 1<sup>ST</sup> DAY OF APRIL 2024, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



VICKI SCHMIDT  
COMMISSIONER OF INSURANCE

BY: Kimberly Davenport Megrail  
Kimberley Davenport Megrail  
Senior Attorney

## NOTICE AND OPPORTUNITY FOR HEARING

**G. ALEX ACOSTA** within fifteen (15) days of service (plus 3 additional days for mailing) 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 (plus 3 additional days for mailing) 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 with the District Court, 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 2<sup>nd</sup> day of April, 2024, by causing the same to be deposited in the United States Mail, certified, addressed to the following:

**Alex Acosta**

[REDACTED]  
Wichita, KS [REDACTED]

and via email to:

[REDACTED]

  
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Sarah Cowan  
Legal Assistant