

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

In the Matter of the Kansas Resident)	
Insurance Producer's License of)	
JAMES CONNELLY)	Docket No. 106793
NPN # 17015004)	

SUMMARY ORDER OF REVOCATION

(Pursuant to K.S.A. 40-4905, K.S.A. 40-4903, K.S.A. 40-4909, K.S.A. 40-4915 and K.S.A. 77-501 *et seq.*)

Pursuant to the authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 40-4905, K.S.A. 40-4903, K.S.A. 40-4909, K.S.A. 40-4915 and K.S.A. 77-501 *et seq.*, the Commissioner hereby **REVOKES** the Kansas resident insurance producer's license of **JAMES CONNELLY** ("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 August 19, 2013, and remains licensed to date.
2. Respondent's address of record is [REDACTED].
3. On November 2, 2023, Respondent submitted payment to the National Insurance Producer Registry ("NIPR") for \$104.00, which included a reinstatement fee of \$100.00 and a renewal fee of \$4.00 for the reinstatement of their Kansas resident insurance producer license.

4. Respondent's resident insurance producer's license was renewed with the understanding that the license fees were paid.

5. NIPR notified the Kansas Insurance Department ("Department") that Respondent's payment was returned.

6. On February 8, 2024, Department staff notified Respondent via email that their payment to NIPR was returned unpaid and requested payment to NIPR. The correspondence included information on how to pay the resident licensing fees.

7. Respondent, to this date, has not responded or paid the resident licensing fees.

Applicable Law

K.S.A. 40-4905(a) provides:

It shall be unlawful for any person to sell, solicit or negotiate any insurance within this state unless such person has been issued a license as an insurance agent in accordance with this act.

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

The Commissioner may deny, suspend, revoke or refuse renewal of an insurance producer's license upon finding that Respondent has violated any provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rule and regulation promulgated thereunder.

K.S.A. 40-4903(b)(3) provides:

Unless suspended, revoked or refused renewal pursuant to K.S.A. 40-4909, and amendments thereto, an insurance agent license shall remain in effect as long as:...(3) such insurance agent pays a biennial renewal application fee of \$4.

K.S.A. 40-4915(c) provides:

If the required renewal application is not received by the commissioner by the individual insurance agent's biennial due date, such individual insurance agent's qualification and each corresponding license shall be suspended automatically

for a period of 90 calendar days or until such time as the agent satisfactorily submits a completed application, whichever occurs first. In addition, the commissioner shall assess a penalty of \$100 for each license suspended. If such insurance agent fails to furnish to the commissioner the required renewal application and the monetary penalty within 90 calendar days of such insurance agent's biennial due date, such individual insurance agent's qualification and each corresponding license shall expire on such insurance agent's biennial due date. If, after more than three but less than 12 months from the date the license expired, the insurance agent desires to reinstate such insurance agent's license, such individual shall provide the required renewal application and pay a reinstatement fee in the amount of \$100 for each license suspended. If, after more than 12 months from the date an insurance agent's license has expired, such insurance agent desires to reinstate such insurance agent's license, such individual shall apply for an insurance agent's license, provide the required proof of continuing education completion and pay a reinstatement fee in the amount of \$100 for each license suspended. Upon receipt of a written application from such insurance agent claiming extreme hardship, the commissioner may waive any penalty imposed under this subsection.

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 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 an insurance producer who has not paid the required Kansas resident license fees for the license be revoked.

2. It is in the public interest that the license of an insurance producer who has demonstrated untrustworthiness or financial irresponsibility in the conduct of business be revoked.

Conclusions of Law

1. The Commissioner has jurisdiction over **JAMES CONNELLY** 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)(2)(A), the Commissioner finds that Respondent's Kansas resident insurance producer's license may be revoked because **JAMES CONNELLY** has violated provisions of chapter 40 of the Kansas Statutes Annotated. The Commissioner finds that **JAMES CONNELLY** has failed to pay license fees. *See K.S.A. 40-4903 and K.S.A. 40-4915.*

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 **JAMES CONNELLY** 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 in that they failed to pay license fees.

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 **JAMES CONNELLY**.

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 **JAMES CONNELLY**.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:

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

2. **IT IS FURTHER ORDERED** that **JAMES CONNELLY** 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 24th DAY OF April 2024, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



VICKI SCHMIDT
COMMISSIONER OF INSURANCE

BY: 
Kimberley Davenport Megrail
Senior Attorney

NOTICE AND OPPORTUNITY FOR HEARING

JAMES CONNELLY, 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 Department of Insurance
1300 SW Arrowhead Rd.
Topeka, Kansas 66604

Or via email to: mindy.forrer@ks.gov

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 (with an additional three (3) 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, 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 Department of Insurance is:

Justin L. McFarland, General Counsel
Kansas Department of Insurance
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 of Revocation on this 24th day of April 2024, by causing the same to be deposited in the United States Mail, certified, addressed to the following:

James Connelly

[REDACTED]
[REDACTED]

Respondent

And via email:

[REDACTED]



Sarah Cowan
Legal Assistant