

40-5510. Suspension, revocation or nonrenewal of license; penalties. (a) The commissioner may suspend, revoke or refuse to issue or renew a public adjuster's license for any of the following causes:

- (1) Providing incorrect, misleading, incomplete or materially untrue information in the license application;
- (2) violating:
 - (A) Any provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rule and regulation promulgated thereunder;
 - (B) any subpoena or order of the commissioner;
 - (C) any insurance law or regulation of another state; or
 - (D) any subpoena or order issued by the regulatory official for insurance in another state;
- (3) obtaining or attempting to obtain a license through misrepresentation or fraud;
- (4) misappropriating, converting or improperly withholding any monies or properties received in the course of doing insurance business;
- (5) intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance;
- (6) having been convicted of a misdemeanor or felony;
- (7) having admitted or committed any insurance unfair trade practice or insurance fraud;
- (8) using fraudulent, coercive or dishonest practices or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere;
- (9) having an insurance license, or its equivalent, denied, suspended or revoked in any other state, province, district or territory;
- (10) forging another's name to an application for insurance or to any document related to an insurance transaction;
- (11) cheating, including improperly using notes or any other reference material, to complete an examination for an insurance license;
- (12) knowingly accepting insurance business from an individual who is not licensed but who is required to be licensed by the commissioner;
- (13) failing to comply with an administrative or court order imposing a child support obligation upon the applicant or license holder; or
- (14) failing to pay state income tax or comply with any administrative or court order directing payment of state income tax.

(b) In addition, the commissioner may deny, suspend, revoke or refuse renewal of a public adjuster's license if the commissioner finds that the interests of the public are not properly served under such license. Any action taken under this section which 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 Kansas administrative procedure act.

(c) In lieu of any action under subsection (a), the commissioner may:

- (1) Censure the individual; or
- (2) issue an order imposing an administrative penalty up to a maximum of \$500 for each violation, but not to exceed \$2,500 for the same violation occurring within any six consecutive calendar months from the date of the original violation, unless such person knew or should have known that the violative act could give rise to disciplinary action under subsection (a). If such person knew or reasonably should have known the violative act could give rise to any disciplinary proceeding authorized by subsection (a), the commissioner may impose a penalty up to a maximum of \$1,000 for each violation, but not to exceed \$5,000 for the same violation occurring within any six consecutive calendar months from the date of the original violation.

(d) The commissioner shall remit all such fines collected under subsection (c) to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund.

(e) The commissioner shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by this act against any individual who is under investigation for or charged with a violation of this act, even if the individual's license or registration has been surrendered or has lapsed by operation of law.

History: L. 2009, ch. 83, § 10; Apr. 23.