

**BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS**

IN THE MATTER OF:

**BRANDEE HANKE
PETITIONER**

A.I.D. NO. 2018- 112

ORDER

On this day, the matter of the insurance producer license application of Brandee Hanke (“Petitioner”) came before Allen Kerr, Arkansas Insurance Commissioner (“Commissioner”). A hearing was held on October 19, 2018, in the First Floor Hearing Room of the Arkansas Insurance Department (“Department”) pursuant to the Notice of Hearing dated September 20, 2018. The hearing was held before Chief Deputy Commissioner Russ Galbraith (“Hearing Officer”) pursuant to his appointment by the Commissioner in accordance with Ark. Code Ann. § 23-61-103(e)(1). The Department was represented by Gray Allen Turner, Associate Counsel. The Petitioner was present.

FINDINGS OF FACT

1. The Commissioner of Insurance has jurisdiction pursuant to the Arkansas Insurance Code, specifically Ark. Code Ann. §§ 23-60-101, *et seq.*
2. Petitioner, a resident of Garland County, Arkansas, applied for a resident producer license on August 24, 2018.
3. The Department denied Petitioner's application on August 31, 2018.

4. Petitioner timely requested a hearing as to the license denial on September 13, 2018.

5. Petitioner was sent a notice of hearing on September 20, 2018, to the address provided by the Department.

6. On January 31, 2017, the Hot Springs Police Department prepared an affidavit for a search warrant alleging Petitioner sold methamphetamines to a confidential informant on two occasions.

7. A search of Petitioner's residence conducted on February 3, 2017, uncovered suspected methamphetamines, scales, and drug paraphernalia. A small amount of cocaine was found in a wallet containing Petitioner's identification card. At the conclusion of the search, Petitioner was arrested.

8. On March 31, 2017, a criminal information was filed in Garland County Circuit Court charging Petitioner with seven felonies, including possession of methamphetamines with purpose to deliver, unauthorized use of property to facilitate a crime, possession of drug paraphernalia, maintaining a drug premises, and endangering the welfare of a minor.

9. On June 26, 2017, Petitioner pled guilty to Possession of a Controlled Substance – Methamphetamines, a class "C" felony, and Possession of Drug Paraphernalia, a class "D" felony in Garland County Circuit Court Case 2017-1974. She was sentenced to six years of probation and fined \$2000. All other charges were dismissed.

10. Petitioner applied for a resident insurance producer license on August 24, 2018. In her application, she disclosed her felony convictions. She failed to include with her application the charging document, specifically the March 31, 2017, felony information from her criminal case.

11. In her insurance producer application, Petitioner included a written explanation of her criminal convictions. Her explanation stated: "I received charges on February 3, 2017, due to having someone at my home that was being watched by Hot Springs Police Department. I was unaware of this at the time. Because of him being at my residence I received charges. A possession of controlled substance and possession of drug paraphernalia. All fines are paid and records are soon to be sealed."

12. Petitioner's written explanation submitted as part of her insurance producer license application concerning the events that led to her guilty plea failed to acknowledge her guilt or culpability for the crimes she committed.

CONCLUSIONS OF LAW

From the Findings of Fact contained herein, the Commissioner concludes as follows:

1. The Commissioner has jurisdiction over the parties and the subject matter pursuant to Ark. Code Ann. § 23-61-103.

2. To be licensed as an insurance producer § 23-64-506(c) requires that an applicant must be deemed by the commissioner "to be competent, trustworthy, financially responsible, and of good personal and business reputation."

3. An insurance producer license application may be denied where the applicant has been convicted of a felony as per § 23-64-512(a)(6).

4. An insurance producer license application may be denied where the application is incomplete, misleading, or contains inaccurate information as per § 23-64-512(a)(1).

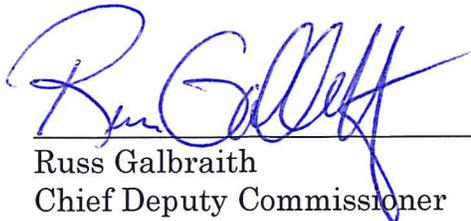
5. The circumstances leading to Petitioner's felony conviction and her incomplete and misleading written explanation of her criminal charges call into question her fitness to be a licensed insurance producer.

6. The Petitioner has not presented sufficient evidence that she meets the requirements to be a licensed insurance producer.

RECOMMENDATION OF HEARING OFFICER

WHEREFORE, upon consideration of the evidence of record and the foregoing Findings of Fact and Conclusions of Law, the Hearing officer recommends the following:

1. That the Arkansas insurance producer license application of the Petitioner be denied.



Russ Galbraith
Chief Deputy Commissioner

CERTIFICATION

I, Allen Kerr, Insurance Commissioner for the State of Arkansas, do hereby certify that the above Findings of Fact, Conclusions of Law, and Recommendation of the Hearing Officer were made by and under my authority and supervision by Russ Galbraith, Chief Deputy Commissioner and Hearing Officer in this proceeding. I hereby adopt the Hearing Officer's Findings of Fact, Conclusions of Law and Recommendation in full, as set forth herein.

THEREFORE, it is hereby ORDERED that the Arkansas insurance producer license application of Brandee Hanke is denied.

IT IS SO ORDERED THIS 28th DAY OF Nov, 2018.



ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS