

BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS

IN THE MATTER OF

TERRY SHELTON
PETITIONER

A.I.D. NO. 2018- 83

ORDER

On this day, the matter of the insurance producer license application of Terry Shelton (“Petitioner”) came before Allen Kerr, Arkansas Insurance Commissioner (“Commissioner”). A hearing was held on July 6, 2018, in the First Floor Hearing Room of the Arkansas Insurance Department (“Department”) pursuant to the Notice of Hearing dated June 26, 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 June 11, 2018. (D.2)

3. The Department denied Petitioner's application on June 18, 2018. (D.9)

4. Petitioner timely requested a hearing as to the license denial on April 22, 2018. (D.10)

5. Petitioner was sent an notice of hearing on June 26, 2018, to the address provided by the Department. (D.11)

6. Petitioner, in his producer application, failed to disclose several felony convictions. In 2008, in Lafayette County Circuit Court, Petitioner was sentenced to ten years incarceration for felony possession of drug paraphernalia with intent to manufacture methamphetamine. (D.7). In 2009, in Hempstead County Circuit Court, Petitioner was sentenced to ten years of incarceration for felony drug paraphernalia, with the sentence to be served concurrently to his Lafayette County conviction. (D.6)

7. After several years of incarceration, Petitioner was released from prison on parole. Petitioner's parole was revoked in 2015 for failure to report and he was incarcerated an additional 180 days.

8. Petitioner is currently on unsupervised parole.

9. Petitioner submitted several exhibits into the record that were admitted without objection and considered. These included a letter from his parole officer, letters of recommendation, and a college transcript.

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. The Petitioner's pattern of felony convictions followed by a parole revocation call into question his fitness to hold a producer license.
3. Any felony conviction is grounds to deny a producer license as per Ark. Code Ann. § 23-64-512(a)(2). Petitioner was convicted of several felonies in 2008 and 2009 for possession of drug paraphernalia. Petition continues to be on parole through the Arkansas Department of Community Corrections.

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 application of Terry Shelton is denied.

IT IS SO ORDERED THIS 9th DAY OF August, 2018.



ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS