STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of:	Case No. INS-21-0057
WILLIAM B. FLANNERY Respondent.	FINAL ORDER TO CEASE AND DESIST, DENYING LICENSE APPLICATION, AND REVOKING LICENSE, ENTERED BY DEFAULT

On March 15, 2022, the Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting by and through the Division of Financial Regulation (the "Division"), and in accordance with Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and 750 ("Insurance Code"), issued and served a Notice Order against William B. Flannery ("Flannery"), informing Flannery that the Director proposed to deny the Oregon nonresident insurance adjuster license renewal application and revoke the nonresident insurance adjuster license of Flannery for certain violations of the Insurance Code.

The Notice Order offered Flannery an opportunity for a hearing if requested within 60 days of service of the Notice Order. The Notice Order further informed Flannery that if a hearing was not conducted because Flannery did not timely request a hearing or otherwise defaulted, then the designated portion of the Division's file and all materials submitted by Flannery in this case would automatically become part of the contested case record for the purpose of proving a prima facie case.

The Director did not receive from Flannery a request for a hearing and did not conduct a hearing.

The Director finds that the record of this proceeding proves a prima facie case.

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

Now, therefore, after considering the relevant portions of the Division's file relating to this matter, the Director finds and orders as follows.

FINDINGS OF FACT

The Director FINDS that:

1. Flannery is a New York resident with a last recorded business address at 175 Water St, New York, New York 10038.

2. Flannery obtained an Oregon nonresident insurance adjuster license on January 15, 2010. His national insurance producer number is 8646012.

3. On or around September 18, 2020, Flannery submitted an application to renew his nonresident insurance adjuster license to the Division.

4. On September 18, 2020, the Division sent an email to Flannery at the email address on file with the Division, advising that the State of Oregon would require persons seeking to renew nonresident insurance adjuster licenses to submit proof of passing the Oregon adjuster exam. Flannery's resident state is a non-reciprocal state.

5. On November 30, 2020, Flannery's nonresident insurance adjuster license expired.

6. Flannery failed to respond to the aforementioned email. The Division sent him a second email on January 28, 2021, asking for proof of passing the Oregon exam. To date, the Division has not received a response from Flannery.

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

CONCLUSIONS OF LAW

The Director CONCLUDES that:

7. Pursuant to ORS 731.252(1), whenever the Director has reason to believe that any person has been engaged or is engaging or is about to engage in any violation of the Insurance Code, the Director may issue an order to discontinue or desist from such violation or threatened violation.

8. Pursuant to ORS 744.528(2)(b), "an applicant for a license to engage in business as a nonresident adjuster must pass an examination that the Director by rule recognizes as adequately testing the applicant's qualifications, competence and knowledge of the categories of insurance business and classes of insurance that the applicant intends to transact under a license and the applicant's knowledge of an adjuster's duties and responsibilities under the Insurance Code and other laws of this state. Because Flannery failed to submit proof of passing the Oregon adjuster exam, he was in violation of ORS 744.528(2)(b).

9. ORS 731.296 authorizes the Director of the Department of Consumer and Business Services to "address any proper inquiries to any insurer, licensee or its officers in relation to its activities or condition or any other matter connected with its transactions" and requires any person so addressed to "promptly and truthfully reply to such inquiries using the form of communication requested by the director." Flannery violated ORS 731.296 by failing to respond to the Director's requests to provide required documentation relating to his passage of the Oregon adjuster exam.

10. ORS 744.584(2)(a)(B) authorizes the Director to suspend, revoke, or refuse to renew a licensee's license if the licensee engages in certain prohibited practices set forth in ORS 744.584(1). Pursuant to ORS 744.584(1)(o), a licensee or an applicant for a license to engage in business as an adjuster may not fail to comply with an applicable provision of the Insurance Code. Flannery failed to comply with an applicable provision of the Insurance Code by violating ORS 744.528(2)(b) and ORS 731.296. Accordingly, the Director may revoke Flannery's nonresident insurance adjuster license, and deny his application of renewal for the same, pursuant to ORS 744.284(2)(a)(B).

ORDERS

Now therefore, the Director issues the following Orders:

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

11. As authorized by ORS 731.252(1), the Director ORDERS Flannery to CEASE AND DESIST from violating any provisions of the Insurance Code or the administrative rules promulgated thereunder.

12. The Director, pursuant to ORS 744.584(2)(a)(B), hereby DENIES Flannery's nonresident insurance adjuster license renewal application.

13. The Director, pursuant to ORS 744.584(2)(a)(B), hereby REVOKES Flannery's nonresident insurance adjuster license.

SO ORDERED this 19th day of May ,2022 in Salem, Oregon.

ANDREW R. STOLFI, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

NOTICE OF RIGHT TO JUDICIAL APPEAL

You are entitled to judicial review of this order in accordance with ORS 183.482. You may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days from the date this order is served.

[The remainder of this page intentionally left blank.]

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387