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

In the Matter of: Thomas Flowers, Respondent.	Case No. INS-20-0005 FINAL ORDER TO CEASE AND DESIST, FINAL ORDER DENYING LICENSE RENEWAL APPLICATION, AND FINAL ORDER REVOKING LICENSE, ENTERED BY DEFAULT

On July 14, 2020, the Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting 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"), properly served notice on Thomas Flowers ("Flowers") that the Director proposed to deny Flowers's nonresident insurance producer license renewal application and revoke his nonresident insurance producer license.

The Notice offered Flowers an opportunity for a hearing, if requested within 60 days. The Notice further informed Flowers that if a hearing was not conducted because Flowers did not timely request a hearing or otherwise defaulted, then the designated portion of the Director's file and all materials submitted by Flowers 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 Flowers 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.

The Director makes the following Findings of Fact, Conclusions of Law, Orders, and Notice of Right to Judicial Appeal.

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

FINDINGS OF FACT

The Director FINDS that:

1. Flowers had been licensed as a nonresident insurance producer in the state of Oregon since October 17, 2016, until the license expired on September 30, 2019. Flowers's national insurance producer number is 15335500.

2. On September 30, 2019 the Division of Financial Regulation ("Division") received Flowers's non-resident license renewal application.

3. As part of the application process, Flowers completed and submitted to the Division a renewal application form stating that he had not been named or involved as a party in an administrative proceeding.

4. During the review of Flowers's application to renew, it was discovered that he had been named in two unreported state regulatory actions.

A. On February 6, 2019, in Case No. 11023356, the state of Georgia placed probation terms on Flowers's insurance producer license. According to the Georgia order, the length of probation for his insurance producer license is concurrent with Flowers's sentence set forth in Cobb County, Georgia, Criminal Action #17-9-4163-51 on October 27, 2017.

B. On September 28, 2019, the state of California issued File No. OBS 3709-A (AR) revoking Flowers's non-resident producer license for failure to respond and criminal record/ history.

5. Flowers failed to notify the Director of the administrative actions within 30 days of the final disposition.

6. On Flowers's renewal application, he had properly disclosed that he had a criminal conviction, but more than 30 days passed since the initial pretrial hearing date for Georgia Criminal Action # 17-9-4163-51.

//

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

7. On multiple occasions, the Division sent Flowers communication via email, requesting that he upload documents to the necessary database regarding the administrative actions he had been involved in.

8. On December 5, 2019, the Division made a final attempt to contact Flowers via electronic mail and telephone.

9. On December 10, 2019, the Division sent Flowers certified mail to the address on file, requesting a response by December 30, 2019 to prevent denial of his license renewal application and revocation of his nonresident producer license.

10. Flowers has failed to contact the Division and provide the additional information requested by the Division. Therefore, Flowers's application is incomplete.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

11. 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.

12. Pursuant to ORS 744.074(1)(a), the Director may revoke or refuse to issue or renew an insurance producer license for providing incorrect, misleading, incomplete or materially untrue information in the license application. Flowers provided false information by stating he had not been named in an unreported state regulatory action. Flowers additionally failed to provide requested documentation pertaining to said administrative actions making his application incomplete.

//

//

//

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

13. Pursuant to ORS 744.089(1), an insurance producer shall report to the Director any administrative action taken against the insurance producer in another jurisdiction or by another governmental agency in this state not later than the 30th day after the date of the final disposition of the matter. Flowers failed to notify the Director of the Georgia and California administrative actions within 30 days after the final disposition of the matter.

14. Pursuant to ORS 744.089(2), an insurance producer shall report to the Director any criminal prosecution of the insurance producer taken in any jurisdiction no later than the 30th day after the initial pretrial hearing date. Flowers failed to notify the Director of Criminal Action # 17-9-4163-51 issued against him by the court of Cobb County, in the State of Georgia on October 27, 2017.

15. Pursuant to ORS 744.074(1)(b), the Director may revoke or refuse to issue or renew an insurance producer license for violating any insurance laws, or violating any rule, subpoena or order of the director. Flowers violated ORS 744.074(1)(a) and ORS 744.089(1) and (2).

16. Pursuant to ORS 744.074(1)(i), the Director may revoke an insurance producer license for the cancellation, revocation, suspension or refusal to renew by any state of an insurance producer license. The record of the cancellation, revocation, suspension or refusal to renew shall be conclusive evidence of the action taken. The Director may revoke Flowers's nonresident insurance producer license because the state of California has revoked Flowers's insurance producer license.

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

ORDERS

Now therefore, the Director issues the following Orders:

17. As authorized by ORS 731.252(1), the Director ORDERS Flowers to CEASE AND DESIST from violating ORS 744.074(1)(a), (b) and (i) and ORS 744.089(1) and (2).

//

18. The Director, pursuant to ORS 744.074(1)(a), (b), and (i) hereby REVOKES Flowers's nonresident insurance producer license.

19. The Director, pursuant to ORS 744.074(1)(a), (b), and (i) hereby DENIES Flowers's renewal application for a nonresident insurance producer license.

SO ORDERED this 14th day of September, 2020 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