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STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE

In the Matter of:)
)
RICHARD FRYE)
)
Licensee)
_____)

Case No. D 17-11

ORDER OF REVOCATION

1. The division, under AS 21.27.040, requires an applicant for a license under AS 21.27 to submit an application on a nationally utilized form available from the National Insurance Producer Registry (NIPR). The NIPR is a non-profit affiliate of the National Association of Insurance Commissioners (NAIC) and is a public-private partnership that supports the work of the states and the NAIC in making the producer-licensing process more cost-effective, streamlined, and uniform for the benefit of regulators, the insurance industry, and the consumers they protect and serve.

2. Question 1A of the application form provides: "Have you ever been convicted of a misdemeanor, had a judgment withheld or deferred, or are you currently charged with committing a misdemeanor? You may exclude the following misdemeanor convictions or pending misdemeanor charges: traffic citations, driving under the influence (DUI), driving while intoxicated (DWI), driving without a license, reckless driving, or driving with a

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Richard Frye
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1 suspended or revoked license. You may also exclude juvenile adjudications (offenses where
2 you were adjudicated delinquent in a juvenile court)."

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4 3. On or about September 16, 2016, the division received an application from Frye for
5 a producer license. For Question 1A of the application, Frye answered "Yes", however, Frye's
6 felony cases were all reduced down to misdemeanors.

7
8 4. As part of the application process, the division, under AS 21.27.040(e) and 3 AAC
9 23.010, requires the applicant to submit a full set of fingerprints so the division may obtain
10 criminal justice information about the applicant, as provided under AS 12.62.

11 5. On or about September 20, 2016, the division received Frye's set of fingerprints and
12 forwarded them to the Alaska Department of Public Safety (DPS), under AS 12.62.160, to
13 obtain criminal justice information, if any, and to do a criminal history record check.

14 6. On or about September 23, 2016, the division issued Frye producer license number
15 0100135979.

16 7. On or about December 16, 2016, the division received information from DPS
17 indicating the Federal Bureau of Investigation (FBI) conducted a national fingerprint search of
18 Frye and the search found that on or about September 11, 2013, Frye had been charged with
19 "RESIST/INTERFERE ARREST-BY FORCE." The information from DPS included the
20 phrase "NO SENTENCE INFORMATION FOR THIS OFFENSE."
21

22 8. The information from DPS also revealed that Frye had been charged with "THEFT
23 4- UNDER \$250" on or about October 3, 2016.
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2 9. On or about December 22, 2016, the division, utilizing Frye's mailing address on
3 file, sent Frye a letter by certified mail informing Frye:

4 A. the division had received the background report which revealed Frye's
5 September 11, 2013 "RESIST/INTERFERE ARREST-BY FORCE";

6
7 B. the procedure for Frye to change, correct, or update identification records or
8 to challenge the accuracy or completeness of any entry on Frye's record to the FBI;

9 C. that AS 21.27.020(a) provides: "For the protection of the people of this state,
10 the director may not issue or renew a license except in compliance with this chapter and may
11 not issue a license to a person, or to be exercised by a person, found by the director to be
12 untrustworthy, incompetent, or who has not established to the satisfaction of the director that
13 the person is qualified under this chapter;"

14 D. that the division was providing Frye with the opportunity to address the
15 information contained in the background report and to address why, if a conviction occurred,
16 that it was not disclosed;

17 E. that while the division had not made any presumption of guilt, if Frye was
18 unable to provide the division with evidence that the information reflected in the background
19 report was incorrect within 45 days from the date of the letter, the division would take action
20 against Frye's license based on the information contained in the background report; and
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F. Frye's failure to disclose a conviction on the application could reflect untrustworthiness, which could be the basis to suspend, revoke, or deny renewal of a license under AS 21.27.410.

10. On or about December 23, 2016, the division emailed Frye at Frye's personal electronic mailing address on file requesting information contained in the DPS information concerning a charge of "THEFT 4- UNDER \$250" that occurred on or about October 3, 2016 after the division issued Frye his license. Frye failed to respond to the division's email.

11. On or about January 3, 2017, the division received a United States Post Office (USPS) domestic return receipt indicating the division's letter identified in paragraph 9 was received at Frye's mailing address on file, which was signed by Sue Frye on December 31, 2016. Frye failed to respond to the division's letter.

12. On or about September 13, 2017, the division attempted to call Frye at Frye's residence telephone number on file and learned the telephone number had been disconnected.

13. On or about September 13, 2017, the division called Frye at Frye's business telephone number on file and left a voicemail requesting Frye to contact the division. The business owner returned the call informing the division that Frye was fired from the business shortly after he was hired.

14. AS 21.27.025(a) requires a licensee to notify the director in writing within 30 days after a change in residence, place of business, legal name, fictitious name or alias, mailing address, electronic mailing address, or telephone number.

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2 15. AS 21.27.025(b) provides: "In addition to any other penalty provided by law, a
3 failure to notify the director as required by this section is cause for denial, nonrenewal,
4 suspension, or revocation of a license.

5
6 16. AS 21.27.410, in relevant part, provides that the director of the division of
7 insurance may revoke a license for

8 A. a cause for which issuance of the license or its renewal could have been
9 denied had it then existed and been known to the director;

10 B. a violation or participation in a violation of a provision of this title; and

11
12 C. the conduct of affairs under a license if the licensee exhibits conduct
13 considered by the director to reflect incompetence or untrustworthiness, or to be a source of
14 potential injury and loss to the public.

15
16 17. As set out in Paragraphs 1 through 16, Frye failure to respond to the division's
17 inquiry concerning Frye's September 11, 2013 "RESIST/INTERFERE ARREST-BY FORCE"
18 reflects untrustworthiness under AS 21.27.020 and makes him unqualified for a license under
19 AS 21.27.

20
21 18. Frye's demonstrated untrustworthiness in failing to respond to the division's inquiry
22 concerning Frye's September 11, 2013 "RESIST/INTERFERE ARREST-BY FORCE" is
23 grounds for the director to deny, nonrenew, suspend, or revoke a license under AS 21.27.410.

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25 19. As set out in Paragraphs 1 through 16, Frye failure to respond to the division's
26 inquiry concerning Frye's October 3, 2016 "THEFT 4-UNDER \$250" reflects

STATE OF ALASKA
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DIVISION OF INSURANCE
NINTH FLOOR STATE OFFICE BUILDING
333 WILLOUGHBY AVENUE
JUNEAU, ALASKA 99801
PHONE: (907) 465-2515 • FAX: (907) 465-3422
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1 untrustworthiness under AS 21.27.020 and makes him unqualified for a license under
2 AS 21.27.
3

4 20. Frye's demonstrated untrustworthiness in failing to respond to the division's inquiry
5 concerning Frye's October 3, 2016 "THEFT 4-UNDER \$250" is grounds for the director to
6 deny, nonrenew, suspend, or revoke a license under AS 21.27.410.
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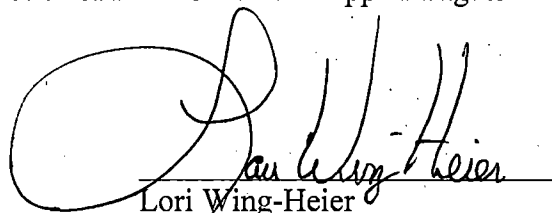
8 21. As set out in Paragraphs 1 through 16, Frye failed to notify the director in writing
9 within 30 days after a change in residence, place of business, legal name, fictitious name or
10 alias, mailing address, electronic mailing address, or telephone number, as required by
11 AS 21.27.025(a).
12

13 22. Frye's violation of AS 21.27.025(a) is grounds for the director to deny, nonrenew,
14 suspend, or revoke a license under AS 21.27.025(b).
15

16 IT IS ORDERED

17 Under AS 21.27.410 and AS 21.27.025, the producer license number 0100135979
18 issued to Richard Frye is REVOKED. This order constitutes the final order in this matter.
19 Under AS 21.06.230 and Alaska Appellate Rule 602(a)(2), you may appeal this final decision
20 within 30 days. See the attached Notice of Final Order and Appeal Rights.
21

22 DATED ~~December~~, 2017.
23 January 25, 2018


Lori Wing-Heier
Director

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**NOTICE OF FINAL ORDER
AND APPEAL RIGHTS
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The enclosed order signed by the Director of Insurance is the final order in this action.

Pursuant to AS 21.06.230, and Alaska Appellate Rule 602(a)(2), within 30 days you may appeal this final decision.

AS 21.06.230 states:

A person aggrieved by an order of the director may appeal the order to the superior court, using procedures provided by court rule.

Alaska Appellate Rule 602(a)(2) provides:

An appeal may be taken to the superior court from an administrative agency within 30 days from the date that the decision appealed from is mailed or otherwise distributed to the appellant. If a request for agency reconsideration is timely filed before the agency, the notice of appeal must be filed within 30 days after the date the agency's reconsideration decision is mailed or otherwise distributed to the appellant, or after the date the request for reconsideration is deemed denied under agency regulations, whichever is earlier. The 30-day period for taking an appeal does not begin to run until the agency has issued a decision that clearly states that it is a final decision and that the claimant has thirty days to appeal. An appeal that is taken from a final decision that does not include such a statement is not a premature appeal.

For other applicable rules of court, see Alaska Appellate Rules 601-611.