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FILED  
OCT 18 2021  
Department of Insurance  
State of Idaho

*Attorneys for the Department of Insurance*

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

IDAHO DEPARTMENT OF INSURANCE,

Complainant,

vs.

JAMES M. FRAZIER, an individual holding  
Idaho Nonresident Insurance Producer  
License No. 536228 and Idaho Nonresident  
Surplus Line Broker License No. 536229,

Respondent.

Docket No. 18-3969-21

**ORDER OF DEFAULT  
REVOKING IDAHO  
NONRESIDENT LICENSES**

The Director of the Idaho Department of Insurance (“Director”) having reviewed the record herein; and JAMES M. FRAZIER (“FRAZIER”), the above-named Respondent, having been lawfully served the Verified Complaint and Notice of Right to Hearing (“Verified Complaint”), a copy of which is attached hereto as Exhibit A and incorporated herein, and having failed to file an answer thereto and having failed to request a hearing regarding said Verified Complaint; and the Director finding as a result thereof that FRAZIER has waived his rights regarding the opportunity

for hearing; and in consideration of the above and good cause appearing,

The Director finds and concludes that FRAZIER violated the laws of the state of Idaho by failing to file his 2020 annual report and failing to pay the \$114 in tax due for 2020, as alleged in the Verified Complaint.

THEREFORE, IT IS HEREBY ORDERED that Idaho Nonresident Surplus Line Broker License No. 536229 issued to FRAZIER is revoked and that FRAZIER shall not be eligible to apply for or receive any license under title 41, Idaho Code, for a period of one (1) year or until such time that all delinquent taxes, including the \$114 due for calendar year 2020, and all penalties owed by FRAZIER to the Department have been paid in full, whichever is later.

IT IS FURTHER ORDERED that Idaho Nonresident Producer License No. 536228 issued to FRAZIER is revoked and that FRAZIER shall not be eligible to apply for or receive any license under title 41, Idaho Code, for a period of one (1) year or until such time that all delinquent taxes, including the \$114 due for calendar year 2020, and all penalties owed by FRAZIER to the Department have been paid in full, whichever is later.

IT IS FURTHER ORDERED that in the event FRAZIER files an application for a license under title 41, Idaho Code, he shall be required to show good cause why the prior revocation shall not be deemed a bar to the issuance of a new license, in accordance with Idaho Code § 41-1026(3).

IT IS FURTHER ORDERED that a penalty of \$2,250.00 is imposed against FRAZIER for violation of sections 41-1228 and 41-1229, Idaho Code, with respect to calendar year 2020.

DATED this 12<sup>th</sup> day of October, 2021.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE

  
DEAN L. CAMERON, Director

### **NOTIFICATION REGARDING REPORTABLE PROCEEDINGS**

This is considered a reportable administrative proceeding. As such, it is a public record and is public information that may be disclosed to other states and reported to companies of which you are actively appointed. This information will be reported to the National Association of Insurance Commissioners (NAIC) and will appear in the Idaho Department of Insurance's online searchable database. Be aware that you may be required to disclose this proceeding on any license application, and you may be required to report this action to any and all states in which you hold an insurance license.

### **NOTIFICATION OF RIGHTS**

This is a final order of the agency and is effective immediately. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the motion for reconsideration within twenty-one (21) days of its receipt, or the motion will be considered denied by operation of law. See Idaho Code § 67-5246(4).

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order or orders previously issued in this case may file a petition for judicial review in the district court of the county in which:

- i. A hearing was held;
- ii. The final agency action was taken;
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho; or
- iv. The real property or personal property that was the subject of the agency action is located.

A petition for judicial review must be filed within twenty-eight (28) days of: (a) the service date of this final order, (b) the service of an order denying motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a motion for reconsideration, whichever is later. See Idaho Code § 67-5273. The filing of a petition for judicial review does not itself stay the effectiveness or enforcement of the order under appeal. Idaho Code § 67-5274.

### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 18<sup>th</sup> day of October, 2021, I caused a true and correct copy of the foregoing ORDER OF DEFAULT REVOKING IDAHO NONRESIDENT LICENSES to be served upon the following by the designated means:

James M. Frazier  
4 W. Dry Creek Cir., Ste. 100  
Littleton, CO 80120-4457

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ via facsimile

James M. Frazier  
8974 E. Caley Way  
Centennial, CO 80111-5310

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ via facsimile

John C. Keenan  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0043

- ☐ first class mail
- ☐ certified mail
- ☒ hand delivery

  
Pamela Murray



LAWRENCE G. WASDEN  
Attorney General

JOHN C. KEENAN  
Deputy Attorney General  
State of Idaho  
Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
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Boise, Idaho 83720-0043  
Telephone: (208) 334-4283  
Facsimile: (208) 334-4298  
[john.keenan@doi.idaho.gov](mailto:john.keenan@doi.idaho.gov)  
I.S.B. No. 3873

FILED  
SEP 14 2021  
Department of Insurance  
State of Idaho

*Attorneys for the Department of Insurance*

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

IDAHO DEPARTMENT OF INSURANCE,

Complainant,

vs.

JAMES M. FRAZIER, an individual holding  
Idaho Nonresident Insurance Producer  
License No. 536228 and Idaho Nonresident  
Surplus Line Broker License No. 536229,

Respondent.

Docket No. 18-3969-21

**VERIFIED COMPLAINT  
AND NOTICE OF RIGHT TO  
HEARING**

COMES NOW the staff of the Idaho Department of Insurance ("Department"), by and through its undersigned counsel, and does hereby give notice of verified allegations constituting violations of Idaho law, notice that relief will be requested from the Director of the Department, and a notice of the right to contest the allegations and requested relief herein, and of the right to hearing to JAMES M. FRAZIER.

**EXHIBIT**

**A**

exhibitsticker.com

The Department alleges the following facts and violations of title 41, Idaho Code, as detailed below. The Department will present an order seeking the relief described below upon twenty-one (21) days following service of this Verified Complaint, and JAMES M. FRAZIER is further notified of his right to object to the requested relief, including the basis for any objection, and to make a written request for hearing.

### **JURISDICTION**

1. Jurisdiction in this matter is founded in the Idaho Insurance Code, Idaho Code § 41-101 *et seq.*, including Idaho Code § 41-210, which authorizes the Director of the Department of Insurance (“Director”) to enforce the provisions of title 41 of the Idaho Code, including those governing Respondent’s activities as described herein.

2. Jurisdiction is further founded in section 41-213, Idaho Code, which authorizes the Department to institute such proceedings as deemed necessary for the enforcement of any provision of the Idaho Insurance Code including, but not limited to, license revocation and the imposition of administrative penalties.

### **CONTROLLING LAW**

3. In accordance with section 41-1016(5), Idaho Code, the Director retains the authority to enforce the provisions of and to impose any penalty or remedy authorized under title 41, Idaho Code, against any person who has violated any section of title 41, Idaho Code, even when that person’s license has been surrendered or has lapsed by operation of law.

4. In accordance with section 41-1026(3), Idaho Code, in the event a former licensee whose license was revoked and again files an application for a license under title 41, Idaho Code, the director may require the applicant to show good cause why the prior revocation shall not be deemed a bar to the issuance of a new license.

5. Section 41-1224, Idaho Code, provides that the Director may suspend or revoke any surplus line broker's license for causes set forth in section 41-1224, Idaho Code, including but not limited to subsection 41-1224(a): "If the broker fails to file his annual report or to remit the tax as required by [chapter 12, title 41, Idaho Code]."

6. Section 41-1224(2), Idaho Code, provides that the procedures provided by chapter 10, title 41, Idaho Code, for suspension or revocation of licenses shall apply to suspension or revocation of a surplus line broker's license.

7. Section 41-1224(3), Idaho Code, provides that, upon suspending or revoking the broker's surplus line license, the Director shall suspend or revoke all other licenses of the same individual under title 41, Idaho Code.

8. Section 41-1224(4), Idaho Code, provides that no broker whose license has been suspended or revoked shall again be licensed until any fines or delinquent taxes owing by him have been paid, nor, in the case of a revocation, until after expiration of one (1) year from the date the revocation is final.

9. Section 41-1228, Idaho Code, provides that each surplus line broker shall file with the Director on or before the first day of March a verified report of all surplus line insurance transacted by the broker in the preceding calendar year.

10. Section 41-1229, Idaho Code, provides that a surplus line broker shall remit to the Director annually, on or before the first day of March, a tax collected by the surplus line broker on premium for the preceding calendar year at the rate provided by law.

11. Section 41-1230, Idaho Code, provides that any surplus line broker that fails to file the required annual report or fails to remit tax due prior to the first day of April after the tax is due, shall be liable for a fine of twenty-five dollars (\$25.00) for each day of delinquency commencing

with the first day of April.

### **RESPONDENT**

12. JAMES M. FRAZIER (hereinafter "Frazier") is a resident of the state of Colorado and held Idaho Nonresident Producer License No. 536228, which was originally issued on August 3, 2015, and lapsed on June 30, 2021. Such license authorized Frazier to sell, property, casualty, and surety lines of insurance in the state of Idaho.

13. Frazier also held Idaho Nonresident Surplus Line Broker License No. 536229, which was originally issued on August 3, 2015, and lapsed on June 30, 2021. Such license authorized Frazier to sell surplus line insurance in the state of Idaho.

### **FACTUAL ALLEGATIONS**

14. During calendar year 2020, as a licensed surplus line broker, Frazier sold surplus line insurance coverage to residents of the state of Idaho.

15. Frazier failed to file the annual report of premium tax for calendar year 2020 on or before March 1, 2021, and as of the undersigned date has not filed the report. As a result, Frazier is in violation of section 41-1228, Idaho Code.

16. Based on surplus line insurance sales during calendar year 2020, Frazier was lawfully responsible to remit to the Department the total sum of one hundred fourteen dollars (\$114.00) in tax on or before March 1, 2021, in accordance with section 41-1229, Idaho Code.

17. As of the undersigned date, Frazier has failed to remit the tax due and, as a result, is in violation of section 41-1229, Idaho Code.

18. In accordance with section 41-1230, the penalty for failure to file the annual report and remit the tax due, is the sum of twenty-five dollars (\$25.00) for each day of delinquency commencing with the first day of April on the year in which the tax is due.



19. The amount of penalty due for failure to file the annual report and pay the tax due for calendar year 2020 is calculated as follows: commencing on April 2, 2021, through the date of lapse of Frazier's surplus line broker's license on June 30, 2021, is 90 days; at a rate of \$25.00 for each day of delinquency, the total penalty is two thousand two hundred fifty dollars (\$2,250.00).

### **PRAYER FOR RELIEF**


Based on the foregoing facts as alleged, the Department prays for relief as follows:

1. For findings and conclusions that Frazier violated the laws of the state of Idaho by failing to file his 2020 annual report and failing to pay the \$114 in tax due for 2020, as alleged.
2. For an Order revoking Frazier's Idaho Nonresident Surplus Line Broker License No. 536229 and providing that Frazier shall not be eligible to apply for or receive any license under title 41, Idaho Code, for a period of one (1) year or until such time that all delinquent taxes, including the \$114 due for calendar year 2020, and all penalties owed by Frazier to the Department have been paid in full, whichever is later.
3. For an Order revoking Frazier's Idaho Nonresident Producer License No. 536228 and providing that Frazier shall not be eligible to apply for or receive any license under title 41, Idaho Code, for a period of one (1) year or until such time that all delinquent taxes, including the \$114 due for calendar year 2020, and all penalties owed by Frazier to the Department have been paid in full, whichever is later.
4. For an Order that states in the event Frazier in the future again files an application for a license under title 41, Idaho Code, Frazier is required to show good cause why the prior revocation to continue his license shall not be deemed a bar to the issuance of a new license.
5. For an Order imposing a penalty of \$2,250.00 against Frazier for violation of sections 41-1228 and 41-1229, Idaho Code, with respect to calendar year 2020.

6. For such other relief that is deemed just under the circumstances.

DATED this 14<sup>th</sup> day of September, 2021.

STATE OF IDAHO  
OFFICE OF THE ATTORNEY GENERAL

  
\_\_\_\_\_  
JOHN C. KEENAN  
Deputy Attorney General

**VERIFICATION**

State of Idaho            )  
                                      : ss.  
County of Ada            )

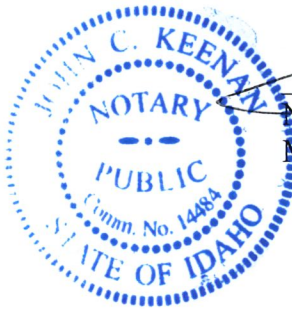
TERESA EASLEY, Premium Tax Supervisor, Department of Insurance, State of Idaho, being first duly sworn, deposes and says:

I have read the foregoing Complaint and know the contents thereof and the same are true to the best of my knowledge and belief.

Dated this 14<sup>th</sup> day of September, 2021.

  
TERESA EASLEY

SUBSCRIBED AND SWORN to before me, the undersigned Notary Public for the state of Idaho, this 14<sup>th</sup> day of September, 2021.



  
Notary Public for Idaho

My Commission Expires NOV. 12, 2025

## NOTICE OF RIGHT TO A HEARING

TO: JAMES M. FRAZIER:

You are hereby notified that, pursuant to Idaho Code § 41-232A(2), a written request for a hearing must be filed and served upon the Department within twenty-one (21) days after service of this Complaint. Failure to file and serve a written request for a hearing upon the Department within the twenty-one (21) day time period shall be deemed a waiver of the opportunity for a hearing and to contest the allegations in the Complaint, pursuant to Idaho Code § 41-232A(2).

Any written request for a hearing shall be served on the Director of the Idaho Department of Insurance, addressed as follows:

Dean L. Cameron, Director  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, ID 83720-0043

A copy shall also be provided to the Department's counsel in this matter, John C. Keenan, Deputy Attorney General, at the following address:

John C. Keenan  
Deputy Attorney General  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, ID 83720-0043

In lieu of holding a hearing, this matter may be resolved by negotiation, stipulation, agreed settlement, or consent order, pursuant to Idaho Code § 67-5241. Should you wish to discuss this matter, please contact the undersigned deputy attorney general.

  
\_\_\_\_\_  
John C. Keenan

## CERTIFICATE OF SERVICE

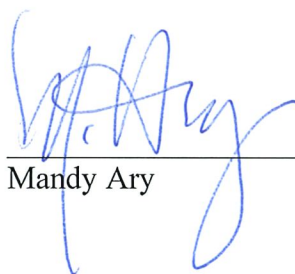
I HEREBY CERTIFY that on this 14<sup>th</sup> day of September, 2021, I caused a true and correct copy of the foregoing VERIFIED COMPLAINT AND NOTICE OF RIGHT TO HEARING to be served upon the following by the designated means:

James M. Frazier  
4 W. Dry Creek Cir., Ste. 100  
Littleton, CO 80120-4457

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ email

James M. Frazier  
8974 E. Caley Way  
Centennial, CO 80111-5310

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Mandy Ary