

SEP 27 2024

BEFORE THE DEPARTMENT OF INSURANCE  
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA	)	
DEPARTMENT OF INSURANCE,	)	
	)	
PETITIONER,	)	FINDINGS OF FACT,
	)	CONCLUSIONS OF LAW,
	)	RECOMMENDED ORDER AND
	)	ORDER
VS.	)	
	)	CAUSE NO. A-2391
	)	
KORTNIE WALLACE,	)	
(NAIC Producer #20345811)	)	
	)	
	)	
	)	
RESPONDENT.	)	

This matter came on for hearing on August 20, 2024, before Michael W. Anderson, a hearing officer duly appointed by the Director of the Nebraska Department of Insurance. The Nebraska Department of Insurance (“Department”) was represented by its counsel, Megan VanAusdall. Kortnie Wallace (“Respondent”) was not present and was not represented by counsel. The proceedings were recorded by Shelly Storie, a licensed Notary Public. The Department presented evidence at the hearing and the matter was taken under advisement. The hearing officer makes the following Findings of Fact, Conclusions of Law, and Recommended Order:

FINDINGS OF FACT

1. The Department is the agency of the State of Nebraska charged with licensing Insurance Producers.
2. Respondent currently holds a nonresident insurance producer’s license in the State of Nebraska. Respondent’s registered residence and mailing address with the Nebraska Department of Insurance is 4411 Gardendale St Apt 11G, San Antonio, TX

78240-1151, and Respondent's registered business address is 9800 Fredericksburg Road, San Antonio, TX 78288-0001. (See Ex. 1, Attachment 1)

3. a. On April 23, 2024, United Services Automobile Association, (hereafter, "USAA") notified Petitioner's Office that Respondent's employment as an insurance producer with their company had been terminated for cause. (See Ex. 2, Attachment 1)

4. b. On or about May 28, 2024, a letter was sent to Respondent's registered residential and mailing address with the Department, via certified mail, return receipt requested, asking that Respondent provide a response to the notice of termination of her employment with USAA, as well as a response to the allegations resulting in such termination of employment. This letter also stated that failure to respond within 15 working days might be considered a violation of the Nebraska Trade Practices Act. (See Ex. 2, Attachment 2)

5. On or about June 10, 2024, the Department received the letter sent via certified mail on May 28, 2024, marked "RETURN TO SENDER, UNCLAIMED, UNABLE TO FORWARD," along with its associated certified return receipt card. (See Ex.2, Attachment 2)

6. As of August 12, 2024, the Department has not received a complete and adequate response from the Respondent.

#### CONCLUSIONS OF LAW

1. The Department has broad jurisdiction, control, and discretion over the licensing of insurance producers in the State of Nebraska pursuant to Neb. Rev. Stat. §§ 44-101.01 and 44-4047 et seq.

2. The Department has personal jurisdiction over Respondent.

3. Pursuant to Neb. Rev. Stat. § 44-4059(1)(b), the Director may levy an administrative fine against, or suspend or revoke the license of an insurance producer's license if it is found that the producer has violated any insurance law.

4. Pursuant to Neb. Rev. Stat. § 44-1524 (1), it shall be an unfair trade practice in the business of insurance for any insurer "to commit any act or practice defined in section 44-1525 if the act or practice is committed flagrantly and in conscious disregard of the Unfair Insurance Trade Practices Act or any rule or regulation adopted pursuant to the act."

5. Pursuant to Neb. Rev. Stat. § 44-1525 (11), it shall be unfair trade practice in the business of insurance if any insurer if they demonstrate the "[f]ailing of any insurer, upon receipt of a written inquiry from the department, to respond to such inquiry or request additional reasonable time to respond within fifteen working days."

6. Respondent violated Neb. Rev. Stat. § 44-4059(1)(b), by way of Neb. Rev. Stat. § 44-1524(1) and Neb. Rev. Stat. § 44-1525(11), as a result of the conduct found in paragraphs 1-6 in the Findings of Fact and as evidenced by the relevant exhibits received.

#### DISCUSSION

At the hearing, the Department presented sufficient evidence of proper service of notice of these proceedings upon Respondent. The Department served Respondent via certified mail, return receipt requested and regular U.S. mail to the Respondent's registered

address. The Department also attempted service via electronic means to Respondent's registered email address. Based upon the evidence of record, the Department's service of the petition and notice of hearing upon Respondent at the registered address was sufficient and jurisdiction over the actions of the Respondent in this matter has been established.

The uncontested evidence shows that Respondent, having received an inquiry from the Department, and then failed to respond to those inquiries.

These actions constitute a violation of Neb. Rev. Stat. § 44-4059(1)(b).

#### RECOMMENDED ORDER

Based on the Findings of Fact and Conclusions of Law, it is recommended that Respondent's resident producer's license be suspended, and that Respondent's producer license be suspended until such a time as an adequate response is received. The Nebraska Department of Insurance shall retain jurisdiction of this matter for the purpose of enabling Respondent or the Department of Insurance to make application for such orders as may be necessary.

Dated this 26<sup>th</sup> day of September, 2024.

STATE OF NEBRASKA  
DEPARTMENT OF INSURANCE



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Michael W. Anderson  
Hearing Officer

CERTIFICATE OF ADOPTION

I have reviewed the foregoing Findings of Fact, Conclusions of Law, and Recommended Order and hereby certify that the Recommended Order is adopted as the official and final Order of this Department in the matter of State of Nebraska, Department of Insurance vs. Kortnie Wallace (NAIC Producer #20345811), Cause No. A-2391.

Dated this 27<sup>th</sup> day of September, 2024.

STATE OF NEBRASKA  
DEPARTMENT OF INSURANCE



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Eric Dunning  
Director of Insurance

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Findings of Fact, Conclusions of Law, Recommended Order, and Order was served upon the Respondent by mailing a copy to Respondent's registered address, 4411 Gardendale St Apt 11G, San Antonio, TX 78240-1151, via certified mail, return receipt requested and via regular U.S. mail on this 27<sup>th</sup> day of September, 2024.

