

JAN 23 2026

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA) AMENDED
DEPARTMENT OF INSURANCE,) FINDINGS OF FACT,
) CONCLUSIONS OF LAW,
 PETITIONER,) RECOMMENDED ORDER AND
) ORDER
VS.)
) CAUSE NO. A-2555
RAYNEALE BLAND,)
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)
)
APPLICANT)

This matter came for hearing on January 6, 2026, 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. Rayneale Bland (“Applicant”) was present and was not represented by counsel. The proceedings were recorded by Lori Bruss, a licensed Notary Public. The Applicant and 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. On November 13, 2025, Applicant submitted an application for licensure in the Life line of insurance. Applicant’s listed address included in that application is 725 N 126th Plaza, Apt 4, Omaha, Nebraska 68154. (See Ex. 4, Attachment 1)

3. In Applicant's application, she marked "yes" to Background Question 1A, which asks if the applicant has been convicted or charged with a misdemeanor offense. To supplement these answers, Applicant provided records of a guilty plea to a misdemeanor charge of Attempted Theft by Deception \$1,500-\$4,999, a class I misdemeanor, which was then formally set aside by the District Court of Douglas County in an order dated June 12, 2025 (See Ex. 4, Attachment 2)

4. On November 25, 2025, Kevin Schlautman, the administrator of the Department's licensing division, sent a letter to the Applicant denying his application pursuant to Neb. Rev. Stat. §44-4059(1)(f, g, & h). (See Ex. 4, Attachment 3)

5. On November 25, 2025, Applicant requested a hearing on the denial. (See Ex. 4, Attachment 4")

6. At the hearing, Applicant provided testimony regarding his past criminal conviction, and the subsequent setting aside but noticeably was reluctant to discuss details of the underlying charge, instead claiming that this body must look no further than the setting aside in its consideration of Applicant's history. (Testimony of Applicant & Exhibits 1 through 3)

7. Applicant also testified at the hearing that he had received both the denial letter and notice of hearing for the denial of his license application. (Testimony of Applicant)

8. Also testifying at the hearing, Kimberly Semler, the Department's Fraud Division Chief, testified regarding the facts underlying Applicant's conviction, specifically that Applicant had filed an automobile claim, which was denied for no coverage in effect. After being informed of this lack of coverage, Applicant applied for a new automobile policy, and attempted to file another claim for the pre-existing damage once the new coverage had taken effect. (Testimony of Kimberly Semler)

CONCLUSIONS OF LAW

1. The Department has broad jurisdiction, control, and discretion over the licensing of insurance producer in the State of Nebraska pursuant to Neb. Rev. Stat. §§ 44-101.01, 44-9716, and 44-4059 et seq.
2. The Department has personal jurisdiction over Applicant.
3. Pursuant to Neb. Rev. Stat. § 44-4059(1)(f), a license may be refused if an applicant has "been convicted of a felony or a Class I, II, or III misdemeanor."
4. Pursuant to Neb. Rev. Stat. § 44-4059(1)(g), a license may be refused if an applicant has "admitted or been found to have committed any insurance unfair trade practice, any unfair claims settlement practice, or fraud."
5. Pursuant to Neb. Rev. Stat. § 44-4059(1)(h), a license may be refused if an applicant has engaged in "Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere."

DISCUSSION

At the hearing, the Applicant testified that he had received notification of his denial, that he requested a hearing on that denial, and that he had received the notice to appear for hearing. Based upon the evidence of record, the Department's service of the notice of hearing upon Applicant at the registered address was sufficient and jurisdiction over the actions of the Applicant in this matter has been established.

The uncontested evidence shows that Applicant, by his own admission, had a prior conviction for Attempted Theft by Deception \$1,500 to \$4,999, which was subsequently set aside. While Applicant testified that it was his belief that the setting aside of his prior

conviction should halt these proceedings in his favor under Neb. Rev. Stat. § 44-4059(1)(f), this view fails to consider the additional reasons the Department included in the denial of Applicant's license. Namely, even if such a conviction was properly set aside, the supporting conduct for that conviction could still be used under Neb. Rev. Stat. § 44-4059(1)(g) and Neb. Rev. Stat. § 44-4059(1)(h) as an appropriate showing of "fraud" and "fraudulent... or dishonest practices, or demonstrating... untrustworthiness... in the conduct of business in this state or elsewhere".

These past actions taken by the Applicant constitute a sufficient statutory basis to deny Applicant's license under Neb. Rev. Stat. § 44-4059(1)(g & h). While this body also believes that denial was proper pursuant to Neb. Rev. Stat. § 44-4059(1)(f), such a finding is ultimately unnecessary here.

RECOMMENDED ORDER

Based on the Findings of Fact and Conclusions of Law, it is recommended that Applicant's denial be UPHELD. The Nebraska Department of Insurance shall retain jurisdiction of this matter for the purpose of enabling Applicant or the Department of Insurance to make application for such orders as may be necessary.

Dated this 23rd day of January, 2026.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



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. Rayneale Bland, Cause No. A-2555.

Dated this 23rd day of January, 2026.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



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 Applicant by mailing a copy to Applicant's registered address, 725 N 126th Plaza, Apt 4, Omaha, Nebraska 68154, via certified mail, return receipt requested, via regular U.S. mail on this 23rd day of January, 2026.

