

MAY 13 2024

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA)	
DEPARTMENT OF INSURANCE,)	FINDINGS OF FACT, CONCLUSIONS
)	OF LAW, RECOMMENDED ORDER
PETITIONER,)	AND ORDER
)	
VS.)	CAUSE NO. A-2367
)	
CHRISTIAN MORALES)	
(NAIC Producer #19511154),)	
)	
RESPONDENT.)	

This matter came on for hearing on April 30, 2024, before Megan VanAusdall, 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, Michael Anderson. Christian Morales (“Respondent”) did not appear and was not represented by counsel. The proceedings were recorded by Shelly Storie, a licensed Notary Public. The Department offered Exhibits 1 and 2 at the hearing, which were received without objection. The Respondent did not offer any exhibits. After the conclusion of evidence, 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 is a licensed non-resident insurance producer. Respondent’s business, residential, and mailing address on file with the Department is 6407 Hitchin Post Way, Delray Beach, Florida 33484. (See Ex. 1, Attachment 1).
3. On or about November 14, 2022, Petitioner applied for and was granted a non-resident producer license in Nebraska, with an effective date of December 1, 2023. When Respondent submitted his Application for Renewal of his license on November 28, 2023, using the National Insurance Producer Registry (“NIPR”) website, he paid the required fee of \$55.60 by electronic check,

which was subsequently not honored by his bank. As a result, the license renewal fee was not paid. On January 31, 2024, NIPR's Billing Department notified the Department by letter that they were not able to collect the required fee for Respondent's licensing renewal Application. (See Ex. 1, Attachment 2).

4. On or about February 12, 2024, the Department, through Licensing administrator Kevin Schlautman, sent an email to Respondent's registered email address on file, notifying Respondent that a balance remained on his NIPR account, and requesting payment of the required licensing renewal fee in the amount of \$55.60. Also attached was a copy of NIPR's letter to the Department. (See Ex. 1, Attachment 3)

5. On or about February 12, 2024, the Department also sent a letter to Respondent's residential, business, and mailing address, again notifying Respondent that a balance remained on his NIPR account and requesting payment of the required licensing fee in the amount of \$55.60. (See Ex. 1, Attachment 4).

6. A certified return receipt from this letter was delivered to the Department on February 22, 2024, showing delivery of the letter sent by certified mail on February 12, 2024. (See Ex. 1, Attachment 5).

7. As of April 24, 2024, the Respondent has not responded to the Department, and Respondent's licensing renewal fee remains unpaid. (See Ex. 1).

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 to 40-4069.

2. The Department has personal jurisdiction over Respondent.

3. Pursuant to Neb. Rev. Stat. §§44-4059(1)(g), the Director may suspend, revoke, or refuse to issue or renew an insurance producer's license or may levy an administrative fine against an insurance producer's license if it is found that a producer has "admitted or been found to have committed any insurance unfair trade practice, any unfair claims settlement practice, or fraud.

4. Pursuant to Neb. Rev. Stat. § 44-4059(1)(h), the Director may suspend, revoke, or refuse to issue or renew an insurance producer's license or may levy an administrative fine against an insurance producer's license if it is found that the producer has engaged in fraudulent, coercive,

or dishonest practices, or [has demonstrated] incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.

5. 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.”

6. Pursuant to Neb. Rev. Stat. § 44-1525 (11), it shall be unfair trade practice in the business of insurance if any insurer if they engage in 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.”

7. Respondent violated Neb. Rev. Stat. §§44-4059(1)(g) & (h), 44-1524(1), and 44-1525(11) as a result of the conduct found in paragraphs 1 through 7 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 addresses. The Department also provided a Domestic Return Receipt for the notice filings, confirming delivery to the Respondent. Based upon the evidence of record, the Department’s service of the petition and notice of hearing upon Respondent at his business, residential, and mailing addresses of record were sufficient and jurisdiction over the actions of the Respondent in this matter has been established.

The uncontested evidence shows that Respondent engaged in dishonest practices and demonstrated financial irresponsibility in the conduct of business in this state or elsewhere. Additionally, the Respondent did not provide any evidence that disputes the fact that he attempted to pay the required licensing fee with an electronic check that was not honored by the Respondent’s bank and failed to remit valid payment even after repeated notices requesting payment.

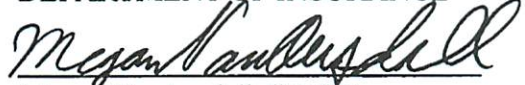
These actions constitute a violation of Neb. Rev. Stat. § 44-4059(1)(b) and (h).

RECOMMENDED ORDER

Based on the Findings of Fact and Conclusions of Law, it is recommended that Respondent's non-resident insurance producer's license be suspended until such time as the renewal application fee associated with his license is received by the Department. 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 13 day of May 2024.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



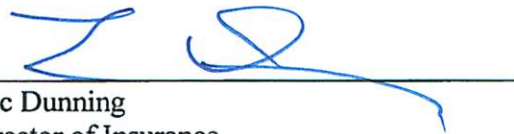
Megan VanAusdall, #27433
Hearing Officer

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. Christian Morales (NAIC Producer #19511154), Cause No. A-2367.

Dated this 13th day of May 2024.

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 Respondent by mailing a copy to Respondent's registered business, mailing, and residential address, 6407 Hitchin Post Way, Delray Beach, Florida 33484, via certified mail, return receipt requested and via regular U.S. mail on this 13th day of May 2024.

Shelly Storie