

NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA

STATE OF NORTH CAROLINA
COUNTY OF WAKE

BEFORE THE
COMMISSIONER OF INSURANCE

IN THE MATTER OF:

THE LICENSURE OF
ERIKA CANTARERO
(NPN # 19615155)

Respondent.

ORDER AND
FINAL AGENCY DECISION

Docket Number: 2301

This matter was heard on July 30, 2025, by the undersigned Hearing Officer, as designated by the Commissioner of Insurance pursuant to N.C. Gen. Stat. § 58-2-55. The administrative hearing was held in the North Carolina Insurance’s Hearing Room, Room #211, located at 3200 Beechleaf Court, Raleigh, Wake County, North Carolina. Assistant Attorney General Rebecca E. Lem represented the North Carolina Department of Insurance (hereinafter “Department”), Agent Services Division (hereinafter “Petitioner” or “ASD”). Respondent Erika Cantarero (hereinafter, “Respondent”) did not appear.

Petitioner’s motion for sanctions pursuant to 11 NCAC 1.0423(a) for Respondent’s failure to appear was DENIED. The undersigned hearing officer proceeded to accept and consider testimony and evidence offered by Agent Service Division (ASD) in support of its Petition at the hearing.

Dawne Pittman (“Ms. Pittman”), Assistant Deputy Commissioner for ASD, and Tommy Walls (“Tommy Walls”), Complaint Analyst with Agent Services Division of the North Carolina Department of Insurance, testified for the Petitioner. Petitioner introduced Exhibits 1-9 into evidence, with redactions in Exhibits 3, 4, 5, 6a, and 6b.

BASED UPON the careful consideration of the allegations set forth in the Notice of Administrative Hearing (“Notice”) and attached Petition for Administrative Hearing (“Petition”) in this matter, as well as documentary and testimonial evidence introduced at the hearing, the undersigned Hearing Officer hereby makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. The Notice was properly served on Respondent via first class U.S. mail. *See Pet'r's Exs. 1 and 2.*

2. The Department is a state agency, responsible for the enforcement of insurance laws and regulating and licensing insurance agents in accordance with Chapter 58 of the North Carolina General Statutes.

3. The Notice and attached Petition and the Affidavit of Service were admitted into evidence as administrative exhibits. *See Pet'r's Exs. 1 and 2.*

4. Respondent is a resident of California. *See Pet'r's Exs. 3 and 4.*

5. The Department has the authority and responsibility for the enforcement of insurance laws of this State and for regulating and licensing insurance agents. Respondent holds a Non-Resident Producer License, National Producer Number 19615155, with lines of authority in Life, Accident & Health or Sickness, first active on or about September 13, 2024. *See Pet'r's Ex. 3 and 4.*

6. Assistant Deputy Commissioner Dawne Pittman is an Insurance Regulatory Analyst for the Agent Services Division. Her job duties that pertain to this matter include following up on matters where a licensee has failed to pay the required license application fee.

7. Ms. Pittman testified that she first became aware of the matter involving Respondent when she received an e-mail notification from the National Insurance Producers Registry ("NIPR") on November 1, 2024, informing her that Respondent's payment of \$149.60 for application fees from her license application submitted on September 13, 2024, had been rejected by her financial institution for insufficient funds. *See Pet'r's Ex. 6a.*

8. Ms. Pittman explained how license application fees are collected by the NIPR during the online application process. The Commissioner of the Department has assigned the National Association of Insurance Commissioners ("NAIC") as its designee for the purpose of receiving electronic documents, including applications, and associated electronic payments. The NIPR is the affiliate of the NAIC which receives these applications and electronic payments.

9. Ms. Pittman explained that Respondent electronically submitted her application for a non-resident producer license with lines of authority in Life, Accident & Health or Sickness through the NIPR. Respondent's NC producer license application required payment of \$149.60, which included a \$144.00 licensing fee ("State fees") for the State of North Carolina and a \$5.60 application fee (also called "transaction fee"). These fees shall be referred to collectively as the "License

Application Fee." Respondent paid her License Application Fee through "OCheque." See Pet'r's Ex. 5. Ms. Pittman explained that "OCheque" is an electronic check, where the individual's bank account is debited.

10. Ms. Pittman explained that, of the \$149.60 due from Respondent for her license application fees, the \$5.60 transaction fee is collected and kept by the NIPR. The \$144.00 State fees were sent by NIPR to the Department. The Department then pays its contracted application processing vendor, Pearson Vue, \$44.00, and the Department retains the remaining \$100 license application fee, which includes \$50.00 for each line of authority.

11. Prior to notifying the Department of the problem with Respondent's payment for application fees, the NIPR sent invoices and notifications to Respondent attempting to collect payment for the \$149.60 license application fees, as well as other fees owed to NIPR, on September 24, 2024 and October 21, 2024. See Pet'r's Exs. 7a and 7b. Respondent did not subsequently pay the fees to the NIPR. Ms. Pittman testified that NIPR first attempts to collect application fees from applicants prior to contacting the Department.

12. Ms. Pittman explained that in some cases where an individual applies for a producer license, the license is issued virtually immediately after an application is submitted, before the NIPR would receive notice that an electronic payment was rejected by a financial institution. She explained that in this circumstance, where the applicant has answered "No" to all the license application screening questions, the license may issue immediately. However, the applicant's financial institution may not notify the NIPR of insufficient funds for several days. In the present matter, Respondent was a non-resident with a valid home-state insurance license, and she answered "No" to all the license application screening questions. See Pet'r's Exs. 3-5.

13. On December 20, 2024, Ms. Pittman sent a letter to Respondent notifying her that her License Application Fee payment had been declined by her financial institution. The letter noted that she must pay her application fee to the NIPR within ten (10) business days. See Pet'r's Ex. 8a. On January 21, 2025, Ms. Pittman received email confirmation from the NIPR that Respondent had not paid the application fees. See Pet'r's Ex. 6b. Ms. Pittman subsequently opened an enforcement file regarding this matter.

14. On March 5, 2025, Ms. Pittman sent an e-mail and letter via first class U.S. mail to Respondent notifying her of an informal conference to discuss the matter of her unpaid License Application Fee. The informal conference was scheduled to take place by telephone conference on April 10, 2025. See Pet'r's Ex. 8b.

15. On April 10, 2025, Ms. Pittman and Deputy Commissioner Joe Wall

called Respondent at the designated time. Respondent answered the phone, but said she did not feel well and asked if the informal conference could take place the next day. Mr. Wall confirmed with Respondent that the informal conference would be rescheduled for April 11, 2025 at the same time. Respondent also stated that she had not received notifications about the matter, and Ms. Pittman confirmed with her that the e-mail address and mailing address the Department had on file were correct. *See* Pet'r's Ex. 9. After this informal conference attempt on April 10, 2025, Ms. Pittman sent an e-mail to Respondent rescheduling the informal conference for April 11, 2025 per Respondent's request. *See* Pet'r's Ex. 8c.

16. On April 11, 2025, Ms. Pittman and Mr. Wall attempted to call Respondent at the designated time for the informal conference. However, Respondent did not pick up the call and her voicemail inbox was full. *See* Pet'r's Ex. 9. Respondent did not thereafter contact ASD.

17. On April 17, 2025, Ms. Pittman sent Respondent an e-mail and letter via first class U.S. mail notifying her that the matter of her unpaid license application fees would be referred for an administrative hearing, but that she may surrender her North Carolina producer license in lieu of a hearing. A surrender form was enclosed with the letter and attached to the e-mail. *See* Pet'r's Ex. 8d. Respondent did not surrender her license and did not otherwise respond.

18. Ms. Pittman verified with NIPR on July 29, 2025 (the day before the hearing of this matter) that Respondent had still not paid her license application fees.

19. Ms. Pittman explained that the Department has lost money due to Respondent's failure to pay her application fees, because the Department still had to pay its vendor Pearson Vue a \$44 fee for processing Respondent's application. Additionally, the NIPR lost the \$5.60 transaction fee when Respondent's financial institution rejected the application fee payment due to insufficient funds. The Department has also lost license fees because the Respondent has had the benefit of an active North Carolina insurance producer license since September 13, 2024 without having paid the required fees.

20. Ms. Pittman stated that it is the opinion of ASD that Respondent has not shown a continuing interest in retaining her North Carolina insurance producer license and stated that ASD was requesting that Respondent's North Carolina insurance producer license be revoked and that she be issued a monetary penalty.

CONCLUSIONS OF LAW

1. This matter is properly before the Commissioner, and the Commissioner has jurisdiction over the parties and the subject matter pursuant to Chapter 58 of the North Carolina General Statutes.

2. The Notice of Administrative Hearing was properly served on Petitioner pursuant to N.C. Gen. Stat. §§ 58-2-69(d) and 58-2-69(e) and Rule 4 of the North Carolina Rules of Civil Procedure. See Pet'r's Exs. 1 and 2.

3. The evidence presented shows that the Respondent was required to pay a license application fee totaling \$149.60, payable electronically through the NIPR upon Respondent's application for a Non-Resident Producer license, that included the following:

- a. A \$50.00 line of authority fee for each line of authority (Life, and Accident & Health or Sickness) as set forth in N.C. Gen. Stat. § 58-33-125(c), for a total of \$100.00.
- b. A \$44.00 initial application processing fee for an out-of-state producer, as authorized by N.C. Gen. Stat. § 58-2-69(g), N.C. Gen. Stat. § 58-2-250 and 11 NCAC 06A .0201. This fee was paid to Pearson Vue, the contracted application processing vendor for the Department.
- c. A \$5.60 transaction fee to the NIPR, which is the third-party vendor as authorized by N.C. Gen. Stat. § 58-2-69(g), N.C. Gen. Stat. § 58-2-250, and 11 NCAC 06A .0201.

4. The evidence presented shows that Respondent's payment for the License Application Fee of \$149.60, made by O'Cheque during the electronic license application process, was rejected by her financial institution for insufficient funds. Respondent never provided valid payment for her license application fees, which remain unpaid.

5. Pursuant to N.C. Gen. Stat. § 58-2-250(a), the NIPR is a designee of the Commissioner with the authority to oversee the electronic filing of insurance producer license applications. Pursuant to N.C. Gen. Stat. § 58-2-250(c), as Commissioner's designee, the NIPR is authorized to charge administrative fees for electronic filing. These administrative fees may include a transaction fee, credit card processing fee, or other bank processing fee pursuant to 11 NCAC 06A.0201(a), and such fees are to be paid at the time of the electronic filing transaction by electronic payment options including electronic check, credit card, automated clearing house (ACH), or electronic funds transfer (EFT). O'Cheque is a form of electronic check. The administrative fee charged by the NIPR in this matter was \$5.60, which has not been paid by the Respondent.

6. Pursuant to N.C. Gen. Stat. § 58-33-125, an applicant for a producer's license must pay a fee of \$50.00 to the Commissioner upon application for licensing and \$50.00 for each additional line of insurance. Respondent, who has two (2) lines of authority, was required to pay \$100.00 pursuant to N.C. Gen. Stat. § 58-33-125, which has not been paid.

7. Pursuant to and as authorized by N.C. Gen. Stat. § 58-2-69(g), and 11 NCAC 06A.0201(a), Respondent was required to pay an \$44.00 application processing fee, and a \$5.60 fee for the third-party vendor, Pearson Vue, which has not been paid.

8. Pursuant to N.C. Gen. Stat. § 58-33-32(c)(2), a condition for a nonresident person to receive a nonresident producer license includes submitting a request for licensure in the form prescribed by the Commissioner, and payment of the applicable fees required N.C. Gen. Stat. § 58-33-125. Respondent has not met this condition for licensure because she has not paid the applicable license fees due pursuant to N.C. Gen. Stat. § 58-33-125.

9. The evidence presented at the hearing shows that Respondent has failed to pay any of the required fees for licensure pursuant to N.C. Gen. Stat. § N.C. Gen. Stat. §§ N.C. Gen. Stat. § 58-2-69(g), 58-33-32(c)(2), 58-33-125, 58-2-250(a), and 11 NCAC 06A .0201(a), despite numerous requests and opportunities to do so by both the NIPR and ASD. Respondent has further failed to respond to any correspondence or inquiries by ASD and failed to attend a telephonic informal conference.

10. The Department has lost \$144.00 due to Respondent's failure to pay the required licensure fees pursuant to N.C. Gen. Stat. §§ 58-2-69(g), 58-33-32(c)(2), 58-33-125, 58-2-250(a), and 11 NCAC 06A.0201(a), including \$44.00 which was paid by the Department to Pearson Vue, and \$100.00 that was due to the Department. Additionally, the NIPR has lost \$5.60 due to the unpaid transaction fee. Respondent has had the benefit of an active insurance producer license issued by this Department without having paid the required license application fees.

11. N.C. Gen. Stat. § 58-33-46(a)(2) states that the Commissioner may place on probation, suspend, or revoke the license of a licensee that has violated any insurance law of this or any other state, violated any administrative rule, subpoena, or order of the Commissioner or of another state's insurance regulator, or violated any rule of FINRA.

12. Pursuant to N.C. Gen. Stat. § 58-33-46(a)(8), a licensee's license may be subject to disciplinary action for demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or elsewhere. Respondent's failure to pay her licensure fees as set forth above, as well as her continued failure to do so after multiple reminders and opportunities to do so, constitutes incompetence and financial irresponsibility in the conduct of business.

13. Pursuant to N.C. Gen. Stat. § 58-33-46(a)(17), a licensee's license may be subject to disciplinary action for any cause for which issuance of the license could have been refused had it then existed and been known to the Commissioner at the time of issuance. Respondent's license would have been refused for failure to pay the

required licensure fees had the Department known Respondent had not provided valid payment at the time of her license application, and therefore this is cause for revocation.

14. Respondent's non-resident producer's license is subject to disciplinary action pursuant to N.C. Gen. Stat. § 58-33-46(a)(2) based upon her failure to pay the statutorily required license fees pursuant to N.C. Gen. Stat. §§ 58-2-69(g), 58-33-32(c)(2), 58-33-125, 58-2-250(a), and 11 NCAC 06A.0201(a).

15. N.C. Gen. Stat. § 58-2-70 authorizes the Commissioner to order the payment of a monetary penalty upon a finding of a violation of Chapter 58 of the North Carolina General Statutes. The Department has suffered a financial loss due to Respondent's violations of §§ 58-33-125(c), 58-2-69(g), 58-33-46(a)(2), (8) (17) and 11 NCAC 06A.0201(a) when she failed to pay her license fees. A financial penalty is therefore appropriate in this matter.

16. Respondent has not shown any interest in retaining her North Carolina insurance licenses. She failed to pay her license application fees as required for licensure, despite numerous opportunities to do so. Respondent did not avail herself of the opportunity to participate in an informal conference with ASD, and she did not answer the phone for the informal conference call scheduled on April 11, 2025, when she had specifically requested that it be rescheduled to that date and time. Respondent has not responded to the other numerous correspondence or communication attempts made by ASD, including e-mails and first class U.S. mail.

Based on the foregoing Findings of Fact and Conclusions of Law, the Hearing Officer enters the following:

ORDER

It is ordered that Respondent's licenses issued by the North Carolina Department of Insurance are hereby REVOKED effective four (4) days following the date that this Order is placed in first class U.S. mail to Respondent, as evinced by the Certificate of Service, pursuant to N.C. Gen. Stat. § 58-2-69(e).

It is further ordered that pursuant to N.C. Gen. Stat. § 58-2-70(c), Respondent shall make payment of a monetary penalty of one hundred and forty-four dollars (\$144.00), by certified check made payable to the "North Carolina Department of Insurance." The certified check must be dated on or before sixty (60) days of the date of the signing of this Order and received by the North Carolina Department of Insurance, Agent Services Division (Attention: Nadine Scott, ASD), 1204 Mail Service Center, Raleigh, N.C. 27699-1204 no later than on or before sixty (60) days of the date of the signing of this Order. Failure to timely pay this monetary penalty is a violation of an Order of the Commissioner and may be considered cause for future license

denial by the Department and may be cause for other legal recourse required to collect this monetary penalty.

This the 17th day of November, 2025.

— 
Kyle Heuser
Hearing Officer
N.C. Department of Insurance

APPEAL RIGHTS

This is a Final Agency Decision issued under the authority of N.C. Gen. Stat. § 150B, Article 3A.

Under the provisions of N.C. Gen. Stat. § 150B-45, any party wishing to appeal a final decision of the North Carolina Department of Insurance must file a Petition for Judicial Review in the Superior Court of the county where the person aggrieved by the administrative decision resides, or in the case of a person residing outside the State, the county where the contested case which resulted in the final decision was filed. The appealing party must file the petition within 30 days after being served with a written copy of the Order and Final Agency Decision. In conformity with 11. NCAC 01.0413 and N.C. Gen. Stat. § 1 A-1, Rule 5, this Order and Final Agency Decision was served on the parties on the date it was placed in the mail as indicated by the date on the Certificate of Service attached to this Order and Final Agency Decision. N.C. Gen. Stat. § 150B-46 describes the contents of the Petition, including explicitly stating what exceptions are taken to the decision or procedure and what relief the petitioner seeks, and requires service of the Petition by personal service or by certified mail upon all who were parties of record to the administrative proceedings. The mailing address to be used for service on the Department of Insurance is: Amy Funderburk, General Counsel, 1201 Mail Service Center, Raleigh, NC 27699-1201.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing **ORDER AND FINAL AGENCY DECISION** by mailing a copy of the same via certified U.S. mail, return receipt requested; via first class U.S. mail to the licensee, at the addresses provided to the Commissioner pursuant to N.C. Gen. Stat. § 58-2-69(b); via courtesy e-mail to Respondent; and via State Courier to Attorney for Petitioner, addressed as follows:

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This the 17th day of November, 2025.



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