

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
KADEISHA DUNLAP
(NPN# 20530942)

Respondent.

ORDER AND
FINAL AGENCY DECISION

Docket Number: 2205

THIS MATTER was heard on August 6, 2024, 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 Room #131 of the Albemarle Building, located at 325 North Salisbury Street, Raleigh, North Carolina.

Petitioner, the Agent Services Division of the North Carolina Department of Insurance ("Petitioner" or "ASD"), was represented by Assistant Attorney General, Nicholas B. Sorensen. Jeffrey Miller, Complaint Analyst with ASD ("Miller"), appeared and testified on behalf of Petitioner. Respondent, Kadeisha Dunlap, ("Respondent") failed to appear and was not represented by counsel at the hearing.

ASD moved for the imposition of sanctions pursuant to 11 N.C.A.C. 1.0423(a), for Respondent's failure to appear at the hearing. Petitioner's motion for sanctions was DENIED. The undersigned Hearing Officer accepted and considered testimony and evidence offered by ASD in support of the Petition at the hearing. *See* Pet'r Ex. 1.

Petitioner's Exhibits 1-10 were admitted into evidence.

The Petition for Administrative Hearing alleged that Respondent violated N.C. Gen Stat. §§ 58-33-32(k) and 58-33-46(a)(2) for failure to report another state's administrative action. *See* Pet'r Ex. 1.

BASED UPON 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 presented at the hearing, the undersigned Hearing Officer hereby makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. The North Carolina Department of Insurance (“NCDOI”) is a state agency responsible, in accordance with Chapter 58 of the North Carolina General Statutes, for the enforcement of the insurance laws of North Carolina and for regulating and licensing insurance producers.

2. Subsections (b), (d), and (e) of N.C. Gen. Stat. § 58-2-69 provide authority to the Commissioner to give notice to any licensee by sending such notices by first-class mail at the address or addresses that a licensee provides to the Commissioner pursuant to N.C. Gen. Stat. § 58-2-69(b). Respondent provided the following address to the Commissioner (see Pet’r Exs. 1, 2, and 4):

KADEISHA DUNLAP
4910 HIGHLAKE DRIVE
CHARLOTTE, NC 28215-1529

3. The Affidavit of Service indicates that copies of the Notice and Petition were deposited in first-class, U.S. mail addressed to Ms. Dunlap as indicated at the above address on July 1, 2024. Service of the Notice and Petition at this address was perfected upon the expiration of four (4) days after July 1, 2024, or on July 5, 2024. N.C. Gen. Stat. § 58-2-69. *See* Pet’r Exs. 1 and 2.

4. Respondent, Kadeisha Dunlap, holds an active resident Insurance Producer License with personal lines of authority (“License”). Respondent’s license was first active in North Carolina on December 8, 2022. *See* Pet’r Exhibit 4.

5. Miller is a Complaint Analyst with ASD and, as part of his job responsibilities, handles enforcement files for ASD. Enforcement files include responding to complaints and handling Personalized Information Capture System’s Alerts (“PIC Alerts”) received through the National Association of Insurance Commissioners (“NAIC”) system. PIC Alerts are sent to NCDOI by NAIC if another state takes administrative action against a North Carolina licensee and enters the information into the system. Miller was assigned the PIC Alert relating to Respondent, Kadeisha Dunlap, after Kansas’s Department of Insurance entered information into the NAIC system regarding an administrative action taken against Respondent on January 24, 2024. *See* Pet’r Ex. 5. Miller handled the investigation of Petitioner’s enforcement file from initial assignment up until the date of the hearing.

6. Miller, as part of his enforcement investigation relating to Respondent, obtained a copy of Kansas’s administrative action. The administrative action from the Kansas Department of Insurance was a Decision on License Application that

became effective on March 31, 2023. *See* Pet'r Ex. 10. Kansas's Department of Insurance denied Respondent's application for a nonresident insurance producer license in Kansas due to her criminal history pursuant to K.S.A. 40-4909. *Id.* Miller determined that this administrative action had not been reported to the Commissioner within 30 days of its final disposition as required by N.C. Gen. Stat. § 58-33-32(k).

7. Miller, during his investigation of the enforcement file relating to Kansas's Decision on License Application, reviewed various documents relating to Respondent. These documents included Respondent's state-based system licensee summaries (*see* Pet'r Ex. 4), Respondent's NAIC's state licensing reports from the Producer Database (*see* Pet'r Ex. 3), and Respondent's reports listed on the Regulatory Information Retrieval System ("RIRS") (*see* Pet'r Ex. 5).

8. Miller contacted Respondent on February 2, 2024, by sending correspondence to her e-mail address of record (dunlapkadeisha@gmail.com). *See* Pet'r Exs. 3, 4, and 6. This February 2, 2024, correspondence advised Respondent that NCDOI had been made aware of an administrative action taken by the Kansas Department of Insurance with an effective date of March 31, 2023. Miller indicated that Kansas's administrative action had not yet been reported to NCDOI. *See* Pet'r Ex. 6. Miller's February 2, 2024, correspondence requested that Respondent provide a written response and documentation of Kansas's administrative action taken against her license within ten (10) days of February 2, 2024. Respondent did not respond to Miller's requests for documents and information.

9. On February 12, 2024, Miller sent follow-up correspondence to Respondent's e-mail address. *See* Pet'r Ex. 7. Miller requested a response to the correspondence previously sent on February 2, 2024. The correspondence notified Respondent that the Petitioner would proceed with administrative action if she did not respond within ten (10) days of February 12, 2024.

9. On March 7, 2024, Miller sent correspondence to Respondent's e-mail address and also mailed a copy of this correspondence to 4910 Highlake Drive, Charlotte, NC 28215-1529. *See* Pet'r Exs. 8 and 9. Miller's March 7, 2024, correspondence informed Respondent that since she failed to report Kansas's denial of her License Application within 30 days of the effective date, she appeared to be in violation of N.C. Gen. Stat. §§ 58-33-46(a)(2) and 58-33-32(k). This March 7, 2024, correspondence also informed Respondent that a Telephonic Informal Conference had been scheduled for April 18, 2024, at 10:00 a.m., to discuss these allegations further. *Id.*

10. Miller attempted to hold the Informal Conference with Respondent and his supervisor, Nadine Scott, on April 18, 2024, at 10:00 a.m. to further discuss the

late reporting of Kansas's Decision on License Application. Miller contacted Respondent at the phone number listed on the conference notice which she had provided to the Commissioner (980-310-9799). *See* Pet'r Exs. 4, 8, and 9. Respondent did not answer multiple attempts by Miller to reach her for the telephonic conference.

BASED UPON the foregoing Findings of Fact, the undersigned Hearing Officer makes the following:

CONCLUSIONS OF LAW

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

2. Despite proper service of the Notice of Administrative Hearing and the Petition for Administrative Hearing upon Respondent in this matter pursuant to N.C. Gen. Stat. § 58-2-69 (b), (d), and (e), Respondent failed to attend the August 6, 2024, hearing. *See* Pet'r Exs. 1 and 2.

3. N.C. Gen. Stat. § 58-33-32(k) requires an insurance producer to report to the Commissioner "any administrative action" taken against the producer in another state "within 30 days after the final disposition of the matter."

4. Respondent failed to timely report the Kansas administrative action taken against Respondent as required by N.C. Gen. Stat. § 58-33-32(k).

5. N.C. Gen. Stat. § 58-33-46(a) provides grounds for which the Commissioner may "place on probation, suspend, revoke, or refuse to renew" a producer's license.

6. Among other things, N.C. Gen. Stat. § 58-33-46(a)(2) authorizes disciplinary action if a licensee violates "any insurance law of this or any other state."

7. By failing to report the Kansas administrative action within thirty (30) days of its final disposition, Respondent violated N.C. Gen. Stat. § 58-33-32(k), which is a North Carolina insurance law within the meaning of N.C. Gen. Stat. § 58-33-46(a)(2).

8. The record supports a finding that Respondent engaged in conduct that justifies disciplinary action under N.C. Gen. Stat. § 58-33-46(a)(2).

9. N.C. Gen. Stat. § 58-2-70(c) provides that if the Commissioner finds a violation authorizing disciplinary action, "the Commissioner may, in addition to or

instead of suspending or revoking the license or certification, order the payment of a monetary penalty..." Such monetary penalties shall not be less than \$100 nor more than \$1,000 per violation, with each day during which a violation occurs constituting a separate violation.

10. Respondent violated the insurance law of North Carolina within the meaning of N.C. Gen. Stat. § 58-2-70 by failing to report Kansas's Decision on License Application as required by N.C. Gen. Stat. § 58-33-32(k), within thirty (30) days of the final disposition.

BASED UPON the foregoing Findings of Fact and Conclusions of Law, the Hearing Officer enters the following:

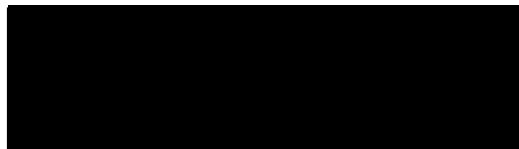
ORDER

BASED UPON the foregoing Findings of Fact and Conclusions of Law, including the Commissioner's finding that Respondent violated N.C. Gen. Stat. § 58-33-32(k), which authorizes disciplinary action, it is hereby ORDERED that:

Pursuant to N.C. Gen. Stat. § 58-2-70(c), Respondent shall make payment of a monetary penalty of two hundred dollars (\$200.00), by certified check made payable to the "North Carolina Department of Insurance." The certified check must be **dated on or before thirty days after this Order is signed** and received by the North Carolina Department of Insurance, Agent Services Division (Attention: Jeff Miller, ASD), 1204 Mail Service Center, Raleigh, N.C. 27699-1204.

PLEASE TAKE NOTICE that, pursuant to N.C. Gen. Stat. § 58-33-46(a)(2), failure to comply with the requirements of this Order and Final Agency Decision, including meeting the payment and deadlines set out herein relating to the monetary penalty, may result in the revocation of Respondent's North Carolina licenses for violation of an Order of the Commissioner.

This 9th day of January, 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 1.0413 and N.C.G.S. § 1A-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 and requires service of the Petition on all parties. 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; and via first class U.S. Mail to the Respondent at the address the licensee provided to the Commissioner pursuant to N.C. Gen. Stat. § 58-2-69(b), (d) and (e), and via State Courier to Attorney for Petitioner addressed as follows:

Kadeisha Dunlap
4910 Highlake Drive
Charlotte, NC 28215-1529
(Respondent)

Certified Mail Tracking Number: 9589 0710 5270 0742 5897 61

Nicholas B. Sorensen
Assistant Attorney General
N.C. Department of Justice
Insurance Section
9001 Mail Service Center
Raleigh, NC 27699-9001
(Attorney for Petitioner)

This the 9th day of January, 2025.



Kimberly W. Pearce, NCCP
Clerk of Court for Administrative Hearings
Paralegal III
N.C. Department of Insurance
General Counsel's Office
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