

Statutes, for the enforcement of the insurance laws of North Carolina and for regulating and licensing insurance producers.

2. The Notice of Administrative Hearing and Petition were properly served on Respondent by depositing in the United States Postal Service via first-class mail, certified, return receipt requested and by designated delivery service, FedEx Priority Overnight at the address Respondent provided the Commissioner pursuant to N.C. Gen. Stat. §§ 58-2-69(b), (d) and (e) and Rule 4(j)(4) of the North Carolina Rules of Civil Procedure. Service was perfected on October 16, 2024, as evident by the receipt of delivery. *See Pet'r's Exs. 1 and 2.*

3. Respondent is a resident of the state of Tennessee. *See Pet'r's Ex. 3.*

4. On June 29, 2023, Respondent applied for a nonresident insurance producer license from the Department. On the license application, Respondent was asked, "Have you ever been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with committing a felony?". Respondent answered 'No' in response to this question and was subsequently issued a license by the Department based on the answers provided in the application. *See Pet'r's Ex. 6.*

5. Respondent holds a non-resident insurance producer license issued by the Department with lines of authority for personal insurance ("License"). Respondent's license was issued NPN No. 20749174 and was first active on June 29, 2023. *See Pet'r's Ex. 4.*

6. Effective November 16, 2023, the Louisiana Department of Insurance issued a Notice of Fine, and fined Respondent \$250.00 for failing to disclose a criminal conviction from 2014 on the initial license application Respondent submitted to the Louisiana Department of Insurance on June 29, 2023. Louisiana determined that Respondent violated insurance laws by provided materially false information on the licensing application pursuant to La. R.S. 22:1554 (A)(2). *See Pet'r's Ex. 14.*

7. On or about January 6, 2024, Petitioner first become aware of the Louisiana action via a Personalized Information Capture System's alert ("PIC alert"); which is an automatic notification system received through the National Association of Insurance Commissioners ("NAIC") database. Petitioner receives PIC alerts once another state takes regulatory action against a licensee and enters the state action into the NAIC database. This PIC alert indicated that Louisiana took regulatory action against Respondent on November 16, 2023, however the action was not entered into the NAIC database until January 6, 2024. *See Pet'r's Ex. 5.*

8. 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 thirty (30) days after the final disposition of the matter. The report "shall

include a copy of the order or consent order and other information or documents filed in the proceeding necessary to describe the actions.”

9. A licensee may report an administrative action taken against their license to the Department by either uploading a copy of the administrative action to the National Insurance Producer Registry (“NIPR”) Attachment Warehouse or report the administrative action directly to Agent Services via fax, mail or email. Respondent had not reported, by any available means, the Louisiana administrative action to the Commissioner as of January 6, 2024.

10. On January 9, 2024, Complaint Analyst Melody Hocutt, on behalf of Petitioner, sent correspondence to Respondent’s personal email address of record, advising Respondent that the Louisiana regulatory action effective November 16, 2023, had not been reported to the Commissioner as required by N.C. Gen. Stat. § 58-33-32(k). The letter requested that Respondent provide a written response and documentation of the Louisiana’s action within ten (10) days of receipt. *See* Pet’r’s Exs. 3 and 9. Respondent did not respond to this correspondence.

11. Upon subsequent review, Ms. Hocutt obtained copies of court criminal records Respondent self-reported by uploading to the NIPR attachment warehouse on August 17, 2023, September 13, 2023, and on November 13, 2023. *See* Pet’r’s Ex. 7. The documents Respondent reported, detailed that on June 27, 2014, Respondent pled guilty to one count Felony Theft Over Five Hundred Dollars in the Circuit Court of Anderson County Tennessee in Case No. B3C00455. Pursuant to deferred prosecution, Respondent was placed on supervised probation for one year and ordered to terms which included restitution of \$758.00 to Walmart. Additionally, Respondent provided a written explanation indicating that she believed the 2014 conviction had been expunged from her record which is why she had not previously disclosed the conviction on license applications prior her uploading the documents to the NIPR attachment warehouse. *See* Pet’r’s Ex. 8.

12. On January 25, 2024, Ms. Hocutt sent a second notice to Respondent’s email address of record, requesting a response to the prior communication and notifying Respondent that Petitioner considered the failure to disclose the 2014 criminal conviction on Respondent’s initial application to the Commissioner as grounds for administrative action under N.C. Gen. Stat. § 58-33-46(a)(1). The correspondence further notified Respondent that the Petitioner may proceed with administrative action if she did not respond within ten (10) days of receipt. *See* Pet’r’s Ex. 10. Respondent did not respond to this correspondence.

13. On February 26, 2024, Ms. Hocutt sent correspondence to Respondent’s physical and electronic mailing addresses of record, scheduling an informal conference to discuss Petitioner’s allegations of Respondent’s violations to insurance laws. The correspondence notified Respondent that the conference would be held

telephonically on April 3, 2024, at 11:30am and that she would be contacted at the phone numbers Respondent provided to the Commissioner. *See* Pet'r's Exs. 4 and 11. Respondent did not respond to this correspondence.

14. On April 1, 2024, Hocutt emailed Respondent at the email address of record, reminding Respondent that she would be contacted for an informal conference on April 3, 2024, at 11:30 a.m. *See* Pet'r's Ex. 12. Respondent did not respond to this correspondence.

15. On April 3, 2024, at 11:30am the informal conference proceeded as scheduled and Petitioner made multiple attempts to reach Respondent at the telephone numbers of record with the Department but was unsuccessful. Respondent did not respond to calls from Petitioner, did not participate in the scheduled informal conference to discuss or resolve this matter.

16. Petitioner has had no contact with Respondent after numerous attempts were made using contact information Respondent previously provided the Commissioner for purposes of communication with the Department. *See* Pet'r's Exs. 3 and 4.

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. The Notice of Administrative Hearing and the Petition for Administrative Hearing were properly served on Respondent pursuant N. C. Gen. Stat. §150B-38(c). Despite proper service Respondent failed to attend the November 6, 2024, hearing. *See* Pet'r's Exs. 1 and 2.

3. Pursuant to N. C. Gen. Stat. § 58-33-46(a)(1), the Commissioner has the authority to revoke a license issued by the Department if the licensee provides materially incorrect, misleading, incomplete, or materially untrue information on their license application.

4. On June 29, 2023, Respondent submitted her initial application to the Commissioner for a nonresident insurance producer license and denied ever having a felony conviction or deferred judgment on the application. *See* Pet'r's Ex. 6. This denial was a materially incorrect and untrue answer as Respondent plead guilty to

felony theft in Tennessee in 2014. *See* Pet'r's Exs. 6, 7 and 8. Respondent received deferred judgment and probation for this crime in Tennessee which materially contradicts the application response. *Id.* Given this fact, the undersigned finds that Respondent provided materially incorrect and untrue information on her initial application as contemplated by N. C. Gen. Stat. § 58-33-46(a)(1).

5. Pursuant to N. C. Gen. Stat. § 58-33-46(a)(2), the Commissioner has the authority to revoke a license issued by the Department for any violation of the insurance laws of North Carolina.

6. N.C. Gen. Stat. § 58-33-32(k) is a North Carolina insurance law which requires an insurance producer to report to the Commissioner "any administrative action" taken against the producer by another state "within 30 days after the final disposition of the matter." Section 58-33-32(k) further specifies that this report "shall include a copy of the order or consent order and other information or documents filed in the proceeding necessary to describe the action."

7. Respondent violated the insurance law of North Carolina within the meaning of N.C. Gen. Stat. § 58-33-46(a)(2) by failing to report the Administrative Action from Louisiana (effective November 16, 2023) to the Commissioner within thirty (30) days of the final disposition, as required by N.C. Gen. Stat. § 58-33-32(k). The undersigned further notes that as of the date of the hearing, Respondent has not reported the Louisiana action taken against her to the Commissioner.

8. The undersigned Hearing Officer also gives weight to the fact that Respondent was unresponsive to multiple pieces of correspondence from Petitioner regarding the allegations in this case. *See* Pet'r's Exs. 1, 9-13. Respondent has failed to maintain any communication with the regulatory agency and has shown no desire to maintain an insurance license issued by the Department. Pursuant to 11 NCAC 06A .0811(b), the Commissioner may suspend, revoke, or refuse to renew a license if the licensee fails to respond to the Department inquiries within seven calendar days after the receipt of the inquiry or request.

9. Sufficient grounds exists for Respondent's North Carolina resident insurance producer license to be revoked pursuant to N.C. Gen. Stat. § 58-33-46(a)(1) for misrepresenting her prior criminal history and pursuant to N.C. Gen. Stat. § 58-33-46(a)(2) for her violation of N.C. Gen. Stat. § 58-33-32(k) failing to report another state's administrative action.

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

ORDER

It is ORDERED that Respondent's insurance producer license issued by the North Carolina Department of Insurance is hereby **REVOKED** effective as of the date of the signing of this Order.

This 30 day of June, 2025.



Aisha Benjamin
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:

CHASITY HATFIELD
208 West Fir Street
La Follette, TN 37766-3551
(Respondent)

Certified Mail Tracking Number: 7022 0410 0003 1024 5201

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

I HEREBY CERTIFY that I have this day served a courtesy copy of the foregoing **ORDER and FINAL AGENCY DECISION** by electronic mail to the Respondent at the electronic mail address set out below:

CHASITY HATFIELD
Chasityhatfield2018@yahoo.com
(Respondent)

This the 1st day of July, 2025.


Raheema I. Moore
Clerk of Court for Administrative Hearings
Paralegal III
N.C. Department of Insurance
General Counsel's Office
1201 Mail Service Center
Raleigh, NC 27699-1201