

NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA

STATE OF NORTH CAROLINA)	BEFORE THE
COUNTY OF WAKE)	COMMISSIONER OF INSURANCE
)	
)	
IN THE MATTER OF:)	ORDER AND
)	<u>FINAL AGENCY DECISION</u>
THE LICENSURE OF)	
CLEVELAND ALAN JACKSON)	Docket Number: 2143
(NPN #18939340))	
)	
Respondent.)	
)	

THIS MATTER was heard on October 25, 2023 by the undersigned Hearing Officer, as designated by the Commissioner of Insurance (“Commissioner”) pursuant to N.C. Gen. Stat. § 58-2-55. The administrative hearing was held in Hearing Room #131 of the Albemarle Building, located at 325 North Salisbury Street, Raleigh, Wake County, North Carolina.

Assistant Attorney General Dilcy Burton was present and represented the North Carolina Department of Insurance (hereinafter “Department”), Agent Services Division (hereinafter “Petitioner” or “Agent Services”). Respondent Cleveland Alan Jackson, proceeding *pro se*, did not appear. Jeff Miller, Complaint Analyst with Agent Services, appeared and testified for the Department.

Agent Services offered into evidence Petitioner’s Exhibits 1 through 16, which were admitted into evidence with exception for Petitioner’s Exhibit 5. Petitioner’s Exhibit 5 was admitted with redaction of non-relevant state jurisdictions that were not included in the filed Petition.

BASED UPON careful consideration of the evidence and arguments presented, and based upon the entire record in the proceeding, the Hearing Officer hereby makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. The Petition and Notice of Administrative Hearing was properly served on Respondent by depositing in the United States Postal Service via first class U.S. Mail on September 14, 2023. See Pet. Ex. 1 and 2.

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

3. Respondent currently holds a resident producer license with lines of authority in Accident and Health or Sickness, Life, Medicare Supplement and Long Term Care. Respondent's North Carolina license was first active on or about November 1, 2018. See Pet. Ex. 3 and 4.

4. Jeff Miller, Complaint Analyst with Agent Services, testified that this matter came to his attention through a "PIC alert", which is an automatic notification system through the NAIC ("National Association of Insurance Commissioners"), regarding administrative actions that Respondent received in Louisiana, California and Pennsylvania. See Pet. Ex. 5.

5. On or about May 9, 2022, Respondent submitted an insurance license renewal application to the State of Pennsylvania. Respondent incorrectly answered a question on his license renewal application which asked, "[h]ave you been named or involved as a party in an administrative proceeding, including a FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration, which has not been previously reported to this insurance department?" On July 13, 2022, the State of Pennsylvania ordered Respondent to surrender his license, pursuant to 40 P.S. Section 310.11 (1) which prohibits a licensee or applicant for a license from providing incorrect, misleading, incomplete or false information to Pennsylvania on a license application. See Pet. Ex. 7.

6. On October 28, 2022, the State of California revoked Respondent's license pursuant to California Insurance Code Section 1669 (c) which gives California the authority to revoke and suspend a license if the licensee had a previous license suspended or revoked within five years of the date of application. The State of California revoked Respondent's license pursuant to Respondent's adverse administrative action from the State of Pennsylvania. See Pet. Ex. 8.

7. On or about December 8, 2022, the State of Louisiana revoked Respondent's license due to Respondent's failure to report the State of Pennsylvania's adverse action within thirty (30) days and submit the required documentation to the State of Louisiana. The State of Louisiana's authority for the revocation of Respondent's license was the violation of La. R.S. 22:1554 and La. R.S. 49:977.3. See Pet. Ex. 9.

8. Mr. Miller testified that a licensee may report an administrative action against a license by uploading a copy of the administrative action to the NIPR Attachment Warehouse or reporting the administrative action directly to Agent Services. Respondent did not report the Pennsylvania, California and Louisiana

administrative actions to the NIPR Attachment Warehouse or directly to Agent Services. See Pet. Ex. 6.

9. Agent Services made multiple attempts to contact Respondent via Respondent's email addresses on record to address Respondent's administrative actions as well as sending correspondence via US Mail to Respondent's residence on the dates of September 15, 2022, December 16, 2022 and March 30, 2023. See Pet. Ex. 4, 10, 12 and 14.

10. Three informal conferences were scheduled with the Respondent to address the multiple adverse administrative actions against Respondent. On October 11, 2022, during the first scheduled informal conference, Respondent did not appear to explain his failure to report the Pennsylvania adverse action. See Pet. Ex. 11.

11. On January 9, 2023, during the second scheduled conference, Agent Services contacted Respondent at his telephone number of record to discuss Respondent's failure to report the California and Pennsylvania actions. Mr. Miller testified that Respondent's responses did not yield a satisfactory notice of resolution to the prior adverse actions against him. See Pet. Ex. 13.

12. On April 24, 2023, a third informal conference was scheduled with the Respondent to address the Louisiana administrative action and failure to report to the Department. Agent Services called Respondent's number on record however Respondent did not answer or make himself available after sufficient notice was given by Agent Services. See Pet. Ex. 15.

13. Testimony and documentary evidence admitted at the hearing show that Respondent never provided copies of the adverse administrative action(s) from the States of California, Pennsylvania, or Louisiana to the Department. See Pet. Ex. 6 and 16.

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 Respondent pursuant to N.C. Gen. Stat. § 58-2-69(b) and Rule 4 of the North Carolina Rules of Civil Procedure.

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 or by another governmental agency in this State within thirty (30) days after the final disposition of the matter.

4. Respondent was required to report the California (effective October 28, 2022), Pennsylvania (effective July 13, 2022) and Louisiana (effective December 18, 2022) administrative action(s) within thirty (30) days of the effective dates of those actions pursuant to N.C. Gen. Stat. § 58-33-32(k).

5. Respondent's failure to report and provide copies of adverse notices for the administrative actions from the States of California, Louisiana, and Pennsylvania within thirty (30) days of the effective dates of the actions are violations of N.C. Gen. Stat. § 58-33-32(k).

6. N.C. Gen. Stat. § 58-33-46(a)(2), authorizes the Commissioner to place on probation, suspend, revoke, or refuse to renew any license issued under Article 33 for violating any insurance law of North Carolina or any other state.

7. N.C. Gen. Stat. § 58-33-46(a)(9) authorizes the Commissioner to place on probation, suspend, revoke or refuse to renew a license if a licensee has an insurance producer license or its equivalent denied, suspended or revoked in any other jurisdiction.


8. Respondent violated insurance laws in the States of Pennsylvania, Louisiana and California which resulted in revocation. Pursuant to Respondent's adverse actions in the States of Pennsylvania, Louisiana, and California, Respondent's North Carolina insurance producer license may be revoked.

9. Respondent's violation of N.C. Gen. Stat. § 58-33-32(k), N.C. Gen. Stat. § 58-33-46(a)(2) and N.C. Gen. Stat. § 58-33-46(a)(9) provides the statutory authority for revoking Respondent's resident North Carolina insurance producer license.

ORDER

Based upon the foregoing Findings of Fact and Conclusions of Law, it is ORDERED that Respondent's resident producer license be revoked effective as of the date of the signing of this Order.

This 15th day of November, 2023.


Alisha 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 the 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: A. John Hoomani, General Counsel, 1201 Mail Service Center, Raleigh, NC 27699-1201.

CERTIFICATE OF SERVICE

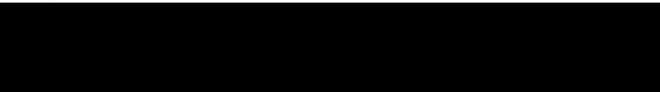
I HEREBY CERTIFY that I have this day served the foregoing **ORDER and FINAL AGENCY DECISION** by mailing a copy of the same via certified U.S. Mail, return receipt requested; and via first class U.S. Mail to the licensee at the address provided to the Commissioner pursuant to N.C. Gen. Stat. § 58-2-69(b);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

Cleveland Alan Jackson
11348 Breezehill Lane
Charlotte, NC 28262-1421
(Respondent)

Certified Mail Tracking Number: 7009 2250 0000 8223 9739

Dilcy Burton
Assistant Attorney General
N.C. Department of Justice
Insurance Section
9001 Mail Service Center
Raleigh, NC 27699-9001

This the 15th day of November, 2023



Kimberly W. Pearce, NCCP
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Raleigh, NC 27699-1201