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	)	ORDER AND
SHENITRIA JOHNSON	)	FINAL AGENCY DECISION
(NPN #20468724)	)	
	)	Docket Number: 2277
Respondent.	)	
	)	

THIS MATTER came on for hearing on April 24, 2025, in the Hearing Room of the North Carolina Department of Insurance located at 3200 Beechleaf Court, Wake County, North Carolina, before the undersigned Hearing Officer, as designated by the North Carolina Commissioner of Insurance ("Commissioner") under N.C. Gen. Stat. § 58-2-55.

Petitioner, the Agent Services Division of the North Carolina Department of Insurance ("Petitioner" or "Agent Services"), was represented by Assistant Attorney General Whitney Shaffer. Respondent Shenetria Johnson ("Respondent") did not appear and was not represented by counsel at the hearing.

Agent Services moved, pursuant to 11 N.C.A.C. 1.0423(A), for the imposition of sanctions due to Respondent's failure to appear at the hearing. Petitioner's motion for sanctions was DENIED. The undersigned Hearing Officer proceeded to accept and consider testimony and evidence offered by Agent Services in support of its Petition at the hearing.

Agent Services' Exhibits 1 through 9, and all subparts, were admitted into evidence.

Tommy Walls, Complaint Analyst, appeared and testified on behalf of Agent Services.

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

FINDINGS OF FACT

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

2. Respondent currently holds an active nonresident North Carolina insurance producer license with lines of authority in Accident and Health or Sickness ("License"). Respondent's License was first issued on September 28, 2023. Respondent is a resident of Texas. *See* Pet'r's Ex. 4.

3. Service of the Notice of Administrative Hearing providing Respondent with due notice of the April 24, 2025 hearing was perfected on February 28, 2025 by delivery by first class mail, return receipt requested, addressed to Respondent at the residence address provided to Agent Services by Respondent, as shown by the Affidavit of Service admitted into evidence at the hearing. *See* Pet'r's Ex. 2.

4. Tommy Walls is a Complaint Analyst with Agent Services. Among his other duties, he handles licensure investigations of North Carolina insurance producers.

5. In or around September 2024, Agent Services became aware, via a report from the Regulatory Information Retrieval System ("RIRS"), which is an automatic notification system through the National Association of Insurance Commissioners ("NAIC"), that Respondent received an adverse administrative action in Florida, effective March 28, 2024. *See* Pet'r's Ex. 5.

6. The RIRS report revealed that, effective March 28, 2024, the Florida Department of Insurance denied Respondent's application for licensure because Respondent had been convicted of criminal offenses. *See* Pet'r's Ex. 5 and 9.

7. Respondent did not report the March 28, 2024 Florida administrative action to the Commissioner within 30 days after the final disposition of the matter, as required by N.C. Gen. Stat. § 58-33-32(k).

8. Because the Florida administrative action cited Respondent's criminal history, Agent Services reviewed Respondent's North Carolina nonresident insurance provider application. Agent Services found that Respondent answered "No" to the application questions, "Have you ever been convicted of a misdemeanor, had a judgment withheld or deferred, or are you currently charged with committing a misdemeanor?" and "Have you ever been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with committing a felony?" *See* Pet'r's Ex. 3.

9. On or about September 13, 2024, Mr. Walls was assigned to investigate the Florida administrative action. Mr. Walls e-mailed Respondent at her electronic address of record requesting that Respondent produce documentation regarding the Florida administrative action by September 23, 2024. Mr. Walls also requested that Respondent provide information and documentation relating to any prior criminal convictions. *See* Pet'r's Ex. 8a.

10. On September 23, 2024, Respondent e-mailed Mr. Walls and indicated that she had mistakenly answered "No" to application questions about her criminal history. She told Mr. Walls that she was convicted of a "possession case" in 1997 and of a misdemeanor assault in 2004. *See* Pet'r's Ex. 8b.

11. Mr. Walls reviewed Respondent's profile at the attachment warehouse of the National Insurance Producer Registry ("NIPR"), a website where North Carolina licensees may upload documents to report administrative actions or criminal convictions to Agent Services. Mr. Walls found that Respondent had uploaded documents relating to her criminal convictions on December 18, 2023. *See* Pet'r's Ex. 6.

12. Respondent's December 18, 2023 upload contained a handwritten and scanned statement in which Respondent appears to admit to having a felony conviction, although the scanned statement cut off any details about the offense. Respondent's upload also contained a statement regarding her conviction of a misdemeanor assault in Texas in 2004. Respondent uploaded court documents relating to her misdemeanor conviction, but no documents relating to the felony conviction. *See* Pet'r's Ex. 6a.

13. On November 6, 2024, Mr. Walls contacted Respondent via email and US mail to schedule an informal conference. The informal conference would address both Respondent's failure to report the Florida administrative action and her failure to declare her criminal convictions on her North Carolina insurance producer application. The informal conference was scheduled for December 16, 2024. *See* Pet'r's Ex. 8c.

14. Respondent did not attend the informal conference on December 16, 2024. Thus, Mr. Walls sent a follow-up e-mail to Respondent on December 16, 2024 stating that Agent Services would look to schedule an administrative hearing. Respondent did not reply to the December 16, 2024 e-mail. *See* Pet'r's Ex. 8d.

15. To comply with the reporting requirements of N.C. Gen. Stat. § 58-33-32(k), North Carolina licensees may report administrative actions taken by other states to the Commissioner by either directly providing notice and a copy of the action to the North Carolina Department of Insurance or by uploading a copy of the administrative action to the attachment warehouse of the National Insurance

Producer Registry (NIPR). As of the April 24, 2025 hearing in this matter, Respondent had not provided a copy of the Florida administrative action to the North Carolina Department of Insurance, nor had she uploaded a copy of the administrative action to the NIPR attachment warehouse. *See* Pet'r's Ex. 6.

CONCLUSIONS OF LAW

1. This matter is properly before the Commissioner, and the Commissioner has jurisdiction over the parties and the subject matter.

2. Respondent was properly served with the Notice of Administrative Hearing in this matter but failed to attend the April 24, 2025 hearing or retain counsel to represent her at the hearing.

3. Pursuant to N.C. Gen. Stat. § 58-33-46(a)(2), one basis for the revocation of a license issued by NCDOI is violation of the insurance laws of North Carolina or any other State.

4. N.C. Gen. Stat. § 58-33-32(k) is a North Carolina insurance law that 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." The statute specifies that "[t]he 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."

5. Agent Services' evidence shows that Respondent was subject to administrative actions taken against his licenses by the State of Florida, and the undersigned finds that Respondent was required to timely report these actions to the Commissioner by N.C. Gen. Stat. § 58-33-32(k).

6. Agent Services' evidence establishes that Respondent failed to report the March 28, 2024 Florida administrative action to the Commissioner within 30 days of the action's final disposition, as mandated by N.C. Gen. Stat. § 58-33-32(k).

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

8. Agent Services' evidence also shows that Respondent failed to respond to written requests from Agent Services for documents and other information related to Agent Services' licensure investigation, despite Respondent's obligations to provide information to Agent Services "on demand" under N.C. Gen. Stat. §§ 58-2-185 and 58-2-195.

9. Failure to provide documentation and information regarding an administrative action taken by another state is a serious offense that deprives NCDOI of information directly relevant to its evaluation of whether a licensee should continue to engage in the insurance business in North Carolina. To help Agent Services supervise insurance producer licensees and protect North Carolina insurance consumers, N.C. Gen. Stat. § 58-33-32(k) requires that licensees provide a copy of "the order or consent order and other information or documents filed in the proceeding necessary to describe the action" with the licensee's report to Agent Services. Because administrative actions can be reported online to nearly all state regulators at one time using the NIPR attachment warehouse, compliance with this provision is relatively quick and simple. Nevertheless, as of the date of the hearing in this matter, Respondent had not sent copies of the March 28, 2024 Florida Notice of Denial to Agent Services or uploaded them to the NIPR attachment warehouse.

10. Agent Services' evidence also shows that Respondent failed to report at least one prior criminal conviction, a misdemeanor, when she answered "No" to the North Carolina insurance producer license application question, "Have you ever been convicted of a misdemeanor, had a judgment withheld or deferred, or are you currently charged with committing a misdemeanor?" in violation of N.C. Gen. Stat. § 58-33-46(a)(1).

11. Failure to provide accurate reporting regarding a prior criminal conviction is a serious offense that deprives NCDOI of information directly relevant to its evaluation of whether a licensee should continue to engage in the insurance business in North Carolina. Criminal history documentation, like administrative action reporting, may be uploaded to the NIPR attachment warehouse quickly and easily. However, Respondent did not upload documentation of her conviction to the NIPR attachment warehouse until December 2023, three months after she denied having had a prior criminal conviction in her original application, and only after Respondent was contacted by Agent Services.

12. Based on the evidence received and the applicable law, the undersigned Hearing Officer concludes that Respondent's North Carolina nonresident insurance producer should be revoked under N.C. Gen. Stat. §§ 58-33-46(a)(2).

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

ORDER

It is ORDERED that Respondent's nonresident North Carolina Insurance Producer's license is hereby **REVOKED**.

This 18th day of June, 2025.

[redacted]

Terence D. Friedman
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. § 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 copies of the same via certified U.S. mail, return receipt requested and via first class U.S. mail to the Respondent at the addresses 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:

Shenitria Johnson
2501 Westridge Apt. 138
Houston, TX 77054
(Respondent)

Certified Mail Tracking Number: 9589 0710 5270 0742 5906 06

Whitney N. Shaffer
Assistant Attorney General
N.C. Department of Justice
9001 Mail Service Center
Raleigh, NC 27699-9001
(*Attorney for Petitioner*)

This 18th day of June, 2025.

[redacted]
Raheema I. Moore
Clerk of Court for Administrative Hearings
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