

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
DOMINGO LOPEZ
(NPN # 18650331)

Respondent.

ORDER AND
FINAL AGENCY DECISION

Docket Number: 2235

THIS MATTER was heard on November 18, 2024 by the undersigned Hearing Officer, as designated by the Commissioner of Insurance pursuant to N.C. Gen. Stat. § 58-2-55 and other applicable statutes and regulations. The administrative hearing was held in the North Carolina Department of Insurance’s Hearing Room, Room # 211, located at 3200 Beechleaf Court, Raleigh, Wake County, North Carolina.

Petitioner, the Agent Services Division of the North Carolina Department of Insurance (“Petitioner” or “ASD”), was present and represented by Assistant Attorney General Kristin K. Mullins. Respondent, Domingo Lopez (“Respondent”) did not appear and was not represented by counsel at the hearing.

Petitioner moved, pursuant to 11 NCAC 01 .0423(a)(1), 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 allowed Petitioner to continue with its presentation of testimony and evidence in this matter.

Matthew Reck, Complaint Analyst for ASD, appeared and testified on behalf of the Petitioner.

Petitioner’s Exhibits 1 through 21 were admitted into evidence with redactions from Petitioner’s Exhibits 6 and 20.

BASED UPON careful consideration of the documentary and testimonial evidence introduced at the hearing and 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 North Carolina Department of Insurance (“NCDOI”) is a state agency responsible for enforcement of the insurance laws of North Carolina and for

regulating and licensing insurance producers, in accordance with Chapter 58 of the North Carolina General Statutes.

2. The Notice of Administrative Hearing and Petition for Administrative Hearing were properly served on Respondent by depositing in the United States Postal Service via first-class mail and via certified mail, return receipt requested, pursuant to N.C. Gen. Stat. §§ 58-2-69(b), (d) and (e) and Rule 4 of the North Carolina Rules of Civil Procedure. *See* Pet'r's Exs. 1 and 2. The certified mail and first-class mail were returned undeliverable. *Id.*

3. The Notice of Administrative Hearing and Petition for Administrative Hearing were served on Respondent at Respondent's residence address of record via Federal Express-Priority Overnight on November 1, 2024. *See* Pet'r's Ex. 2.

4. Respondent currently holds an active non-resident North Carolina Insurance Producer License, National Producer Number 18650331, with lines of authority for Accident & Health or Sickness and Life ("License"). Respondent's License was first active in North Carolina on May 26, 2021. *See* Pet'r's Exs. 3 and 4. Respondent is a resident of Pennsylvania. *Id.*

5. Matthew Reck is a Complaint Analyst with ASD, and his job responsibilities includes handling enforcement files for ASD. This includes handling Personalized Information Capture System alerts ("PIC alert") received through the National Association of Insurance Commissioners ("NAIC") system. PIC alerts notify NCDOI if another state has taken administrative action against a North Carolina licensee.

6. Mr. Reck was assigned the PIC alerts relating to Respondent, more specifically the alerts coming from the Oregon Department of Insurance entered into NAIC on July 6, 2023, the Oregon Department of Insurance entered into NAIC on October 4, 2023, the Indiana Department of Insurance entered into NAIC on October 18, 2023, the California Department of Insurance entered into NAIC on November 21, 2023 and the Utah Department of Insurance entered into NAIC on December 25, 2023. *See* Pet'r's Ex. 5. Mr. Reck has handled the investigation of Respondent's enforcement file from ASD through the date of the hearing.

7. On April 18, 2023, the Oregon Department of Consumer and Business Services, Division of Financial Regulation ("Oregon") ordered Respondent to cease and desist from violating sections of the Oregon Insurance Code, revoked Respondent's non-resident Oregon insurance producer license, and imposed a \$5,000 civil penalty on Respondent. *See* Pet'r's Ex. 8. Although there are two entries from Oregon entered into NAIC, the file reference number on them is the same and corresponds to the Oregon administrative action entered into evidence as Petitioner's Exhibit 8.

8. On September 28, 2023, the Indiana Department of Insurance (“Indiana”) suspended Respondent’s non-resident insurance producer license until Respondent submitted the list of appointments requested by the Commissioner. *See* Pet’r’s Ex. 9.

9. On November 19, 2023, the California Department of Insurance (“California”) revoked Respondent’s non-resident insurance producer license due to Oregon’s revocation of Respondent’s license within five years on grounds that should preclude the granting of a license by the Commissioner under California Insurance Code. *See* Pet’r’s Ex. 10.

10. On December 5, 2023, the Utah Insurance Department revoked Respondent’s non-resident insurance producer license due to Oregon’s revocation and Indiana’s suspension, as well as Respondent’s failure to report them. *See* Pet’r’s Ex. 11.

11. A licensee may report an administrative action by uploading a copy of the administrative action to the National Producer Registry (“NIPR”) Attachment Warehouse or reporting the administrative action directly to NCDOI via mail, e-mail, or fax.

12. Pursuant to N.C. Gen. Stat. § 58-33-32(k), a licensee is obligated to report any administrative action taken against the licensee to NCDOI within thirty (30) days. The NIPR Attachment Warehouse screenshot shows that Respondent did not report the administrative action from Oregon within thirty (30) days from its effective date of April 18, 2023, nor did Respondent report the administrative action from Utah within thirty (30) days from its effective date of December 5, 2023. *See* Pet’r Ex. 7. Furthermore, Respondent did not report the April 18, 2023 Oregon administrative action or the December 5, 2023 Utah administrative action directly to NCDOI.

13. Respondent did report the Indiana administrative action within thirty (30) days from its effective date of September 28, 2023, as required by N.C. Gen. Stat. § 58-33-32(k). *See* Pet’r’s Ex. 6. On October 26, 2023, Respondent’s assistant reported the September 28, 2023 Indiana administrative action via e-mail at ASD’s request. *Id.*

14. Respondent did not report the California administrative action within thirty (30) days from its effective date of November 19, 2023, as required by N.C. Gen. Stat. § 58-33-32(k). *See* Pet’r’s Ex. 6. Respondent’s assistant reported the December 5, 2023 California administrative action via e-mail to ASD on January 16, 2024, which is outside of the statutorily required thirty (30) days.

15. On July 11, 2023, ASD sent an e-mail to Respondent's e-mail address of record requesting that he provide a written response, along with documentation regarding the Oregon administrative action within ten (10) days. *See* Pet'r's Ex. 12. This email gave Respondent notice that unless he sent a copy of the administrative action and a written statement to ASD with ten (10) days, ASD would consider Respondent to be in violation of N.C. Gen. Stat. §§ 58-2-185 and 58-2-195. *Id.* At the time of this correspondence, the Oregon administration action was the only one entered into NAIC. *See* Pet'r's Ex. 5. Respondent failed to provide any response to this correspondence.

16. On July 21, 2023, ASD sent a follow-up e-mail to Respondent's e-mail address of record noting that Respondent failed to provide a response to the previous correspondence and attaching a copy of the July 11, 2023 e-mail. *See* Pet'r's Exs. 6 and 13. On July 25, 2023, Respondent e-mailed ASD denying he has actions against him from Oregon and stating that his Oregon license was still active. *See* Pet'r's Ex. 14.

17. On July 26, 2023, Respondent sent ASD a follow-up e-mail to his July 25, 2023 e-mail, inquiring about updates on the Oregon administration action. *See* Pet'r's Ex. 15. On July 26, 2023, ASD responded to Respondent via e-mail with a link to the Oregon Insurance Department Notices. *Id.* This was sent to assist Respondent with confirming the status of his Oregon non-resident license. ASD spoke with Respondent via telephone later this same day. *See* Pet'r's Ex. 6. Respondent received confirmation by Oregon there was an administrative order and ASD instructed Respondent to provide a copy of the order. *Id.*

18. On August 7, 2023, ASD sent another follow-up e-mail to Respondent's e-mail address of record referencing their telephone conversation on July 26, 2023 regarding the Oregon administrative action and requesting a copy of the administrative action. *See* Pet'r's Ex. 16. Respondent failed to provide any response to this correspondence.

19. On August 29, 2023, ASD sent another e-mail to Respondent's e-mail address of record referencing their telephone conversation on July 26, 2023 regarding the Oregon administrative action and requesting a copy of the administrative action. *See* Pet'r's Ex. 17. Respondent failed to provide any response to this correspondence.

20. On October 9, 2023, ASD sent correspondence via first-class U.S. Mail to Respondent's mailing address of record and e-mailed a copy of the letter to Respondent's e-mail address of record requesting that Respondent attend an informal conference to discuss the allegations. *See* Pet'r's Ex. 18. The informal conference was scheduled for Respondent on November 15, 2023, at 11:30 a.m. via the telephone. *Id.*

21. On October 23, 2023, ASD sent an e-mail to Respondent's e-mail address of record requesting that he provide a written response, along with documentation regarding the Indiana administrative action within ten (10) days. *See* Pet'r's Ex. 19. This email made it clear that the request was separate from the Oregon administrative action. *Id.* On October 26, 2023, Respondent's assistant reported the September 28, 2023 Indiana administrative action to ASD via e-mail. *See* Pet'r's Ex. 6. The Indiana administrative action was timely reported.

22. At the November 15, 2023 informal telephonic conference, Respondent did attend, and a mutually agreeable and favorable resolution was reached regarding the Oregon administrative action. However, Respondent did not respond to communication efforts concerning the resolution and failed to follow-up.

23. On March 21, 2024, ASD sent correspondence via U.S. Mail to Respondent's mailing address of record and e-mailed a copy of the letter to Respondent's e-mail address of record noting that Respondent failed to provide the required documentation for the resolution discussed during the November 15, 2023 informal conference. *See* Pet'r's Ex. 20. This correspondence informed Respondent that formal proceedings would be instituted under Article 3A of Chapter 150B, and an administrative hearing would be scheduled in Raleigh, N.C. at a time and date to be determined. *Id.* Respondent failed to provide any response to this correspondence.

24. On November 13, 2024, ASD sent an e-mail to Respondent's e-mail address of record requesting that he provide a written response, along with documentation regarding the Utah administrative action within ten (10) days. *See* Pet'r's Ex. 21. This email advised Respondent that the Utah administrative action would be a part of the administrative hearing scheduled for November 18, 2024. *Id.* Respondent failed to provide any response to this correspondence.

25. As of the date of the hearing, Respondent had failed to report the April 18, 2023 Oregon administrative action and the December 5, 2023 Utah administrative action directly to NCDOI or via the NIPR Attachment Warehouse.

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. Respondent was properly served with the Notice of Administrative Hearing and Petition for Administrative Hearing pursuant to N.C. Gen. Stat. §§ 58-2-69(d) and (e) 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 within 30 days after the final disposition of the matter and to include a copy of the order or consent order and other information or documents filed in the proceeding necessary to describe the action. Respondent was required to report the Oregon administrative action (effective April 18, 2023), the California administrative action (effective November 19, 2023), and the Utah administrative action (effective December 5, 2023) within thirty (30) days of each action's effective date.

4. Respondent's failure to report and provide copies of the Oregon administrative action within thirty (30) days after April 18, 2023, and the Utah administrative action within thirty (30) days after December 5, 2023 are violations of N.C. Gen. Stat. § 58-33-32(k).

5. Respondent's failure to report and provide a copy of the California administrative action within thirty (30) days after November 19, 2023 is a violation of N.C. Gen. Stat. § 58-33-32(k), even though he reported it to NCDOI on January 16, 2024. This reporting was outside of the statutorily required thirty (30) days.

6. N.C. Gen. Stat. § 58-33-46(a)(2) allows the Commissioner to place on probation, suspend, or revoke the license of a licensee who 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.

7. Respondent's non-resident insurance producer license is subject to disciplinary action due to Respondent's violations of N.C. Gen. Stat. § 58-33-32(k) for failing to timely report the Oregon administrative action, the California administrative action, and the Utah administrative action within thirty (30) days of each action's final disposition.

8. Respondent's timely reporting of the Indiana administrative action at ASD's request, makes it evident that Respondent understood the procedure required to report administrative actions.

9. N.C. Gen. Stat. § 58-2-70(c) provides that if, under subsection (b) of this section, the Commissioner finds a violation of this Chapter, the Commissioner may, in addition to or instead of suspending or revoking the license, order the payment of a monetary penalty as provided in subsection (d) of this section. Respondent's failure to report and provide copies of the April 18, 2023 Oregon administrative action, the November 19, 2023 California administrative action, and the December 5, 2023 Utah administrative action within thirty (30) days of each action's final disposition subjects Respondent's non-resident insurance producer license to suspension or revocation in accordance with N.C. Gen. Stat. § 58-2-70(b).

ORDER

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

It is ORDERED that Respondent's non-resident insurance producer license issued by the North Carolina Department of Insurance is hereby **REVOKED**, effective five (5) days from the signing of this Order.

This the 7 day of February, 2025.



Shannon Wharry
Hearing Officer
N.C. Department of Insurance
1201 Mail Service Center
Raleigh, NC 27699-1201

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, and via first-class U.S. mail to Respondent 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:

Domingo Lopez
232 Greenwich Street
Reading, PA 19601
(Respondent)

Certified Mail Tracking Number: 7022 2410 0000 9662 5710

Domingo Lopez
34 E Lancaster Ave.
Shillington, PA 19607-2632
(Respondent)

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Kristin K. Mullins
Assistant Attorney General
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Insurance Section
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Raleigh, NC 27699-9001
(Attorney for Petitioner)

This the 7 day of February, 2025.



Raheema I. Moore
Clerk of Court for Administrative Hearings
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