

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
SONYA SCHMIDTBERGER
(NPN# 20738500)

Respondent.

ORDER AND
FINAL AGENCY DECISION

Docket Number: 2264

THIS MATTER was heard on March 5, 2025 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 the hearing room of the North Carolina Department of Insurance, located at 3200 Beechleaf Court, Raleigh, North Carolina.

Petitioner, 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, Sonya Schmidtberger, ("Respondent") failed to appear and was not represented by counsel at the hearing.

The undersigned Hearing Officer accepted and considered testimony and evidence offered by ASD in support of the Petition at the hearing. *See* Pet'r's Ex. 1. Pet'r's Exs. 1-13 were admitted into evidence.

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

BASED UPON careful consideration of the evidence, arguments presented at the hearing by ASD, 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, 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 North Carolina Commissioner of Insurance (“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’s Exs. 1- 3):

SONYA SCHMIDTBERGER
18610 PRINCE WILLIAM LANE
HOUSTON, TX 77058-4225

3. The Affidavit of Service indicates that copies of the Notice of Hearing and Petition were deposited with a designated delivery service, FedEx – Priority Overnight, addressed to Respondent as indicated at 18610 Prince William Lane, Houston, TX 77058-4225 on February 12, 2025. The documents were successfully delivered to Respondent on February 13, 2025 at the address on record with the Commissioner. *See* Pet’r’s Ex. 2.

4. On October 6, 2023, Respondent submitted an application to the Florida Department of Financial Services (“Florida”) seeking a nonresident insurance producer license in that state. Respondent responded “No” when questioned on his application regarding whether she had a prior felony conviction. Respondent did in fact have a 1987 felony conviction for theft in the state of Texas. *See* Pet’r’s Ex. 9.

5. Respondent was granted a resident Insurance Producer License (“License”) in North Carolina on October 17, 2023. Respondent’s License remains active, and she holds lines of authority in property and casualty. *See* Pet’r’s Ex. 3.

6. On October 23, 2023, Florida denied Respondent’s application. Florida denied Respondent’s application for a nonresident insurance producer license due to her application misrepresentation and criminal history. *See* Pet’r’s Ex. 8.

7. 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 alerts (“PIC Alerts”) received through the 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 after Florida entered information on March 29, 2024 into the NAIC system regarding an administrative action taken against Respondent. *See* Pet'r's Ex. 5. Miller handled the investigation of Petitioner's enforcement file from initial assignment up until the date of the hearing.

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

9. Miller, as part of his enforcement investigation relating to Respondent, obtained a copy of Florida's administrative action, i.e., the October 23, 2023, license denial. *See* Pet'r's Ex. 8. 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).

10. Miller contacted Respondent on April 4, 2024 by sending correspondence to her e-mail addresses, sonya_s6861@yahoo.com and cvg.licensing@concentrix.com, which had been provided to the Commissioner. *See* Pet'r's Exs. 3 and 9. The e-mail advised Respondent that NCDOT had been made aware of an administrative action taken by the Florida Department of Financial Services with an effective date of October 23, 2023. The e-mail informed Respondent that action was unreported, and that more than thirty days had passed since the effective date. Mr. Miller requested from Respondent a written response and documentation of Florida's administrative action taken against her license within ten (10) days of the e-mail. Mr. Miller provided his contact information in the e-mail. Respondent did not respond to Miller's requests for documents and information. *See* Pet'r's Ex. 9.

11. On April 15, 2024, Miller sent a follow-up correspondence to Respondent's email address of record. Miller requested a response to the correspondence previously sent on April 4, 2024. Miller informed Respondent that ASD could consider Respondent in violation of N.C. Gen. Stat. §§ 58-2-185 and 58-2-195 if she failed to respond to this written inquiry. The correspondence notified Respondent that the Petitioner could proceed with administrative action if she did not respond within ten (10) days. Mr. Miller provided his contact information in the e-mail. Respondent did not reply to this correspondence or otherwise reach out to Mr. Miller. *See* Pet'r's Ex. 10.

12. On May 15, 2024, Mr. Miller e-mailed an informal conference notice to Respondent's e-mail addresses and mailed a copy of the notice to her current mailing

address of record, 18610 Prince William Lane, Houston, TX 77058-4225, with the Commissioner. The letter informed Respondent that, because she failed to report Florida's administrative action to the Commissioner, she appeared to be in violation of N.C. Gen. Stat. §§ 58-33-46(a)(2) and 58-33-32(k). This May 15, 2024, correspondence also informed Respondent that a Telephonic Informal Conference had been scheduled for June 27, 2024, at 10:00 a.m., to discuss these allegations further. Mr. Miller stated in the correspondence that Respondent would be contacted at (281) 414-7056, her phone number reported to the Commissioner, for the conference. *See* Pet'r's Exs. 3, and 11-12.

13. Miller attempted to hold the Informal Conference with Respondent and his supervisor, Nadine Scott, on June 27, 2024 at 10:00 a.m. to further discuss the late reporting of Florida's administrative action. Miller contacted Respondent at the phone number listed on the conference notice, which she had provided to the Commissioner, (281) 414-7056. Respondent did not answer the call, and Mr. Miller left a voicemail. Mr. Miller then called Respondent at (513) 592-6072, a phone number which she had provided to the Commissioner as her business contact. The call could not go through as a message played that (513) 592-6072 was not a working number. *See* Pet'r's Exs. 3, and 11-13.

14. At no point has Respondent replied to inquiries from Petitioner or otherwise reached out to Petitioner in regard to this matter.

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 March 5, 2025, hearing. *See* Pet'r's 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 holds a nonresident insurance producer license issued by the Commissioner. *See* Pet'r's Ex. 5.

5. Florida denied Respondent's application for a nonresident insurance producer license, effective October 23, 2023. This is an administrative action, as contemplated by N.C. Gen. Stat. § 58-33-32(k). *See* Pet'r's Exs. 5 and 8.

6. Respondent failed to report the Florida administrative action as required by N.C. Gen. Stat. § 58-33-32(k).

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

8. 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."

9. By failing to report the Florida 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).

10. The undersigned 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, 9-12. N.C. Gen. Stat. § 58-2-195 gives ASD the authority to require producers to request reports, records, and information. With this authorization, the Commissioner requires that licensees provide information to ASD "on demand" pursuant to N.C. Gen. Stat. §§ 58-2-185 and 58-2-195.

11. By failing to respond to multiple requests for information and records from ASD, Respondent violated N.C. Gen. Stat. §§ 58-2-185 and 58-2-195 and is therefore subject to disciplinary action for those legal violations pursuant to N.C. Gen. Stat. § 58-33-46(a)(2).

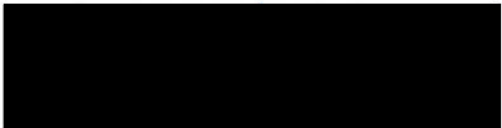
12. Based on the evidence received, and the applicable law, the undersigned Hearing Officer concludes that Respondent's North Carolina non-resident insurance producer license should be revoked pursuant to N.C. Gen. Stat. § 58-33-46(a)(2) for her violation of N.C. Gen. Stat. §§ 58-33-32(k), 58-2-185, and 58-2-195.

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 14 day of May, 2025.


Terrence 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 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:

SONYA SCHMIDTBERGER
18610 PRINCE WILLIAM LANE
HOUSTON, TX 77058-4225
(Respondent)

Certified Mail Tracking Number: 9589 0710 5270 1723 5214 80

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 14th day of May, 2025.



Raheema I. Moore
Clerk of Court for Administrative Hearings
Paralegal III
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