

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
BETTY WALKER
(NPN # 20407032)

Respondent.

AMENDED ORDER AND
FINAL AGENCY DECISION

Docket Number: 2219

This Order and Final Agency Decision is “Amended” for the purpose of correcting the docket number in the caption.

THIS MATTER was heard on October 1, 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 Room # 131 of the Albemarle Building, located at 325 North Salisbury Street, 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 Whitney Shaffer. Respondent, Betty Walker (“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.

Nadine Scott, Compliance Section Supervisor for ASD, appeared and testified on behalf of Petitioner.

Petitioner’s Exhibits 1 through 10, and all subparts, were admitted into evidence.

Petitioner's Exhibit 9, an uncertified copy of the New York Department of Financial Services Denial of Respondent's producer license application, was admitted into evidence upon Petitioner's request for the undersigned Hearing Officer to take judicial notice pursuant to N.C. Gen. Stat. § 8C-1, Rule 201. The undersigned Hearing Officer acknowledged that Petitioner may file a Motion to Supplement the Record if a certified copy was obtained. On October 18, 2024, Petitioner submitted a motion to supplement the record to substitute the uncertified copy that was proffered into evidence as Exhibit 9 with a certified copy, which the undersigned Hearing Officer granted on November 14, 2024.

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 Exs. 1 and 2. The certified mail was delivered. *Id.*

3. Respondent holds an active non-resident North Carolina insurance producer license, National Producer Number 20407032, with lines of authority for Accident & Health or Sickness, and Medicare Supplement/Long Term Care ("License"). *See* Pet'r Exs. 3 and 4. Respondent's License was first issued in North Carolina on July 26, 2023. *Id.* Respondent is a resident of Florida. *Id.*

4. Nadine Scott appeared to testify on behalf of Lindsey Melgarejo, a Complaint Analyst with ASD. Ms. Melgarejo was assigned to handle the investigation of Respondent after ASD became aware that another state had taken administrative action against Respondent. *See* Pet'r Ex. 7. Administrative actions are reflected on the Regulatory Information Retrieval System ("RIRS") report, which is an automatic notification system through the National Association of Insurance Commissioners ("NAIC").

5. Ms. Melgarejo handled the RIRS report relating to Respondent, which the New York State Department of Financial Services entered into NAIC on March 22, 2024. *See* Pet'r Ex. 5.

6. On January 3, 2024, the New York State Department of Financial Services (“New York”) denied Respondent’s application for a New York State insurance producer license on the grounds that Respondent demonstrated untrustworthiness and/or incompetence within the meaning and intent of New York State Insurance Law. *See* Pet’r Exs. 5 and 9.

7. 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.

8. 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 New York within thirty (30) days from its effective date of January 3, 2024. *See* Pet’r Ex. 6. Furthermore, Respondent did not report the January 3, 2024 New York administrative action directly to NCDOI.

9. On March 25, 2024, 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 addresses of record requesting that Respondent provide a written response, along with documentation regarding the January 3, 2024 New York administrative action within ten (10) days. *See* Pet’r Ex. 8A. Respondent failed to provide any response to this correspondence.

10. On April 5, 2024, ASD sent a follow-up correspondence via first-class U.S. Mail to Respondent’s mailing address of record noting that Respondent had failed to provide the documents requested in the March 25, 2024 letter. *See* Pet’r Ex. 8B. Respondent failed to provide any response to this correspondence.

11. On April 17, 2024, 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 addresses of record requesting that Respondent attend an informal conference to discuss the January 3, 2024 New York administrative action. *See* Pet’r Ex. 8C. The informal conference was scheduled for Respondent on May 29, 2024, at 10:00 a.m. eastern time via the telephone. *Id.* Respondent failed to provide any response to this correspondence.

12. At the May 29, 2024 informal telephonic conference, Respondent did answer the call from ASD but indicated she had not received the notification of the conference. *See* Pet’r Ex. 7. ASD confirmed Respondent’s contact information and Respondent agreed to reschedule. *Id.* The informal conference was rescheduled for June 12, 2024, at 10:00 a.m. eastern time via the telephone. *Id.*

13. On May 31, 2024, ASD sent correspondence to Respondent's confirmed mailing address and e-mail address of the rescheduled day and time for the informal conference. *See* Pet'r Ex. 7.

14. At the June 12, 2024 rescheduled informal telephonic conference, Respondent did not answer the call from ASD and ASD left a voicemail for Respondent. *See* Pet'r Ex. 7. Respondent failed to provide any response to ASD's attempt to contact her via telephone.

15. On June 13, 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 advising Respondent that she failed to respond to NCDOJ's repeated attempts to resolve this matter and she missed the informal telephonic conference. *See* Pet'r Ex. 8D. 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.

16. As of the date of the hearing, Respondent had failed to report the January 3, 2024 New York administrative action directly to NCDOJ 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 New York administrative action (effective January 3, 2024) within thirty (30) days of the action's effective date.

4. Respondent's failure to report and provide a copy of the administrative action from the State of New York within thirty (30) days of the effective date of the action is a violation of N.C. Gen. Stat. § 58-33-32(k).

5. 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.

6. Respondent's non-resident insurance producer license should be suspended or revoked pursuant to N.C. Gen. Stat. § 58-33-46(a)(2) based upon her violation of N.C. Gen. Stat. § 58-33-32(k) for failing to report and provide a copy of the January 3, 2024 New York administrative action within thirty (30) days of the action's final disposition.

7. 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 a copy of the January 3, 2024 New York administrative action within thirty (30) days of the 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 19th day of November, 2024.



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. § 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 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:

Betty Walker
4042 NW 23rd Ave., Apt. A
Miami, FL 33142-4602
(Respondent)

Certified Mail Tracking Number: 9589 0710 5270 0742 5894 02

Betty Walker
1550 Sawgrass Corporate Pkwy
Sunrise, FL 33323-2818
(Respondent)

Certified Mail Tracking Number: 9589 0710 5270 0742 5893 96

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

This the 19th day of November, 2024.


Kimberly W. Pearce, NCCP
Paralegal III
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