

No. 2023-8203

**Official Order  
of the  
Texas Commissioner of Insurance**

**Date:** 9/14/2023

**Subject Considered:**

Douglas Millsaps

[REDACTED]  
TX 77008

Default Order  
SOAH Docket No. 454-23-24985  
TDI Enforcement File No. 31937

**General remarks and official action taken:**

The subject of this default order is whether a general lines life accident and health agent license should be issued to Douglas Millsaps (Respondent). Respondent did not respond to a Notice of Hearing filed by the Texas Department of Insurance (TDI). This order denies Respondent's license application.

The following findings of fact and conclusions of law are adopted:

**Findings of Fact**

Failure to Respond to Notice of Hearing

1. On August 8, 2023, TDI filed a Notice of Hearing, attached as Exhibit A, and an Original Petition, attached as Exhibit B, with the State Office of Administrative Hearings.
2. TDI's factual allegations set out in the attached Notice of Hearing and Original Petition are incorporated in this order as findings of fact.

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Commissioner's Order

Douglas Millsaps

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3. TDI sent the Notice of Hearing and Original Petition to Respondent's last known address provided in writing to the department, [REDACTED], Houston, TX 77008.
4. Respondent failed to file a written response to the Notice of Hearing within 20 days of the date the Notice of Hearing and Original Petition were mailed.

### Conclusions of Law

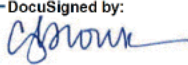
1. The commissioner has jurisdiction under Texas law, including TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4001.102, 4001.105, 4005.101-4005.105, 4101.051; TEX. OCC. CODE §§ 53.021-53.023; 28 TEX. ADMIN. CODE § 1.502; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has authority to dispose of this case informally under TEX. GOV'T CODE § 2001.056; TEX. INS. CODE § 82.055; and 28 TEX. ADMIN. CODE §§ 1.47, 1.88, and 1.89.
3. The department provided proper notice of the hearing under TEX. GOV'T CODE §§ 2001.051, 2001.052, and 2001.054, and 28 TEX. ADMIN. CODE §§ 1.28, 1.88, 1.89, and 19.906.
4. Based on Respondent's failure to file a written response to the Notice of Hearing, the department is entitled to disposition by default under 28 TEX. ADMIN. CODE §§ 1.88 and 1.89.
5. The department's factual and legal allegations set out in the attached Notice of Hearing and Original Petition are incorporated in this order and deemed admitted as true under 28 TEX. ADMIN. CODE § 1.89.

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Commissioner's Order  
Douglas Millsaps  
SOAH Docket No. 454-23-24985  
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## Order

It is ordered that Douglas Millsaps' application is denied. A copy of this order will be provided to law enforcement or other appropriate administrative agencies for further investigation as may be warranted.

DocuSigned by:  
  
FC5D7EDDFFBB4F8...  
Cassie Brown  
Commissioner of Insurance

Prepared and reviewed by:



Erik Huhn, Staff Attorney  
Enforcement

# 2023-8203

Commissioner's Order  
Douglas Millsaps  
SOAH Docket No. 454-23-24985  
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## Affidavit

**STATE OF TEXAS** §

§

**COUNTY OF TRAVIS** §


Before me, the undersigned authority, personally appeared David Moreno, who, being by me duly sworn, deposed as follows:

"My name is David Moreno and I am employed by the Texas Department of Insurance. I am of sound mind, capable of making this affidavit, and have personal knowledge of these facts which are true and correct.

I have reviewed TDI's records concerning Douglas Millsaps. I have confirmed that:

- a. The last mailing address provided to the department in writing by Douglas Millsaps is [REDACTED], Houston, TX 77008.
- b. The file maintained by Enforcement contains a Notice of Hearing and Original Petition dated August 8, 2023, which were filed with the State Office of Administrative Hearings.
- c. On August 8, 2023, the Notice of Hearing and Original Petition addressed to Douglas Millsaps were mailed first-class and certified, return receipt requested, to his last known address.

Copies of the first-class mail log and certified mail log maintained by Enforcement are attached as Exhibit C and Exhibit D, respectively."

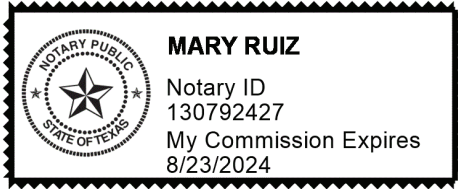
DocuSigned by:  
  
9B1FA2D481394E4...  
Affiant

# 2023-8203

Commissioner's Order  
Douglas Millsaps  
SOAH Docket No. 454-23-24985  
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SWORN TO AND SUBSCRIBED before me by means of an interactive two-way audio and video communication on 8/31/2023. This notarial act was an online notarization.

## Notary Seal



## Digital Certificate

DocuSigned by:  
*Mary Ruiz*  
795DC4D59167489...

Notary Public State of Texas

**2023-8203**

ACCEPTED  
454-23-24985  
8/8/2023 11:40:57 am  
STATE OFFICE OF  
ADMINISTRATIVE HEARINGS  
Kevin Garza, CLERK

FILED  
454-23-24985  
8/8/2023 11:39 AM  
STATE OFFICE OF  
ADMINISTRATIVE HEARINGS  
Kevin Garza, CLERK

**SOAH DOCKET NO. 454-23-24985  
TDI ENFORCEMENT FILE NO. 31937**

**TEXAS DEPARTMENT OF INSURANCE,**

**Petitioner**

**v.**

**DOUGLAS MILLSAPS,**

**Respondent**

**BEFORE THE STATE OFFICE**

**OF**

**ADMINISTRATIVE HEARINGS**

**NOTICE OF HEARING**

The Texas Department of Insurance seeks to deny your license application. This Notice of Hearing and the Original Petition, which is attached and incorporated for all purposes, states the allegations against you and the relief sought by the department.

A public hearing will be held before an Administrative Law Judge on **November 1, 2023, at 9:00 a.m.** The hearing will take place via videoconference using a videoconference platform controlled by the State Office of Administrative Hearings, unless otherwise ordered to proceed in another manner by the Administrative Law Judge.

The hearing shall be conducted under TEX. GOV'T CODE, ch. 2001 and 1 TEX. ADMIN. CODE, ch. 155. Unless otherwise directed by the Administrative Law Judge, the hearing shall continue from day to day in the offices of the State Office of Administrative Hearings until concluded. You have the right to appear at this hearing and to be represented by an attorney.

**Parties that are not represented by an attorney may obtain information regarding contested case hearings on the public website of the State Office of Administrative Hearings at [www.soah.texas.gov](http://www.soah.texas.gov), or in printed format upon request to SOAH.**

**YOU MUST FILE A WRITTEN RESPONSE TO THE NOTICE OF HEARING WITH THE STATE OFFICE OF ADMINISTRATIVE HEARINGS WITHIN 20 DAYS OF THE DATE THE NOTICE OF HEARING WAS MAILED. FAILURE TO FILE A WRITTEN RESPONSE BY THIS DEADLINE SHALL ENTITLE TDI TO SEEK DISPOSITION BY DEFAULT UNDER 1 TEX. ADMIN. CODE § 155.501 AND 28 TEX. ADMIN. CODE §§ 1.88 AND 1.89.**

**EXHIBIT**  
          A

## 2023-8203

Notice of Hearing  
Douglas Millsaps  
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**IF YOU FAIL TO FILE A WRITTEN RESPONSE, THE SCHEDULED HEARING CAN BE CANCELED AND WITHOUT FURTHER NOTICE TO YOU THE COMMISSIONER OF INSURANCE CAN ISSUE AN ORDER IN WHICH THE ALLEGATIONS IN THE NOTICE OF HEARING ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE NOTICE OF HEARING, INCLUDING DENIAL OF YOUR LICENSE APPLICATION, IS GRANTED BY DEFAULT.**

**IF YOU FILE A WRITTEN RESPONSE BUT THEN FAIL TO APPEAR ON THE DAY AND TIME SET FOR HEARING, WITHOUT FURTHER NOTICE TO YOU, THE COMMISSIONER OF INSURANCE CAN ISSUE AN ORDER IN WHICH THE ALLEGATIONS IN THE NOTICE OF HEARING ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE NOTICE OF HEARING, INCLUDING DENIAL OF YOUR LICENSE APPLICATION, IS GRANTED BY DEFAULT.**

In accord with 28 TEX. ADMIN. CODE § 1.90(e) and 1 TEX. ADMIN. CODE §§ 155.101 and 155.103, you should send copies of your written response to:

- (1) *(by mail, fax, or electronically)*  
Docketing Division  
State Office of Administrative Hearings  
300 West 15th Street, Room 504  
P.O. Box 13025  
Austin, Texas 78711-3025  
(512) 322-2061 (Fax);  
[www.soah.texas.gov](http://www.soah.texas.gov)
  
- (2) *(by mail, fax, or email)*  
Chief Clerk  
Texas Department of Insurance  
P.O. Box 12030, MC GC-CCO  
Austin, Texas 78711-2030  
(512) 490-1064 (Fax)  
[chiefclerk@tdi.texas.gov](mailto:chiefclerk@tdi.texas.gov); and
  
- (3) *(by mail, fax, or email)*  
Erik Huhn, Staff Attorney  
Texas Department of Insurance  
Enforcement, MC ENF

## **2023-8203**

Notice of Hearing

Douglas Millsaps

SOAH Docket No. 454-23-24985

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P.O. Box 12030  
Austin, Texas 78711-2030  
(512) 490-1020 (Fax)  
Erik.Huhn@tdi.texas.gov

### **Receiving Documents Electronically and Filing Documents with SOAH**

The State Office of Administrative Hearings (SOAH) offers you the ability to electronically receive orders and other documents issued by SOAH by email instead of by mail. If you want to receive SOAH-issued documents by email, follow the instructions on SOAH's website: [www.soah.texas.gov](http://www.soah.texas.gov).

A request to receive SOAH-issued documents by email does not change the procedures you must follow to file documents or exhibits with SOAH. Instructions on how to file documents and exhibits are on SOAH's website. SOAH's website also includes guidance for representing yourself.

### **Important Security Notice** (for In-Person Hearings ONLY)

**ALL VISITORS TO THE WILLIAM P. CLEMENTS BUILDING WITHOUT AN AGENCY OR DPS ISSUED ID CARD MUST PROVIDE THE BUILDING SECURITY OFFICER WITH THE STATE OFFICE OF ADMINISTRATIVE HEARINGS DOCKET NUMBER AND RECEIVE A VISITOR'S PASS IN ORDER TO BE ALLOWED ACCESS TO THE HEARING ROOM. INDIVIDUALS SHOULD ALLOW ADDITIONAL TIME TO GO THROUGH THE SECURITY PROCESS.**



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Notice of Hearing  
Douglas Millsaps  
SOAH Docket No. 454-23-24985  
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If you have any questions, please contact me at the address or telephone number shown below.

Respectfully Submitted,

*/s/Erik Huhn*

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Erik Huhn  
State Bar No. 24132806  
Texas Department of Insurance  
Enforcement, MC ENF  
P.O. Box 12030  
Austin, Texas 78711-2030  
(512) 676-6355 (Direct)  
(512) 490-1020 (Fax)  
Erik.Huhn@tdi.texas.gov

ATTORNEY FOR THE PETITIONER  
TEXAS DEPARTMENT OF INSURANCE

Enclosure: Original Petition

cc: Leah Gillum, Deputy Commissioner, Fraud and Enforcement Division, MC ENF  
Whitney Fraser, Litigation Director, Enforcement, MC ENF  
Administrative Review, MC CO-AAL

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Notice of Hearing

Douglas Millsaps

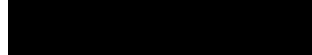
SOAH Docket No. 454-23-24985

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## CERTIFICATE OF SERVICE

I, Erik Huhn, certify that a true and correct copy of the *Notice of Hearing and the Original Petition* were sent by regular, first-class mail and by certified mail, return receipt requested, on this 8<sup>th</sup> day of August, 2023 to:

Douglas Millsaps



Houston, TX 77008

*Respondent Pro Se*

Via CM/RRR: 9214890194038325435916

*/s/Erik Huhn*

---

Erik Huhn

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SOAH Docket No. 454-23-24985

FILED  
454-23-24985  
8/3/2023 2:43 PM  
STATE OFFICE OF  
ADMINISTRATIVE HEARINGS  
April Bermea , CLERK

**SOAH DOCKET NO. 454-\_\_\_\_\_**  
**TDI ENFORCEMENT FILE NO. 31937**

ACCEPTED  
454-23-24985  
8/3/2023 4:55:41 pm  
STATE OFFICE OF  
ADMINISTRATIVE HEARINGS  
April Bermea , CLERK

**TEXAS DEPARTMENT OF INSURANCE,**

**BEFORE THE STATE OFFICE**

**Petitioner**

**v.**

**OF**

**DOUGLAS MILLSAPS,**

**ADMINISTRATIVE HEARINGS**

**Respondent**

**ORIGINAL PETITION**

The Texas Department of Insurance (TDI) seeks to deny Douglas Millsaps' license application. In support of this petition, TDI makes the following allegations upon information and belief:

**Jurisdiction**

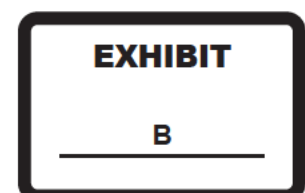
The commissioner of insurance has jurisdiction over this matter under TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4005.101, 4005.102, 4054.051; 28 TEX. ADMIN. CODE § 1.502; TEX. OCC. CODE §§ 53.021-53.023; and TEX. GOV'T CODE §§ 2001.051-2001.178.

**Factual Allegations**

1. On February 7, 2023, Millsaps applied for a general lines life accident and health agent license.
2. On March 24, 2023, TDI sent a proposed summary denial letter to Millsaps denying his application based on his criminal history which he disclosed.
3. On April 26, 2023, TDI acknowledged receipt of Millsaps' request for a hearing on the denial.

Criminal History:

4. On October 30, 2013, Millsaps pleaded guilty and was convicted of Conspiracy to Defraud the United States (Bank Fraud and Mail Fraud), a felony offense, in the



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Original Petition  
Douglas Millsaps  
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United States District Court for the Western District of North Carolina, Case No. 3:12CR000151-002. The court sentenced Millsaps to five years probation and ordered him to pay \$1,716,813 in restitution.

5. On August 29, 2018, Millsaps was released from probation with an outstanding financial obligation of \$1,271,956.41 remaining due in restitution.
6. Millsaps has not satisfied his restitution obligation.

## Legal Allegations

1. TDI may deny Millsaps' license application because he has engaged in fraudulent or dishonest acts or practices, as contemplated by TEX. INS. CODE § 4005.101(b)(5).
2. TDI may deny Millsaps' license application because he has been convicted of a felony, as contemplated by TEX. INS. CODE § 4005.101(b)(8).
3. TDI may deny Millsaps' license application because he has been convicted of an offense that directly relates to the duties and responsibilities of the licensed occupation, as contemplated under 28 TEX. ADMIN. CODE § 1.502(d), TEX. OCC. CODE §§ 53.021(a)(1), 53.022, and 53.023.
4. TDI may deny Millsaps' license application because he has committed an offense of such serious nature that it is of prime importance in determining fitness for licensure, as contemplated by 28 TEX. ADMIN. CODE § 1.502(e)(1) & 1.502(e)(3).
5. Millsaps has been convicted of a felony involving dishonesty or breach of trust, as specified in 18 U.S.C. 1033, requiring written consent from the commissioner of insurance to engage or participate in the business of insurance.
6. The factors listed under 28 TEX. ADMIN. CODE § 1.502(h) do not outweigh the serious nature of Millsaps' criminal history, as 28 TEX. ADMIN. CODE § 1.502(f) contemplates.

**Relief Sought**

If one or more of the above allegations is found to be true, TDI asks the Administrative Law Judge to enter a Proposal for Decision recommending that the commissioner of insurance issue an order:

1. denying Douglas Millsaps' license application, and
2. imposing any other just and appropriate relief to which TDI may be entitled by law.

Respectfully Submitted,

*/s/Erik Huhn*

---

Erik Huhn  
State Bar No. 24132806  
Texas Department of Insurance  
Enforcement, MC ENF  
P.O. Box 12030  
Austin, Texas 78711-2030  
(512) 676-6355 (Direct)  
(512) 490-1020 (Fax)  
Erik.Huhn@tdi.texas.gov

ATTORNEY FOR THE PETITIONER  
TEXAS DEPARTMENT OF INSURANCE

# 2023-8203

## Automated Certificate of eService

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Mary Ruiz on behalf of Erik Huhn  
Bar No. 24132806  
Enforcementgeneral@tdi.texas.gov  
Envelope ID: 78181809  
Filing Code Description: Request to Docket  
Filing Description: Request to Docket  
Status as of 8/3/2023 4:59 PM CST

Associated Case Party: Chief Clerk

Name	BarNumber	Email	TimestampSubmitted	Status
Chief Clerk		ChiefClerk@tdi.texas.gov	8/3/2023 2:43:30 PM	SENT

Associated Case Party: Texas Department of Insurance

Name	BarNumber	Email	TimestampSubmitted	Status
Erik Huhn		Erik.Huhn@tdi.texas.gov	8/3/2023 2:43:30 PM	SENT
Whitney Fraser		Whitney.Fraser@tdi.texas.gov	8/3/2023 2:43:30 PM	SENT
Texas Department of Insurance		Enforcementgeneral@tdi.texas.gov	8/3/2023 2:43:30 PM	SENT

Associated Case Party: Douglas Millsaps

Name	BarNumber	Email	TimestampSubmitted	Status
Douglas Millsaps		[REDACTED]	8/3/2023 2:43:30 PM	SENT

**2023-8203**

**Automated Certificate of eService**

This automated certificate of service was created by the e filing system. The filer served this document via email generated by the e filing system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Mary Ruiz on behalf of Erik Huhn  
Bar No. 24132806  
Enforcementgeneral@tdi.texas.gov  
Envelope ID: 78306071  
Filing Code Description: Notice of Hearing  
Filing Description: Millsaps NOH\_OP  
Status as of 8/8/2023 11:42 AM CST

Associated Case Party: Texas Department of Insurance

Name	BarNumber	Email	TimestampSubmitted	Status
Whitney Fraser		Whitney.Fraser@tdi.texas.gov	8/8/2023 11:39:50 AM	SENT
Texas Department of Insurance		Enforcementgeneral@tdi.texas.gov	8/8/2023 11:39:50 AM	SENT
Erik Huhn		Erik.Huhn@tdi.texas.gov	8/8/2023 11:39:50 AM	SENT
Leah Gillum		Leah.Gillum@tdi.texas.gov	8/8/2023 11:39:50 AM	SENT
Jodie Delgado		jodie.delgado@tdi.texas.gov	8/8/2023 11:39:50 AM	SENT

Associated Case Party: Chief Clerk

Name	BarNumber	Email	TimestampSubmitted	Status
Chief Clerk		ChiefClerk@tdi.texas.gov	8/8/2023 11:39:50 AM	SENT

Associated Case Party: Douglas Millsaps

Name	BarNumber	Email	TimestampSubmitted	Status
Douglas Millsaps		[REDACTED]	8/8/2023 11:39:50 AM	SENT

Firm Mailing Book For Accountable Mail

**Name and Address of Sender**  
 Texas Dept of Insurance  
 Mail Code ENF  
 1601 Congress Avenue, Suite 6.900  
 Austin TX 78711  
**Roxanne Rodriguez**  
 August 8, 2023

ENF

- Check type of mail or service
- Adult Signature Required
- Adult Signature Restricted Delivery
- Certified Mail
- Certified Mail Restricted Delivery
- Collect on Delivery (COD)
- Insured Mail
- Priority Mail
- First-Class Mail
- Priority Mail Express
- Registered Mail
- Return Receipt for Merchandise
- Signature Confirmation
- Signature Confirmation Restricted Delivery

USPS Tracking/Article Number  
 Huhn/31937

Address (Name, Street, City, State, & Zip Code)  
**Douglas Milsaps**  
 [REDACTED]  
 Houston, TX 77008

Postage

(Extra Service) Fee

Handling Charge

Actual Value if Registered

Insured Value

Due Sender if COD

ASR Fee

ASRD Fee

RD Fee

RR Fee

SC Fee

SCRD Fee

SH Fee

Affix Stamp Here  
 (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt

US POSTAGE \$001.95  
 06/08/2023  
 ZIP 78701  
 041M12252405

OFFICIAL BUSINESS  
 STATE OF TEXAS  
 PENALTY FOR PRIVATE USE

Handling  
 Over \$50,000 in value

Adult Signature  
 Adult Signature Restr...  
 Restricted Deliver...  
 Return Receipt  
 Signature Confirmation  
 Signature Confirmation Restricted Delivery  
 Special Handling



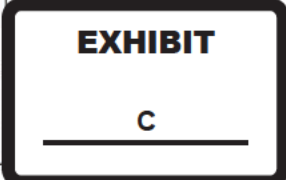
Total Number of Pieces Received at Post Office

Postmaster, Per (Name of receiving employee)

Completed in Ink

2015

Privacy Note: For more information on USPS privacy policies, visit usps.com/privacy policy.





**Shipment Confirmation  
Acceptance Notice**



**A. Mailer Action**

**Note to Mailer:** The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Shipment Date: 08/08/2023  
 Shipped From:  
 Name: ENF R RODRIGUEZ  
 Address: 1601 CONGRESS AVE  
 City: AUSTIN  
 State: TX ZIP+4® 78701

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	1
Total	1

\*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

**B. USPS Action**

- Note to RSS Clerk:
1. Home screen > Mailing/Shipping > More
  2. Select Shipment Confirm
  3. Scan or enter the barcode/label number from PS Form 5630
  4. Confirm the volume count message by selecting Yes or No
  5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.  
 Leave form with customer or in customer's mail receptacle.

**USPS SCAN AT ACCEPTANCE**



9275 0901 1935 6200 0046 2741 74

Huhn/31937



Firm Mailing Book For Accountable Mail



Name and Address of Sender

ENF R. RODRIGUEZ  
1601 CONGRESS AVE  
STE 6.900  
AUSTIN TX 78701

ENF

Check type of mail or service

- Adult Signature Required
- Adult Signature Restricted Delivery
- Certified Mail
- Certified Mail Restricted Delivery
- Collect on Delivery (COD)
- Insured Mail
- Priority Mail
- Priority Mail Express
- Registered Mail
- Return Receipt for Merchandise
- Signature Confirmation
- Signature Confirmation Restricted Delivery

USPS Tracking/Article Number

1. 9214 8901 9403 8325 4359 16

Huhn/31937

Addressee (Name, Street, City, State, & ZIP Code™)

DOUGLAS MILLSAPS  
[REDACTED]  
HOUSTON, TX 77008

Affix Stamp Here  
(for additional copies of this receipt).  
Postmark with Date of Receipt.

Postage	(Extra Service) Fee	Handling Charge - if Registered and over \$50,000 in value	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
0.87	4.35	Handling Charge - if Registered and over \$50,000 in value				Adult Signature Required	Adult Signature Restricted Delivery	Restricted Delivery	Return Receipt	Signature Confirmation	Signature Confirmation Restricted Delivery	Special Handling

RECEIVED  
AUG 04 2023  
TDI - ENFORCEMENT



Postmaster, Per (Name of receiving employee)

Total Number of Pieces Listed by Sender: 1  
Total Number of Pieces Received at Post Office: 1