

No. 2021-6680

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

Date: 02/10/2021

Subject Considered:

Gloria Ann Reyes
a/k/a Gloria Ann Garcia
a/k/a Gloria Ann Betancourt
[REDACTED]
Hutto, Texas 78634-2074

Default Order
SOAH Docket No. 454-21-0676
TDI Enforcement File No. 18072

General remarks and official action taken:

This is a default order taken against Gloria Ann Reyes a/k/a Gloria Ann Garcia a/k/a Gloria Ann Betancourt (Respondent) because she willfully violated the commissioner's order revoking her license by continuing to engage in the business of insurance without a license, in violation of Order No. 95-0610 and TEX. INS. CODE § 82.051. Respondent did not respond to a Notice of Hearing filed by the Texas Department of Insurance. The Commissioner of Insurance orders Respondent to cease and desist from performing acts that constitute the business of insurance.

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

Findings of Fact

Failure to Respond to Notice of Hearing

1. On November 20, 2020, the department filed a Notice of Hearing, attached as Exhibit A, and an Original Petition, attached as Exhibit B, with the State Office of Administrative Hearings.

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Commissioner's Order

Gloria Ann Reyes a/k/a Gloria Ann Garcia a/k/a Gloria Ann Betancourt

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2. The department's factual allegations set out in the attached Notice of Hearing and Original Petition are incorporated in this order as findings of fact.
3. The department sent the Notice of Hearing and Original Petition to Respondent's last known address, [REDACTED] Hutto, Texas 78634-2074. The Notice of Hearing and Original Petition were also sent by electronic mail to an address associated with Respondent.
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 pursuant to Texas law, including TEX. INS. CODE §§ 82.051-82.055, 84.021-84.044, 101.051, 101.102, 4001.002, 4005.101, 4005.102, and 4051.051; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has authority to dispose of this case informally pursuant to 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 pursuant to 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 pursuant to 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 pursuant to 28 TEX. ADMIN. CODE § 1.89.

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Commissioner's Order

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Order

It is ordered that Gloria Ann Reyes a/k/a Gloria Ann Garcia a/k/a Gloria Ann Betancourt cease and desist from performing acts that constitute the business of insurance. A copy of this order will be provided to law enforcement and/or other appropriate administrative agencies for further investigation as may be warranted.

Commissioner of Insurance

By: 
C77A87C8C21B435...
Doug Slape
Chief Deputy Commissioner
TEX. GOV'T CODE § 601.002
Commissioner's Order No. 2018-5528

Prepared and reviewed by:



Allison J. Anglin, Staff Attorney
Enforcement Division

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Commissioner's Order

Gloria Ann Reyes a/k/a Gloria Ann Garcia a/k/a Gloria Ann Betancourt

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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 Gloria Ann Reyes a/k/a Gloria Ann Garcia a/k/a Gloria Ann Betancourt. I have confirmed that:

- a. The last known mailing address of Gloria Ann Reyes a/k/a Gloria Ann Garcia a/k/a Gloria Ann Betancourt is [REDACTED], Hutto, Texas 78634-2074.
- b. The file maintained by the Enforcement Division contains a Notice of Hearing and Original Petition dated November 20, 2020, which were filed with the State Office of Administrative Hearings.
- c. On November 20, 2020, the Notice of Hearing and Original Petition addressed to Gloria Ann Reyes a/k/a Gloria Ann Garcia a/k/a Gloria Ann Betancourt were mailed certified, return receipt requested, to her last known address, and was also sent by electronic mail to an address associated with Gloria Ann Reyes a/k/a Gloria Ann Garcia a/k/a Gloria Ann Betancourt.

Copies of the certified mail log maintained by the Enforcement Division is attached as Exhibit C."

DocuSigned by:

David Moreno

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Affiant

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Commissioner's Order

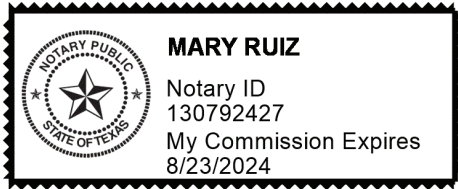
Gloria Ann Reyes a/k/a Gloria Ann Garcia a/k/a Gloria Ann Betancourt

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SWORN TO AND SUBSCRIBED before me by means of an interactive two-way audio and video communication on 1/14/2021. This notarial act was an online notarization.

Notary Seal

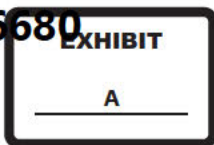


Digital Certificate

DocuSigned by:
Mary Ruiz
795DC4D59167489...

Notary Public State of Texas

2021-6680



ACCEPTED
454-21-0676
11/20/2020 1:01 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Donnie Roland, CLERK

SOAH DOCKET NO. 454-21-0676
TDI ENFORCEMENT FILE NO. 18072

FILED
454-21-0676
11/20/2020 12:34 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Donnie Roland, CLERK

TEXAS DEPARTMENT OF INSURANCE,

Petitioner

v.

**GLORIA ANN REYES A/K/A GLORIA
ANN GARCIA AND A/K/A GLORIA
ANN BETANCOURT,**

Respondent

BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

NOTICE OF HEARING

The Texas Department of Insurance seeks to take disciplinary action against you. 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 **Wednesday, March 10, 2021 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 pursuant to 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, 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

Upload Date: 20201120012001 Account Number: 4119 Upload Description: 18fc2cb7-b412-4389-8787-804fa03a8eb5-0-ENV48293146

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THIS DEADLINE SHALL ENTITLE TDI TO SEEK DISPOSITION BY DEFAULT PURSUANT TO 1 TEX. ADMIN. CODE § 155.501 AND 28 TEX. ADMIN. CODE §§ 1.88 AND 1.89.

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 ORIGINAL PETITION ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE NOTICE OF HEARING, INCLUDING ISSUANCE OF A CEASE AND DESIST ORDER, IMPOSITION OF ADMINISTRATIVE PENALTIES, AND/OR PAYMENT OF RESTITUTION, 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 ORIGINAL PETITION ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE ORIGINAL PETITION, INCLUDING ISSUANCE OF A CEASE AND DESIST ORDER, IMPOSITION OF ADMINISTRATIVE PENALTIES, AND/OR PAYMENT OF RESTITUTION, 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) 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);
- (2) Chief Clerk
Texas Department of Insurance
P.O. Box 149104, MC112-2A
Austin, Texas 78714-9104
(512) 490-1064 (Fax)
chiefclerk@tdi.texas.gov; and
- (3) Allison J. Anglin, Staff Attorney
Texas Department of Insurance

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Notice of Hearing

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Enforcement Division, MC110-1A

P.O. Box 149104

Austin, Texas 78714-9104

(512) 490-1020 (Fax)

Allison.Anglin@tdi.texas.gov.

Receiving Documents

The State Office of Administrative Hearings (SOAH) offers you the ability to receive service of orders and other documents issued by SOAH through email instead of by mail or fax. If you want to receive SOAH-issued documents by email, go to SOAH's website, www.soah.texas.gov, click on the "E-Services" tab, then click the "E-Filing" hyperlink, and follow the instructions.

NOTE: A request to receive SOAH-issued documents by email does not change the procedures you must follow to file documents with SOAH. The rules for filing documents and providing copies to all other parties in the case are described in SOAH's Procedural Rules, which are available on SOAH's website. Click the "Agency" tab, then click "Administrative Rules and Laws" to view SOAH's Procedural Rules.

Important Security Notice

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.

If you have any questions, please contact me at the address or telephone number shown below.

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Respectfully submitted,



Allison J. Anglin

State Bar No. 24096016

Texas Department of Insurance

Enforcement Division, MC110-1A

P.O. Box 149104

Austin, Texas 78714-9104

(512) 676-6359 (Direct)

(512) 490-1020 (Fax)

allison.anglin@tdi.texas.gov

ATTORNEY FOR PETITIONER

TEXAS DEPARTMENT OF INSURANCE

Enclosure: Original Petition

cc: Leah Gillum, Deputy Commissioner, Enforcement Division, MC-110-1A
Ginger Loeffler, Litigation Director, Enforcement Division, MC-110-1A
Administrative Review, MC107-1A

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CERTIFICATE OF SERVICE

I, Allison J. Anglin, certify that a true and correct copy of the *Notice of Hearing and the Original Petition* were sent by certified mail, return receipt requested, and electronic mail on this 20th day of November, 2020 to:

Gloria Reyes

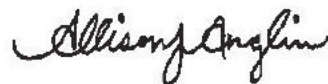
[REDACTED]

Hutto, Texas 78634-2074

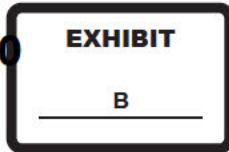
Respondent Pro Se

Via CM/RRR No.: 9214 8901 9403 8326 0301 96

Electronic Mail: [REDACTED]



Allison J. Anglin



SOAH DOCKET NO. 454-_____
TDI ENFORCEMENT FILE NO. 18072

TEXAS DEPARTMENT OF INSURANCE,

Petitioner

v.

**GLORIA ANN REYES A/K/A GLORIA
ANN GARCIA AND A/K/A GLORIA
ANN BETANCOURT,**

Respondent

BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

ORIGINAL PETITION

The Texas Department of Insurance seeks to take disciplinary action against Gloria Ann Reyes a/k/a Gloria Ann Garcia and a/k/a Gloria Ann Betancourt. In support of this petition, the department makes the following allegations upon information and belief:

Jurisdiction

The Commissioner of Insurance has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 84.021 – 84.044, 101.051, 101.102, 4001.002, 4005.101, 4005.102, and 4051.051, and TEX. GOV'T CODE §§ 2001.051-2001.178.

Factual Allegations

Licensure

1. Prior to May 2, 1995, Gloria Ann Reyes a/k/a Gloria Ann Garcia and a/k/a Gloria Ann Betancourt (Reyes) held a local recording agent license which was originally issued by TDI and later revoked.
2. Also prior to May 2, 1995, Reyes owned Gloria Garcia d/b/a Gloria Garcia Insurance Agency (Garcia Agency). Garcia Agency was a sole proprietorship, where Reyes was to report business income and losses on her personal tax return and was personally responsible for the business's debts and legal obligations.

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Criminal History

3. On or about August 17, 1993, Reyes, known at the time as Gloria Garcia, was indicted by a federal grand jury sitting in the Western District of Texas, Austin Division, on four counts. They included one count of conspiracy to launder monetary instruments and three counts of money laundering. The indictment was assigned cause no. A-93-CR-137JN.
4. On or about October 6, 1994, in the United States District Court, Western District of Texas, Reyes pled guilty to count one of the indictment referenced above, namely: conspiracy to launder monetary instruments, a felony.
5. On or about February 2, 1995, the United States District Court, Western District of Texas, sentenced Reyes to sixty (60) months in federal prison. Reyes was ordered to pay a fine of \$12,500. In addition, Reyes was ordered to serve three (3) years on probation.

Revocation

6. On May 2, 1995, TDI convened a public hearing seeking to take disciplinary action against Reyes to revoke her local recording agent's license based on her conviction of the federal felony offense of conspiracy to launder money.
7. On June 20, 1995, the Commissioner of Insurance entered Order No. 95-0610 revoking Reyes's local recording agent's license.

Background on Garcia Agency

8. On October 7, 1992, the Commissioner of Insurance issued Official Order No. 92-0952 against Garcia Agency. The commissioner placed Garcia Agency into a state of supervision as a result of his determination that the continued operation of Garcia Agency was hazardous to the public.
9. On October 7, 1992, the Commissioner of Insurance issued Order No. 92-0953, which ordered Garcia Agency to cease and desist from conducting or engaging in any new business as an insurance agent in the State of Texas until such time that it was no longer in hazardous condition or a financially hazardous condition. To this end, the Garcia Agency had, at a minimum, to show compliance by gaining

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actual control of the business records seized by the federal authorities pursuant to the search warrant executed on October 3, 1992.

10. On October 22, 1992, a hearing concerning the supervision of Garcia Agency was held.
11. On November 6, 1992, the Commissioner of Insurance issued Order No. 92-1078, which created a state of conservatorship and appointed a conservator for Garcia Agency. This order was based on information gathered by the department from October 7, 1992, to October 22, 1992.
12. From November 6, 1992, to December 15, 1992, Garcia Agency remained in a state of conservatorship and had to continue to meet the requirements of Commissioner's Order No. 92-1078.
13. On December 15, 1992, in Consent Order No. 92-1238, the Commissioner of Insurance Ordered the abatement of the Cease and Desist Order issued against Garcia Agency, stating that Garcia Agency waived all procedural requirements for the entry of an Order, including but not limited to, notice of hearing, a public hearing, a proposal for decision, rehearing by the Commissioner of Insurance, a review by the State Board of Insurance, and judicial review.
14. Gloria Garcia agreed to the following conditions concerning the insurance business activities of her agency: (a) No cash payments would be accepted or received by the Garcia Agency; (b) Garcia Agency would continue to assist existing customers in making their monthly premium finance payments, but no cash payments would be accepted by the agency. Premium finance payments made by money order or personal check would be forwarded directly the premium finance company or carrier; (c) The total of all monies received by the Garcia Agency as insurance premium would be deposited daily, in total, and a copy of the deposit slip will be attached to the daily log. These records would be forwarded to the accountant no less than weekly; (d) Payroll taxes would be paid at the same time as employee payroll, as allowed by current IRS procedures. The payroll tax payment would be submitted to the Conservator's representative at the same time as the payroll checks; (e) During conservation, Gloria Garcia would be allowed to take a monthly draw of no more than \$2,000 from the agency, so long as the gross commissions for the month equal or exceed the amount; (f) Garcia Agency would not accept any

monies nor disburse any funds on behalf of any outside individual or entity that is not directly related to the insurance business of the Garcia Agency.

15. Garcia Agency represented to the Commissioner of Insurance an understanding that any abatement of Commissioner of Insurance Order No. 92-0953, dated October 7, 1992, as a result of any order issued pursuant to the waiver, stipulations, and recommendations would not preclude the initiation of any disciplinary action for conduct not addressed in the stipulations.
16. On September 9, 1995, after Reyes's license was revoked and during her incarceration, Gloria Garcia Insurance Agency Inc.—was changed to Trejo Insurance Agency, Inc. (Trejo Agency) via an article of amendment filed with the Texas Secretary of State. It was later changed to Adrianna Garcia Insurance Agency d/b/a Garcia Insurance.
17. On September 12, 2016, Adrianna Garcia surrendered her agency license. The company had a new owner the business changed to Garcia Advisors Group LLC d/b/a Garcia Insurance and was licensed under Juan R. Rios.
18. Following this, on June 12, 2017, the company was licensed by Pete Pelaez under Garcia G&KK Insurance Agency d/b/a Garcia Insurance.
19. Each of these businesses were ran at the exact same address at [REDACTED] [REDACTED] Austin, Texas 78702-3355 and were all referred to as Garcia Insurance.
20. On June 12, 2019, the agency license for Garcia G&KK Insurance was surrendered and the book of business was sold.

Summary of Allegations

21. TDI contends that after being released from her incarceration, Reyes began working for her daughter's agency: Adrianna Garcia Insurance Agency, where she engaged in the unlicensed business of insurance. Also, when Adrianna Garcia sold her book of business to Juan R. Rios to form Garcia Advisors Group, LLC, TDI contends that Reyes continued to work as an unlicensed agent conducting the business of insurance.

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22. TDI also contends that Reyes did not leave Garcia Advisors Group, LLC, as TDI was informed, when a complaint involving Reyes first arose in 2015. Rather, Reyes continued to act as an unlicensed agent for all of the new business when the business was later changed to Garcia G&KK Insurance Agency.

Application History

23. Reyes has repeatedly indicated she understands that a license is required to engage in the business of insurance. In 2000, Reyes applied for a license with TDI under the name Gloria Ann Garcia. On October 27, 2000, TDI mailed Reyes a summary denial letter.
24. Reyes requested a hearing to appeal her license denial, which was scheduled with the State Office of Administrative Hearings but was ultimately dismissed without Reyes obtaining a license.
25. On May 7, 2007, Reyes applied again to TDI for a general lines agent license with a property and casualty qualification under yet a different name: Gloria Ann Reyes. Adrianna Garcia Insurance Agency Inc. was Reyes's sponsoring organization.
26. On May 15, 2007, TDI sent a letter to Reyes requesting additional information about her criminal history. Reyes failed to respond, and her application expired.

Pattern of Misconduct

A. Adrianna Garcia Insurance Agency d/b/a Garcia Insurance

27. Adrianna Marie Garcia a/k/a Adrianna Trejo (Adrianna Garcia) is Reyes's daughter. Adrianna Garcia held a general lines property and casualty license originally issued by TDI on January 3, 2001, which she later voluntarily surrendered—stating that she had “shut down” her agency.
28. The address for Adrianna Garcia Insurance Agency was also [REDACTED] [REDACTED] Austin, Texas 78702-3355, the same address for Garcia Agency.
29. The effective registration of Adrianna Garcia Insurance Agency with TDI was on August 19, 1994,—which was originally incorporated under Gloria Garcia Insurance Agency Inc.

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30. On September 9, 1995, after Reyes's license was revoked and during her incarceration, the original company name for Adrianna Garcia Insurance Agency—Gloria Garcia Insurance Agency Inc.—was changed to Trejo Insurance Agency, Inc. via an article of amendment filed with the Texas Secretary of State.
31. Reyes was released from prison in 2000. After Adrianna Garcia was licensed with TDI on January 3, 2001, Reyes went to work at Trejo Agency as an office manager.
32. On July 4, 2002, Adrianna Garcia was named the registered agent for Trejo Agency.
33. On March 4, 2004, an article of amendment was filed with the Texas Secretary of State where the name of the agency was changed to Adrianna Garcia Insurance Agency Inc. (Adrianna Garcia Agency).
34. On April 30, 2013, TDI received a complaint alleging that Adrianna Garcia worked for the City of Austin as a clerk and her mother, Reyes, was the one actually running Adrianna Garcia Agency.
35. On June 4, 2014, Consent Order No. 3324 was issued by the Commissioner of Insurance. The order found that Adrianna Garcia engaged in dishonest acts that directly related to the business of insurance and was ordered to pay an administrative penalty of \$2,000.
36. A year later, Adrianna Garcia Agency was accused of failing to remit premium payment received from an insured in the amount of \$603. The complaint specifically listed Reyes and detailed her actions as an unlicensed agent.
37. In a letter dated February 11, 2016, with the business name Garcia Insurance, Reyes wrote to TDI that the agency was sold, that Garcia Advisors Group, LLC was the new owner, and they would work to resolve the insured's complaint.
38. Adrianna Garcia voluntarily surrendered her agent license on September 30, 2015, stating that she had shut down her insurance agency. On September 12, 2016, Adrianna Garcia also surrendered her agency license.

B. Garcia Advisors Group LLC d/b/a Garcia Insurance

39. Juan R. Rios was the owner of Garcia Advisors Group LLC d/b/a Garcia Insurance, which formed on September 30, 2015, and was licensed with TDI on November 2, 2015. The address for the agency again was 1304 E 6th Street, Suite 4, Austin, Texas 78702-3355.
40. In an email dated August 26, 2016, Rose Ann Betancourt (Betancourt), an employee of Garcia Insurance, advised that Reyes no longer worked for the agency.
41. On June 27, 2017, Juan R. Rios sent TDI a request to cancel the agency license for Garcia Advisors Group, LLC.
42. The book of business for Garcia Advisors Group LLC was sold to Peter Pelaez (Pelaez) who formed Garcia G&KK Insurance Agency d/b/a Garcia Insurance.

C. Garcia G&KK Insurance Agency LLC d/b/a Garcia Insurance

43. Pelaez was the owner of Garcia G&KK Insurance Agency LLC d/b/a Garcia Insurance, which was formed on May 5, 2017, and licensed with TDI on June 12, 2017. The address for the agency again was 1304 E 6th Street, Suite 4, Austin, Texas 78702-3355.
44. A complaint was subsequently submitted to TDI claiming that an employee of Garcia Insurance had attempted claims fraud by reinstating a policy after knowing of a recent accident on an insured's vehicle. A review of the file showed that an employee of Garcia Insurance, Betancourt, was not a licensed agent but did in fact reinstate the policy in question.
45. During a visit to Garcia G&KK Insurance Agency by TDI investigators, the investigators found that the only parties present to run the agency and conduct the business of insurance were two employees: Betancourt and Gloria Ann Betancourt, another alias used by Reyes.
46. During the visit, TDI investigators asked to speak to the agency manager. Betancourt named Reyes as the owner. Reyes was speaking with an insured when TDI investigators arrived and asked to wait to speak with Reyes.

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47. Betancourt then corrected her prior statement by saying that Pelaez was the agency manager but was out of town. It was later discovered that Pelaez had been out of the country for medical reasons for a period of about eight months.

Recent Unlicensed Activity by Reyes

48. Further investigation revealed that Reyes continually engaged in the unlicensed business of insurance for at least seven months while owner Pelaez was out of the country. Kemper Insurance provided TDI with a list of 13 insureds whose policies were written when Pelaez, the only licensed agent for Garcia Insurance, was out of the country.
49. Each of the insureds contacted by TDI said that Reyes was the agent who wrote their policy—not one even mentioned the name of another employee or agent that worked at Garcia Insurance.
50. Rather than contest these allegations that he was using unlicensed people to conduct his insurance business, Pelaez surrendered both his agency and individual licenses. Effective March 4, 2019, Pelaez terminated Reyes and Betancourt from their employment. He also agreed to sell or dissolve Garcia G&KK Insurance on or before March 31, 2019.
51. TDI determined that Betancourt was only following the directions that were given to her by Reyes. She was cooperative with the investigation and freely admitted to the actions she took that amounted to the unauthorized business of insurance.
52. On March 26, 2019, a bill of sale was made between Pelaez, the seller, and Kevin Alexander Barrera (Barrera), the buyer, that granted the transfer of the book of business of Garcia G&KK Insurance Agency LLC to Barrera.

Legal Allegations

1. Reyes has willfully violated an insurance law of this state, in violation of TEX. INS. CODE § 4005.101(b)(1).
2. Reyes has engaged in acts constituting the business of insurance without a license, as defined in TEX. INS. CODE §§ 101.051 and 4001.051, in violation of TEX. INS. CODE §§ 101.102, 4001.101, and 4051.051.

3. Reyes violated the commissioner's order revoking her license by continuing to engage in the business of insurance without a license, in violation of Order No. 95-0610 and TEX. INS. CODE § 82.051.

Relief Sought

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

1. ordering Reyes to cease and desist from performing acts that constitute the business of insurance;
2. fining Reyes for engaging in the unauthorized practice of the business of insurance; and
3. imposing any other just and appropriate relief to which the department may be entitled to by law.

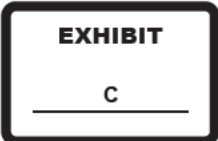
Respectfully submitted,



Allison J. Anglin
State Bar No. 24096016
Texas Department of Insurance
Enforcement Division, MC110-1A
P.O. Box 149104
Austin, Texas 78714-9104
(512) 676-6359 (Direct)
(512) 490-1020 (Fax)
Allison.Anglin@tdi.texas.gov

ATTORNEY FOR PETITIONER
TEXAS DEPARTMENT OF INSURANCE

2021-6680



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: 11/20/2020

Shipped From:

Name: MC 110-1A M RUIZ

Address: 333 GUADALUPE ST

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 0025 4400 02

ANGLIN/18072

