Official Order of the Texas Commissioner of Insurance

Date: <u>07/21/2021</u>

Subject Considered:

Texas Department of Insurance v.

Rem Cin Sung

SOAH Docket No. 454-21-1002.C

Order on Agreed Motion to Set Aside Default Judgment

General remarks and official action taken:

The subject of this order is the request by Texas Department of Insurance (TDI) Enforcement staff (Staff) that TDI set aside the default judgment previously issued in this matter and that the record be reopened and a new hearing set.

Background

On April 1, 2021, Commissioner's Order No. 2021-6763 (Order) was issued. The Order revokes Rem Cin Sung's insurance agent license, which she had surrendered on November 7, 2018, and denies Ms. Sung's application for a general lines agent license with a life, accident, and health qualification and a property and casualty qualification. The Order was issued on a default basis because Ms. Sung failed to respond to a notice of hearing.

On April 22, 2021, Staff filed an Agreed Motion to Set Aside Default Judgment.

Discussion

Motions to set aside a default order and reopen the record are addressed in TDI's rules at 28 TAC § 1.89. Section 1.89(d) provides that such a motion will be granted if the respondent's "failure to file a written response . . . was neither intentional nor the result of conscious indifference, and that such a mistake was due to a mistake or accident."

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In this case, Ms. Sung contacted Staff after the default order was issued and explained that she did not receive the notice of hearing. Staff's motion states that Ms. Sung had moved from the address on file with TDI and had provided her new mailing address in her license application, but TDI's computer database had not been updated to reflect the new address, so the notice of hearing went to the old address.

Based on the information presented in Staff's motion, TDI finds that Ms. Sung's failure to file a timely written response was neither intentional nor the result of conscious indifference, but was due to a mistake or accident. Accordingly, the default order will be set aside and the record reopened.

Order

The default judgment ordered by Commissioner's Order No. 2021-6763 is set aside, and the record for SOAH Docket No. 454-21-1002.C is to be reopened and a new hearing is to be set.

Commissioner of Insurance

By: Down Slape

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Doug Slape

Chief Deputy Commissioner

Tex. Gov't Code § 601.002

Commissioner's Order No. 2018-5528

Recommended and reviewed by:

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