

No. **2024-8702**

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

**Date: 6/25/2024**

**Subject Considered:**

James Dalton Horton  
The Colony, Texas

Consent Order  
TDI Enforcement File No. 30661

**General remarks and official action taken:**

This is a consent order with James Dalton Horton (Horton). Horton waived a term or condition of an insurance policy or application resulting in the renewal of policies without payment of prior premium balances. To settle this matter and avoid cost and expense, Horton has agreed to an administrative penalty of \$5,000.

**Waiver**

Horton acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Horton waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order, which constitutes a full and final settlement of the issues considered in TDI Enforcement File No. 30661.

**Findings of Fact**

1. Horton, individual identification number 1430433, holds a general lines agent license with a qualification in property and casualty issued on February 19, 2015, and a qualification in life, accident, health, and HMO issued on April 28, 2017.
2. Horton previously ran a captive insurance agency for Allstate Insurance Company (Allstate). He employed licensed agents that also wrote insurance for Allstate.

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3. Allstate terminated Horton's agency agreement on August 29, 2022. In connection with its termination, Allstate reported to The Texas Department of Insurance (TDI) that it had discovered instances in which data was input into the system in a manner that allowed coverage to be bound without payment by an insured of that insured's outstanding balances for prior coverage.

### Mitigating Evidence

4. Horton has been licensed by TDI for nine years and represents that he has not otherwise been the subject of a department action or consumer complaints.
5. Horton represents that while running his Allstate captive agency, no errors and omissions claims were made.
6. Horton represents to TDI that any error was due to the volume of his business, technical difficulties with the Allstate quoting system itself, lack of internal or company-level staff to provide sufficient quality control and compliance, and difficulties as a result of the pandemic that occurred during and after the alleged conduct.
7. Understanding the gravity of these issues, Horton represents that immediately after starting his new agency he aggressively pursued and adopted updated procedures and hired and retained additional, high-level compliance staff to ensure that these errors would not occur in the future.

### **Conclusions of Law**

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, 4051.051, and 4054.051.
2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056; TEX. INS. CODE §§ 36.104 and 82.055; and 28 TEX. ADMIN. CODE § 1.47.
3. Horton has knowingly and voluntarily waived all procedural rights to which he may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.

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- Horton waived a term or condition of an insurance policy or application, as prohibited by TEX. INS. CODE § 4001.051(c).

## Order

It is ordered that James Dalton Horton pay an administrative penalty of \$5,000 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which TDI will send after entry of this order.

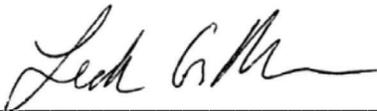
It is further ordered that Horton complete four extra hours of ethics continuing education in addition to the standard requirements, for the current reporting period and submit evidence of completion by emailing certificates of completion or other proof of completion to: EnforcementReports@tdi.texas.gov.

DocuSigned by:  
  
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Cassie Brown  
Commissioner of Insurance

Recommended and reviewed by:



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Leah Gillum, Deputy Commissioner  
Fraud and Enforcement Division

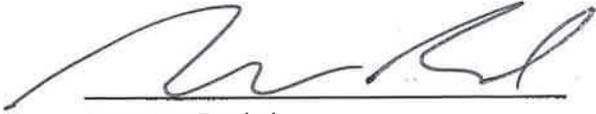
/s/ Nancy Williams

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Nancy Williams, Staff Attorney  
Enforcement

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Approved as to form and content:

A handwritten signature in black ink, appearing to read 'N. Beaird', written over a horizontal line.

Nanette Beaird  
Counsel for Respondent

**Affidavit**

STATE OF TEXAS §  
§  
COUNTY OF DEWTON §

Before me, the undersigned authority, personally appeared JAMES DALTON HORTON who being by me duly sworn, deposed as follows:

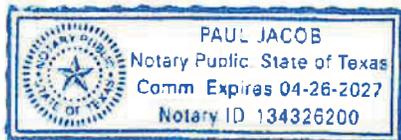
"My name is James Dalton Horton. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

I have knowingly and voluntarily entered into the foregoing consent order and agree with and consent to the issuance and service of the same by the commissioner of insurance of the state of Texas."

James D. Horton  
Affiant

SWORN TO AND SUBSCRIBED before me on 28<sup>th</sup> Day of May, 2024.

(NOTARY SEAL)



[Signature]  
Signature of Notary Public  
PAUL JACOB  
Printed Name of Notary Public