

No. **2026-9863**

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

Date: 04/01/2026

Subject Considered:

Texas Department of Insurance

v.

Gabriela Perez

SOAH Docket No. 454-25-20432.C

General Remarks and Official Action Taken:

The subject of this order is Gabriela Perez's application for a general lines agent license. This order denies Ms. Perez's application.

Background

After proper notice was given, the above-styled case was heard by an administrative law judge for the State Office of Administrative Hearings. The administrative law judge made and filed a proposal for decision containing a recommendation that TDI deny Ms. Perez's application. A copy of the proposal for decision is attached as Exhibit A.

Findings of Fact

The proposed findings of fact contained in Exhibit A are adopted and incorporated by reference into this order.

Conclusions of Law

The proposed conclusions of law contained in Exhibit A are adopted and incorporated by reference into this order.

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Order

It is ordered that Gabriela Perez's application for a general lines agent license is denied.

Signed by:
Amanda Crawford
FE10434BC41A470...
Amanda Crawford
Commissioner of Insurance

Recommended and reviewed by:

Signed by:
Jessica Barta
5DAC5618BBC74D4...
Jessica Barta, General Counsel

Signed by:
Justin Beam
27ADF3DA5BAF4B7...
Justin Beam, Chief Clerk

**BEFORE THE
STATE OFFICE OF ADMINISTRATIVE
HEARINGS**

—
**TEXAS DEPARTMENT OF INSURANCE,
PETITIONER**

v.

**GABRIELA PEREZ,
RESPONDENT**

PROPOSAL FOR DECISION

The staff (Staff) of the Texas Department of Insurance (Department) seeks to deny the application of Gabriela Perez for a general lines agent license based on her criminal history. After considering the evidence and applicable law, the Administrative Law Judge (ALJ) recommends that the Department deny Ms. Perez's license application.

I. NOTICE, JURISDICTION, AND PROCEDURAL HISTORY

There were no contested issues of jurisdiction or notice, so those matters are addressed solely in the findings of fact and conclusions of law below. The hearing

was held via Zoom videoconference on November 12, 2025, before ALJ Amy Davis of the State Office of Administrative Hearings (SOAH). Attorney Priya Subramanian represented Staff. Ms. Perez appeared and represented herself. The hearing concluded that day, and the record closed on December 3, 2025, when the court reporter's transcript was filed with SOAH.¹

II. APPLICABLE LAW

The Department considers it very important that license holders and applicants be honest, trustworthy, and reliable² and will evaluate an applicant's criminal history and other conduct to determine whether the applicant possesses those qualities. The Department may deny a license application on several grounds, including whether the applicant has been convicted of a felony or has been convicted of an offense that directly relates to the duties and responsibilities of the licensed occupation.³

In determining whether to deny an application based on a person's criminal history, the Department considers the factors specified in Texas Occupations Code sections 53.022 and 53.023.⁴ Texas Occupations Code section 53.022 sets forth the

¹ Order Addressing Record Close Date (Nov. 12, 2025).

² 28 Tex. Admin. Code § 1.502(c).

³ Tex. Ins. Code § 4005.101(b)(8); Tex. Occ. Code § 53.021(a)(1); *see also* 28 Tex. Admin. Code § 1.502 (authorizing the Department to refuse to issue a license if it determines that the applicant has committed a felony or misdemeanor, or has engaged in fraudulent or dishonest activity that directly relates to the duties and responsibilities of the licensed occupation).

⁴ 28 Tex. Admin. Code § 1.502(e).

following factors, which address whether a criminal conviction directly relates to the duties and responsibilities of the licensed occupation:

- (1) the nature and seriousness of the crime;
- (2) the relationship of the crime to the purposes for requiring a license to engage in the occupation;
- (3) the extent to which a license might offer an opportunity to engage in further criminal activity of the same type as that in which the person previously had been involved;
- (4) the relationship of the crime to the ability or capacity required to perform the duties and discharge the responsibilities of the licensed occupation; and
- (5) any correlation between the elements of the crime and the duties and responsibilities of the licensed occupation.⁵

To guide its decision-making when considering an applicant's criminal history, the Department has identified certain crimes it considers to be of such a serious nature that they are of prime importance in determining fitness for licensure. These crimes include, among others, any felony involving moral turpitude or breach of fiduciary duty.⁶ Crimes of moral turpitude generally involve dishonesty, fraud, deceit, misrepresentation, or deliberate violence.⁷ Crimes the Department has

⁵ See also 28 Tex. Admin. Code § 1.502(f).

⁶ 28 Tex. Admin. Code § 1.502(f)(3).

⁷ *In re Humphreys*, 880 S.W.2d 402, 407–08 (Tex. 1994); *Brown v. Tex. Dep't of Ins.*, 34 S.W.3d 683, 690 (Tex. App.—Austin 2000, no pet.).

determined to be of prime importance are directly related to the occupations it licenses.⁸

When deciding whether to deny an application for a license under chapter 53 of the Texas Occupations Code, the Department considers certain factors:

- (1) the extent and nature of the person's past criminal activity;
- (2) the age of the person when the crime was committed;
- (3) the amount of time that has elapsed since the person's last criminal activity;
- (4) the conduct and work activity of the person before and after the criminal activity;
- (5) evidence of the person's rehabilitation or rehabilitative effort while incarcerated or after release;
- (6) evidence of the person's compliance with any conditions of community supervision, parole, or mandatory supervision; and
- (7) other evidence of the person's fitness, including letters of recommendation.⁹

The applicant is entitled to a hearing to contest the proposed denial of the application.¹⁰ In this proceeding, Staff has the burden of proving its grounds for denying Ms. Perez's license application, while Ms. Perez has the burden to prove

⁸ 28 Tex. Admin. Code § 1.502(f); *see also* Tex. Occ. Code § 53.025.

⁹ Tex. Occ. Code § 53.023(a); 28 Tex. Admin. Code § 1.502(e).

¹⁰ Tex. Ins. Code § 4005.104(a).

her fitness to be license despite her criminal history.¹¹ The standard of proof is by a preponderance of the evidence.¹² Afterward, the administrative law judge prepares a proposal for decision with findings of fact and conclusions of law.¹³ The Commissioner then considers the proposal for decision and issues a final order.¹⁴

III. EVIDENCE

At the hearing, Staff had three exhibits admitted into evidence,¹⁵ and presented the testimony of Tenika Young. Ms. Perez did not offer any exhibits and testified on her own behalf.

A. MS. PEREZ'S CRIMINAL HISTORY

Staff presented evidence of Ms. Perez's criminal history, as follows:

- On May 15, 2019, Ms. Perez was indicted for felony False Statement to a Firearms Dealer (18 U.S.C. § 922(a)(6)) by the U.S. District Court for the Northern District of Texas, Dallas Division, in Case No. 3:19-CR-00254-M(1).¹⁶
- On December 16, 2022, in the U.S. District Court for the Northern District of Texas, Dallas Division, in Case No. 3:19 CR-00254-M(1), Ms. Perez pleaded guilty and was convicted of Making a False Statement to a Firearms Dealer, a felony. Ms. Perez was sentenced

¹¹ 1 Tex. Admin. Code § 155.427.

¹² *Granek v. Tex. St. Bd. of Med. Exam'rs*, 172 S.W.3d 761, 777 (Tex. App.—Austin 2005, no pet.).

¹³ Tex. Ins. Code § 40.058.

¹⁴ Tex. Ins. Code §§ 40.059-.60.

¹⁵ Exhibit 1 (Notice of Hearing); Exhibit 2 (Ms. Perez's Application); and Exhibit 3 (*USA v. Perez* Indictment).

¹⁶ Staff Ex. 3.

to 21 months imprisonment followed by two years of supervised release.¹⁷

- On July 13, 2023, Ms. Perez was released from imprisonment and placed on supervised release for two years. On December 4, 2024, Ms. Perez completed her term of supervised release.¹⁸

B. TESTIMONY OF TENIKA YOUNG

Ms. Young is the manager for the Department’s administrative review department. She testified that a license conveys to the public that the Department has determined that the license holder is honest, trustworthy, and reliable. She added that, given the complicated nature of insurance, the public needs to be able to trust agents and adjustors. She also described how applications submitted by someone with a criminal history are reviewed by the administrative review department. In recognition that each case is different, the applications are reviewed on a case-by-case basis.

Ms. Young described her review of Ms. Perez’s application, and how she examined the relevant factors. Ms. Young particularly emphasized that Ms. Perez’s criminal conduct involved fraud—she made false statements to a firearms dealer—which is a crime of moral turpitude that directly relates to the business of insurance. Ms. Young observed that Ms. Perez was 43 years old at the time of the offense and that, although approximately six years have elapsed since the incident, Ms. Perez was not released from prison until 2023 and did not complete the terms of her supervised release until the end of 2024. Ms. Young further noted that Ms. Perez

¹⁷ Staff Ex. 3.

¹⁸ Staff Ex. 3.

had not submitted any evidence of employment since 2016. Regarding Ms. Perez's rehabilitative efforts following incarceration, Ms. Young testified that there was little evidence to consider. She also stated that Ms. Perez's written submission did not reflect acceptance of responsibility for the offense. Additionally, Ms. Young found the letters of recommendation submitted by Ms. Perez to lack credibility, noting that the same grammatical errors present in Ms. Perez's personal statement also appeared in the letters. In sum, Ms. Young testified that, in her view, insufficient time has passed and that there is inadequate evidence of rehabilitation to outweigh the seriousness of the offense.

C. MS. PEREZ'S EVIDENCE

In her written statement to the Department, Ms. Perez stated that she was unaware that she was prohibited from reselling the firearms she had purchased. She wrote that she has no prior criminal record and has never used illicit substances. She expressed a desire to move beyond this matter, acknowledging that individuals make mistakes, and noted that her probation conditions are minimal.

At the hearing, Ms. Perez testified that she worked at a bank for nearly nine years before leaving her position in 2016 to become a stay-at-home mother. Since then, she has struggled to find employment due to her felony conviction. Despite this, she was able to secure work at her mother-in-law's insurance agency and later transferred to another agency, where she currently works as a receptionist. Ms. Perez stated that this single criminal offense continues to limit her opportunities, even though she believes she is a law-abiding and productive member of society.

IV. ANALYSIS

The Department may deny a license application on several grounds, including if the applicant has been convicted of a felony or has been convicted of an offense that directly relates to the duties and responsibilities of the licensed occupation.¹⁹ In determining whether to deny an application based on a person’s criminal history, the Department considers the factors specified in Texas Occupations Code sections 53.022 and 53.023, as set out above.²⁰

In 2022, Ms. Perez was convicted of the felony offense of false statement to a firearms dealer. This offense is directly related to the occupation of a general lines agent and is considered a crime of prime importance by the Department, pursuant to 28 Texas Administrative Code section 1.502.²¹ Accordingly, the Department cannot issue Ms. Perez a license unless, when viewed in light of the occupation being licensed, her mitigating factors outweigh the serious nature of her criminal offense.²²

Turning to the factors in Texas Occupations Code section 53.023, the evidence established that:

- Ms. Perez was approximately 43 years old at the time she committed the offense;

¹⁹ Tex. Ins. Code § 4005.101(b)(8); Tex. Occ. Code § 53.021(a)(1); *see also* 28 Tex. Admin. Code § 1.502(d) (authorizing the Department to refuse to issue a license if it determines the applicant has committed a felony or misdemeanor, or has engaged in fraudulent or dishonest activity that directly relates to the duties and responsibilities of the licensed occupation).

²⁰ 28 Tex. Admin. Code § 1.502(e).

²¹ 28 Tex. Admin. Code § 1.502(f)(3); *see also* Tex. Occ. Code §§ 53.022, .025.

²² 28 Tex. Admin. Code § 1.502(f).

- Ms. Perez was released from custody in 2023, and completed her period of supervised release in December 2024; and
- Ms. Perez has worked as a receptionist at an insurance agency since her release.

The evidence Ms. Perez provided is not sufficient to overcome the nature and seriousness of her criminal history. Her offense is a crime of prime importance and relates to the duties and responsibilities of an insurance agent, which involves presenting information to carriers and consumers from which they will make financial decisions.²³ Additionally, the brief period since her release weighs against licensure. Her work history is consistent, and her recommendations are uniformly positive. But not enough time has passed for her to show sufficient fitness to alleviate the concerns based on her criminal history. Accordingly, the ALJ concludes that Ms. Perez has not shown her fitness for licensure, and her application for a general lines agent license should be denied at this time.

V. FINDINGS OF FACT

1. On January 19, 2024, Gabriela Perez submitted an application for a general lines agent license to the Texas Department of Insurance (Department).
2. On May 15, 2019, Ms. Perez was indicted for felony False Statement to a Firearms Dealer (18 U.S.C. § 922(a)(6)) by the U.S. District Court for the Northern District of Texas, Dallas Division, in Case No. 3:19-CR-00254-M(1).
3. On December 16, 2022, in the U.S. District Court for the Northern District of Texas, Dallas Division, in Case No. 3:19-CR-00254-M(1), Ms. Perez pleaded guilty and was convicted of Making a False Statement to a Firearms

²³ 28 Tex. Admin. Code § 1.502(f).

Dealer, a felony. Ms. Perez was sentenced to 21 months imprisonment followed by two years of supervised release.

4. On July 13, 2023, Ms. Perez was released from imprisonment and placed on supervised release for two years. On December 4, 2024, Ms. Perez completed her term of supervised release.
5. The conduct to which she pleaded guilty is Ms. Perez's only criminal conduct.
6. Ms. Perez was 43 years old at the time of her criminal conduct, meaning it was not a youthful offense.
7. Approximately six years have elapsed since Ms. Perez's criminal activity.
8. Ms. Perez worked at a bank for nine years before becoming a stay-at-home mother in 2016.
9. After her release in 2023, Ms. Perez found employment at her mother-in-law's insurance agency. She later transferred to another agency where she works as a receptionist.
10. Ms. Perez presented positive letters of recommendation stating that she is reliable, professional, and dedicated.
11. On March 14, 2024, the Department proposed to deny Ms. Perez's application.
12. Ms. Perez timely requested a hearing.
13. The hearing on the merits was held via Zoom videoconference on November 12, 2025, before Administrative Law Judge Amy Davis. Attorney Priya Subramanian appeared and represented Staff. Ms. Perez appeared and represented herself. The hearing concluded that day, and the record closed on December 3, 2025, when the court reporter's transcript was filed with the State Office of Administrative Hearings (SOAH).

VI. CONCLUSIONS OF LAW

1. The Department has jurisdiction over this matter. Tex. Ins. Code §§ 4001.002, .105, 4005.101.
2. SOAH has authority to hear this matter and issue a proposal for decision with findings of fact and conclusions of law. Tex. Gov't Code ch. 2003; Tex. Ins. Code § 4005.104.
3. Ms. Perez received timely and sufficient notice of the hearing. Tex. Gov't Code §§ 2001.051-.052; Tex. Ins. Code § 4005.104(b).
4. Staff had the burden of proving its basis for denying Ms. Perez's license application, while Ms. Perez had the burden to prove her fitness to be licensed despite the criminal history or fraudulent or dishonest conduct. The standard of proof is by a preponderance of the evidence. 1 Tex. Admin. Code § 155.427; *Granek v. Tex. St. Bd. of Med. Exam'rs*, 172 S.W.3d 761, 777 (Tex. App.—Austin 2005, no pet.)
5. The Department has determined that certain crimes are of such a serious nature that they are of prime importance in determining fitness for licensure. These crimes include any felony involving moral turpitude. 28 Tex. Admin. Code § 1.502(f)(3).
6. The Department considers the factors listed in Texas Occupations Code section 53.022 and 53.023 in determining whether to issue a license to an applicant despite a criminal offense. and will not issue a license unless the mitigating factors outweigh the serious nature of the criminal offense or fraudulent or dishonest conduct when viewed in the light of the occupation being licensed. 28 Tex. Admin. Code § 1.502(e), (g)-(h).
7. The mitigating factors do not outweigh the seriousness of Ms. Perez's criminal offense, and she has not shown her fitness for licensure. Tex. Occ. Code §§ 53.022-.023; 28 Tex. Admin. Code § 1.502(g)-(h).
8. The Department should deny Ms. Perez's application for a general lines agent license.

Signed January 20, 2026

A handwritten signature in black ink that reads "Amy Davis". The signature is written in a cursive style with a large, looped "A" and "D".

Amy Davis,
Presiding Administrative Law Judge