

No. **2026-9894**

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

Date: 04/24/2026

Subject Considered:

Texas Department of Insurance

v.

Sabrena Renee Slone

SOAH Docket No. 454-25-12516.C

General Remarks and Official Action Taken:

The subject of this order is the disciplinary action concerning Sabrena Renee Slone, who holds a general lines agent license with a life, accident, health, and HMO qualification and a property and casualty qualification. This order requires that Ms. Slone pay restitution to Reliable Life Insurance Company in the amount of \$597.58.

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 Sabrena Renee Slone pay restitution to Reliable Life Insurance Company in the amount of \$597.58. A copy of the proposal for decision is attached as Exhibit A.

Texas Department of Insurance (TDI) Enforcement staff filed exceptions to the administrative law judge's proposal for decision. Ms. Slone filed a reply to TDI Enforcement staff's exceptions, and she also requested changes to the proposal for decision.

In response to the exceptions, the administrative law judge recommended revising the proposal for decision. A copy of the administrative law judge's response to exceptions is attached as Exhibit B.

COMMISSIONER'S ORDER
TDI v. Sabrena Renee Slone
SOAH Docket No. 454-25-12516.C
Page 2 of 2

Findings of Fact

The proposed findings of fact contained in Exhibit A as revised consistent with Exhibit B are adopted and incorporated by reference into this order.

Conclusions of Law

The proposed conclusions of law contained in Exhibit A as revised consistent with Exhibit B are adopted and incorporated by reference into this order.

Order

It is ordered that Sabrena Renee Slone pay restitution to Reliable Life Insurance Company in the amount of \$597.58. Proof of payment must be sent electronically to TDI at EnforcementReports@tdi.texas.gov within 30 days this order's date.

Signed by:
Amanda Crawford
FF10434BC41A470

Amanda Crawford
Commissioner of Insurance

Recommended and reviewed by:

Signed by:
Jessica Barta
5DAC5618BBC74D4

Jessica Barta, General Counsel

Signed by:
Justin Beam
27ADE3DA5BAE4B7

Justin Beam, Chief Clerk

SOAH Docket No. 454-25-12516

Suffix: C

**BEFORE THE
STATE OFFICE OF ADMINISTRATIVE
HEARINGS**

—
**TEXAS DEPARTMENT OF INSURANCE,
PETITIONER**

v.

**SABRENA RENEE SLONE,
RESPONDENT**

PROPOSAL FOR DECISION

The staff (Staff) of the Texas Department of Insurance (Department) seeks to revoke the general lines agent license (with a life, accident, and HMO qualification) held by Sabrena Renee Slone based on an allegation that Ms. Slone failed to remit to Reliable Life Insurance Company (Reliable) life insurance premiums she collected from Reliable policy holders. The Administrative Law Judge (ALJ) finds that Staff did not establish fraudulent or dishonest acts but did establish that Ms. Slone misappropriated money belonging to an insurer or insured and failed to respond to a Department inquiry. However, based on the evidence, the ALJ is unable to recommend a specific sanction beyond restitution.

I. NOTICE, JURISDICTION, AND PROCEDURAL HISTORY

The hearing on the merits was held via Zoom videoconference on May 13, 2025, before ALJ Meitra Farhadi. Staff appeared and was represented by Staff Attorney Casey Dick. Respondent appeared and represented herself. The hearing concluded that day, and the record closed on June 17, 2025, upon the filing of the transcript and admitted exhibits. Notice and jurisdiction were not disputed and are set out in the Findings of Fact and Conclusions of Law below.

II. APPLICABLE LAW

The Texas Insurance Code authorizes the Department to regulate the business of insurance in this state and to take disciplinary action against agents who violate the law or rules related to insurance.¹ In particular, the Department may take disciplinary action under Texas Insurance Code section 4005.101 against a license holder who has misappropriated, converted to the license holder's own use, or illegally withheld money belonging to an insurer or insured;² who has engaged in fraudulent or dishonest acts or practices;³ or who has willfully violated an insurance law of the state.⁴ The particular insurance law Staff alleges that Ms. Slone willfully violated is Texas Insurance Code section 38.001(c), which requires a person to respond to a Department inquiry relating to the person's business condition or to any matter connected with the person's transactions that the Department considers

¹ Tex. Ins. Code §§ 31.002(1), (3), 4005.102.

² Tex. Ins. Code § 4005.101(b)(4)(A), (C).

³ Tex. Ins. Code § 4005.101(b)(5).

⁴ Tex. Ins. Code § 4005.101(b)(1).

necessary for the public good or for the proper discharge of its duties no later than the 15th day after receiving it.

The Department may, among other things, suspend or revoke a license, assess an administrative penalty, or reprimand a license holder.⁵ The Department has the burden of proof in this proceeding.⁶ The standard of proof is by a preponderance of the evidence.⁷

III. EVIDENCE

At the hearing on the merits, Staff presented testimony from two witnesses and had five exhibits admitted into evidence.⁸ Ms. Slone presented the testimony of two witnesses, including herself, and had five exhibits admitted into evidence.⁹

A. TESTIMONY OF SEAN HARRIS

Mr. Harris is Manager of Agency Administration at Kemper Life. Reliable is one of Kemper Life's underwriting companies. Part of his job includes overseeing the field audit process when an agent terminates employment. Mr. Harris explained that Kemper Life referred this matter to the Department because their field audit

⁵ Tex. Ins. Code §§ 82.051, 4005.102(2).

⁶ 1 Tex. Admin. Code § 155.427.

⁷ *Granek v. Tex. State Bd. of Med. Exam'rs*, 172 S.W.3d 761, 777 (Tex. App.—Austin 2005, no pet.).

⁸ TDI Exs. 1-5.

⁹ Slone Exs. A-C, E-F.

uncovered discrepancies which initially totaled a deficiency in the amount of \$1,897.93.¹⁰

Mr. Harris explained that most of Kemper Life's customers choose to pay their premiums in cash. Agents collect the premiums on a monthly basis in the customers' homes. Customers are issued a premium receipt book that is used by the agent to enter the premium payment received during a visit. The agents also enter the transaction into the company premium collections application (known as Salesforce). The premium receipt book serves as the customer's receipt record.

When an agent terminates for any reason, an account audit is performed whereby a member of management¹¹ visits each customer of that agent to perform an audit—they compare the company's payment records to the customer's premium receipt book records. Discrepancies occur when an agent collects premiums but does not enter the transaction into Salesforce. This creates a mismatch between the paid to date shown in Salesforce and the customer's record contained in the premium receipt book. Mr. Harris stated that performing this internal audit is part of the district manager's responsibilities and duties.

Looking at the agent deficiency report for Ms. Slone, Mr. Harris explained that the report includes a detailed breakdown of customer payments that were not recorded properly, along with supporting documentation.¹² The supporting

¹⁰ See TDI Ex. 3 at 23.

¹¹ In this case, the audit was performed by district manager Edwin Tyrone. See TDI Ex. 3 at 25.

¹² See TDI Ex. B.

documentation includes the Salesforce records as well as customers' premium receipt book records, which are initialed by Ms. Slone as receiving payment.

Mr. Harris testified that agents have a bond that is accumulated during their employment. After the field audit is complete, any deficiencies noted are recouped from the bond before the remainder is paid back to the agent. In this case, Ms. Slone's bond was only \$1,183.87, leaving a remaining deficiency of \$714.06 owed.¹³ By letter dated June 16, 2023, Kemper Life notified Ms. Slone that an audit had uncovered discrepancies and that she should contact her local district manager.¹⁴

In April 2025, in response to an inquiry from the Department, Mr. Harris notified the Department that Ms. Slone had not paid the deficiency and Kemper Life had written off the debt.¹⁵ In addition, Mr. Harris explained that he reviewed the file and that the total amount due is actually \$597.58, not the \$714.06 initially reported. An arithmetic error resulted in an underreporting of the total deficiency by \$0.72. Additionally, Mr. Harris discovered that there were credits on Ms. Slone's account totaling \$117.20. The result of both discoveries changed the total deficiency to \$1,898.65, and reduced the outstanding balance after her bond and credits were applied to \$597.58.¹⁶

¹³ TDI Ex. 3 at 128.

¹⁴ TDI Ex. 3 at 129.

¹⁵ TDI Ex. 5.

¹⁶ *See also* TDI Ex. 5.

B. TESTIMONY OF LEWIS WRIGHT

Mr. Wright has been with the Department for 18 years. His current role is Administrative Review Liaison between the agent and adjuster licensing office and the enforcement division. In that role he is involved in any reports of misconduct related to existing license holders. He stated that it is the duty of the Department to protect consumers; therefore, it is necessary to ensure the honesty of agents licensed by the Department. In Mr. Wright's opinion, Ms. Slone misappropriated, converted to her own use, or illegally withheld money belonging to an insurer or insured; and she has engaged in fraudulent or dishonest practices.

C. TESTIMONY OF SHAWN PARRY

Mr. Parry was employed by Kemper Life from December 10, 2022, through January 12, 2023. He was the hiring manager. Mr. Parry testified that he is familiar with the audit process Kemper uses and explained that they are not performed by certified auditors. Mr. Parry stated that when Kemper Life performed audits on local agencies, like Reliable, it was usually another agent that worked in the local office who performed the audit.

D. TESTIMONY OF MS. SLONE¹⁷

Ms. Slone explained that her termination from Reliable was effective April 21, 2023, and from April 24, 2023, to August 4, 2023, she worked for State Farm.¹⁸ From her understanding, the deficiencies identified in the audit occurred after her termination—therefore, she does not believe she should be held responsible for those deficiencies.

Ms. Slone testified that to her knowledge all of her records were in order upon her departure from Reliable. Additionally, Ms. Slone opined that because the audit was not performed by a certified auditor, she believes it should be dismissed. She further explained that she did not offer to pay any of the discrepancies because she felt she needed to be able to explain what truly happened and wanted due process.

One of Ms. Slone's exhibits is a June 23, 2023, letter from Kemper Life to her in which she was notified that an audit had been performed and that \$1,897.93 in deficiencies were discovered. The letter further stated that her bond of \$1,183.87 did not cover the entire amount due and that a balance of \$714.06 was due to Reliable. The letter informed her in bold type that she was expected to pay the deficiency balance.¹⁹

¹⁷ In addition to her oral testimony, Ms. Slone provided a written statement. *See* Slone Ex. A.

¹⁸ Slone Ex. C.

¹⁹ Slone Ex. B.

Lastly, Ms. Slone provided two character letters. One is from the Founder of Choice Community Living, where Ms. Slone is on the Board of Directors. The letter describes Ms. Slone as dependable and states that she performs her duties for the organization with honesty, integrity, and professionalism.²⁰ The second is from the Managing Member of Coffee-ology; which states that in 2024, Ms. Slone opened and closed the coffee shop on a regular basis and performed her duties with excellence and professionalism.²¹

IV. ANALYSIS

The Department may discipline a license holder if the Department determines that the license holder has wilfully violated an insurance law of this state; has misappropriated, converted to the license holder's own use, or illegally withheld money that belongs to an insurer or an insured; or engaged in fraudulent or dishonest practices.

In this case the preponderance of evidence shows that Ms. Slone collected \$1,898.65 in premiums from Reliable policy holders but did not remit the premiums to Reliable for the benefit of these customers. While Ms. Slone claimed the deficiencies cited in the report occurred after she left Reliable; a review of the evidence shows that the discrepancies occurred while she worked for Reliable. There were six different weeks of field auditing noted in the agent deficiency report; they were identified as "week of 4/24/23", "week of 5/1/23", "week of 5/1/23", "week

²⁰ Slone Ex. E.

²¹ Slone Ex. F.

of 5/22/23”, “week of 5/29/23”, and “week of 6/2/23”.²² However, a review of the supporting documentation breaks down each “week” by the policy holder, their monthly premium, the dates those premiums were collected, and the deficiency amount. For example, the agent deficiency report for the “week of 4/24/23” identified two deficiencies where Ms. Slone collected a premium of \$86.59 on October 3, 2022, and on April 4, 2023; resulting in a deficiency total of \$173.18.²³ The supporting documentation further shows that Ms. Slone was assigned to this customer on September 2, 2022.²⁴ Therefore, the “week of ____” appears to refer to the time in which the field audit occurred—not when the discrepancies occurred. Ms. Slone offered no evidence to contradict the agent deficiency report itself; therefore, the ALJ finds that the preponderance of the evidence shows that Ms. Slone misappropriated, converted to the license holder’s own use, or illegally withheld money that belongs to an insurer or insured. The ALJ notes that Ms. Slone’s argument concerning the lack of a “certified” audit is unpersuasive. She failed to identify any requirement that Kemper Life’s internal audit process be conducted in a specific way or by persons with specific qualifications. The evidence showed that the audit was performed by a district manager and that it is a part of their job duties to do so.

While the ALJ can understand Ms. Slone’s confusion based on the labeling used in the agent deficiency report; had she reviewed the supporting documentation or communicated with Kemper Life following either of their June 2023 letters to her,

²² TDI Ex. 3 at 28.

²³ See TDI Ex. 3 at 29-36.

²⁴ TDI Ex. 3 at 31.

she would have learned that the “week of” reports cite to collection dates while she was employed by Reliable. The evidence shows that Ms. Slone did not understand that the discrepancies were actually for the time she was employed by Reliable, and that she believed her “records were in order” when she left employment. Staff offered no evidence that the discrepancies were anything other than mistakes and accordingly did not establish that Ms. Slone acted fraudulently or dishonestly.

Turning to the August 30, 2023 Department inquiry to Ms. Slone, the evidence was undisputed that Ms. Slone failed to respond. Thus, Staff has established a violation of Texas Insurance Code section 38.001(c). Accordingly, Staff established a basis for disciplining Ms. Slone under Texas Insurance Code section 4005.101(b)(1) for willfully violating an insurance law of the state, and for misappropriating, converting to the license holder’s own use, or illegally withholding money that belongs to an insurer or an insured.

Because Staff established that Ms. Slone engaged in conduct for which she can be disciplined, the issue becomes what discipline is appropriate. Under Texas Insurance Code section 4005.102, the Department may, among other things, suspend or revoke a license, assess an administrative penalty, or reprimand a license holder. Under Texas Insurance Code section 82.053, the Department may order restitution to an entity harmed by a violation of the Texas Insurance Code. Based on the evidence, the ALJ finds that Reliable has been harmed by Ms. Slone’s misappropriation and Ms. Slone should be ordered to pay restitution to Reliable in the amount of \$597.58.

In his testimony, Mr. Wright merely stated that any fraudulent or dishonest act can be considered grounds for denial of licensure; and that any misappropriation of premium belonging to an insured or an insurer is grounds for disciplinary action. Mr. Wright did not offer any testimony as to why revocation would be the appropriate penalty for misappropriation or for failing to respond to a Department inquiry; and the ALJ does not find that the violations established justify revocation. Likewise, Staff did not present evidence supporting any lesser penalty, which leads the ALJ to be unable to recommend one.

For the reasons state above, the ALJ finds that Ms. Slone has committed two violations of the Insurance Code but is unable to recommend an appropriate penalty for either violation. The ALJ proposes the following Findings of Fact and Conclusions of Law.

V. FINDINGS OF FACT

1. Sabrena Renee Slone, individual identification number 1220700, holds a general lines agent license issued by the Texas Department of Insurance (Department) with a life, accident, health, and HMO qualification issued August 8, 2013, and a property and casualty qualification issued February 1, 2016.
2. The Reliable Life Insurance Company (Reliable) appointed Ms. Slone effective January 19, 2022.
3. Ms. Slone voluntarily quit working for Reliable effective April 21, 2023.
4. Reliable is an underwriting company for Kemper Life.

5. After she quit, Kemper Life performed a routine audit to compare the amount of money policyholders tendered to Ms. Slone to what Ms. Slone reported in receivables to Reliable.
6. By letter dated June 16, 2023, Kemper Life notified Ms. Slone that an audit had uncovered discrepancies and that she should contact her local district manager.
7. By letter dated June 23, 2023, Kemper Life notified Ms. Slone that the audit had uncovered \$1,897.93 in deficiencies, that her bond of \$1,183.87 did not cover the entire amount due, and that a balance of \$714.06 was due to Reliable. The letter informed her in bold type that she was expected to pay the deficiency balance.
8. In April 2025, Kemper Life identified an arithmetic error resulting in an underreporting of the total deficiency by \$0.72 and identified credits on Ms. Slone's account totaling \$117.20. The result of both discoveries changed the total deficiency to \$1,898.65, and reduced the outstanding balance after her bond and credits were applied to \$597.58.
9. Ms. Slone failed to forward to Reliable \$1,898.65 in premiums collected from Reliable policy holders.
10. Reliable applied Ms. Slone's cash bond in the amount of \$1,183.87, and \$117.20 in credits on her account to the deficiency, leaving a balance of \$597.58 due and owing to Reliable.
11. Kemper Life did not notify Ms. Slone of the change in the deficiency balance due to Reliable.
12. Ms. Slone has not paid any of the deficiency balance.
13. On August 30, 2023, the Department sent Ms. Slone an information request to which she never responded.

14. On April 1, 2025, the staff (Staff) of the Department mailed a notice of hearing to Ms. Slone. The notice of hearing contained a statement of the time, place, and nature of the hearing; a statement of the legal authority and jurisdiction under which the hearing was to be held; a reference to the particular sections of the statutes and rules involved; and either a short, plain statement of the factual matters asserted or an attachment that incorporated by reference the factual matters asserted in the complaint or petition filed with the state agency.
15. State Office of Administrative Hearings (SOAH) Administrative Law Judge Meitra Farhadi held the hearing on the merits by Zoom videoconference on May 13, 2025. Staff appeared and was represented by Staff Attorney Casey Dick. Ms. Slone appeared and represented herself. The hearing concluded that day, and the record closed on June 17, 2025, upon the filing of the transcript and admitted exhibits.

VI. CONCLUSIONS OF LAW

1. The Department has jurisdiction over this matter. Tex. Ins. Code §§ 4001.002, 4005.101-.102, 4051.051, 4054.051.
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. Slone received timely and sufficient notice of hearing. Tex. Gov't Code §§ 2001.051-.052; Tex. Ins. Code § 4005.104(b).
4. Staff had the burden of proof to establish grounds for disciplinary action against Ms. Slone. 1 Tex. Admin. Code § 155.427.
5. The standard of proof is by a preponderance of the evidence. *Granek v. Tex. State Bd. of Med. Exam'rs*, 172 S.W.3d 761, 777 (Tex. App.—Austin 2005, no pet.).
6. Ms. Slone misappropriated, converted, or illegally withheld money belonging to an insurer or insured in violation of Texas Insurance Code section 4005.101(b)(4).

7. By failing to respond to the Department's August 30, 2023 inquiry no later than the 15th day after receiving it, Ms. Slone violated Texas Insurance Code § 38.001(c).
8. Ms. Slone should be ordered to pay restitution to Reliable in the amount of \$597.58. Tex. Ins. Code § 82.053.
9. The Department is authorized to sanction Ms. Slone but has not established that her license should be revoked. Tex. Ins. Code §§ 82.051-.052; 4005.101(b)(1), (4), .102.

Signed August 14, 2025



Meitra Farhadi

Presiding Administrative Law Judge

FILED
454-25-12516 **2026-9894**
11/25/2025 10:45 AM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Brianna Flores, CLERK

ACCEPTED
454-25-12516
11/25/2025 10:58:51 am
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Brianna Flores, CLERK

Exhibit B

State Office of Administrative Hearings

Kristofer S. Monson
Chief Administrative Law Judge

November 25, 2025

Casey Dick
Texas Department of Insurance

VIA EFILE TEXAS

Sabrina R. Slone
2613 US Hwy 259 N
DeKalb, TX 75559

VIA EFILE TEXAS & REGULAR MAIL

**RE: Docket Number 454-25-12516.C; Texas Department of Insurance
v. Sabrina Renee Slone**

Dear Parties:

I issued the Proposal for Decision (PFD) in this case on August 14, 2025. On August 29 2025, the Texas Department of Insurance (Department) staff (Staff) filed exceptions to the PFD. On September 9, 2025, Respondent Sabrina Renee Slone filed a response to Staff's Exceptions. On September 19, 2025, Staff filed a Reply, and on October 21, 2025, Ms. Slone filed a Reply.

The PFD determined that Staff did not establish fraudulent or dishonest acts but did establish that Ms. Slone misappropriated money belonging to an insurer or insured and failed to respond to a Department inquiry. However, I explained in the PFD that based on the evidence, I am unable to recommend a specific sanction beyond restitution.

Staff excepts to Conclusion of Law (COL) No. 9, stating that they disagree that they failed to establish that Ms. Slone's license should be revoked. Staff reiterates the Department's authority to discipline Ms. Slone, which includes the authority to revoke her license. The Administrative Law Judge (ALJ) agrees that the Department has authority to do so, and COL No. 9 states this authority. Staff further

Exceptions Letter

November 25, 2025

Page 2 of 2

notes that the appropriate sanction is within the Commissioner's discretion, not the ALJ's. The ALJ agrees, and specifically declined to recommend what the appropriate sanction beyond restitution might be due to lack of evidence presented at the hearing to assist the ALJ in making an appropriate recommendation.

Staff excepts to FOF No. 13 and COL No. 7 relating to Ms. Slone's failure to respond to an August 30, 2023, request for information; stating that Staff did not introduce any evidence pertaining to allegations 9-12 in Staff's Original Petition attached to the First Amended Notice of Hearing¹, thereby abandoning those allegations. Based on Staff's affirmation that those allegations are abandoned, the ALJ agrees that FOF No. 13 and COL No. 7 should be struck from the PFD. I do not recommend any further changes to the PFD.

ALJ Signature(s):



Meitra Farhadi
Presiding Administrative Law Judge

CC: Service List

¹ TDI Ex. 1.