

STATE OF INDIANA )  
 ) SS:  
COUNTY OF MARION )

BEFORE THE INDIANA  
COMMISSIONER OF INSURANCE

CAUSE NO. 12279-BB13-1113-012

IN THE MATTER OF: )

Steven J. Strahl, )  
Respondent. )  
506 Franklin Street )  
Edinburgh, IN 46124 )

Type of Agency Action: Enforcement )  
Indiana Bail Agent License No. 5511 )

**FILED**

FEB 11 2014

STATE OF INDIANA  
DEPT. OF INSURANCE

**FINAL ORDER**

On January 23, 2014, the Administrative Law Judge, filed her Findings of Fact, Conclusions of Law and Recommended Order in the above-captioned matter.

1. The Department served Findings of Fact, Conclusions of law, and Recommended Order and Notice of Filing Recommended Order on Respondent by mailing the same to his home address.
2. The Department has complied with the notice requirements of Ind. Code §4-21.5-3-17.
3. Neither party has filed an objection with the Commissioner regarding the Administrative Law Judge's Recommended Order, and more than eighteen (18) days have elapsed.


Therefore, the Commissioner of Insurance, being fully advised, now hereby adopts in full the Administrative Law Judge's Findings of Fact, Conclusions of Law, and Recommended Order and issues the following Final Order:

IT IS THEREFORE ORDERED by the Commissioner of Insurance:

1. Respondent is to pay a civil penalty of a) three hundred dollars (\$300.00) per the terms of the Agreed Entry and September Final Order; and b) an additional five hundred dollars (\$500.00); for a total civil penalty of eight hundred dollars (\$800.00), within thirty (30) days.
2. Respondent is to obtain an appointment with a surety company, per the terms of the Agreed Entry and September Final Order, within thirty (30) days.
3. Respondent's Indiana Bail Agent License No. 5511 shall not be eligible for reinstatement until sixty (60) days after the Respondent has complied with Paragraphs 1 and 2, above.

Under Ind. Code §4-21.5-5-5, Respondent has the right to appeal this Final Order by filing a petition for Judicial review in the appropriate court within thirty (30) days.

ALL OF WHICH IS ORDERED by the Commissioner this 11<sup>th</sup> day of February 2014.

  
Stephen W. Robertson, Commissioner  
Indiana Department of Insurance

Copies to:

Steven J. Strahl  
506 Franklin Street  
Edinburgh, IN 46124

Robert L. Hummel, Attorney  
Indiana Department of Insurance  
311 W. Washington St., Suite 103  
Indianapolis, IN 46204

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JAN 23 2014

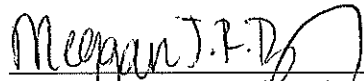
STATE OF INDIANA  
DEPT. OF INSURANCE

Type of Agency Action: Enforcement  
Indiana Bail Agent License No. 5511

**NOTICE OF FILING OF RECOMMENDED ORDER**

The parties to this action are hereby notified that the Administrative Law Judge's Findings of Fact, Conclusions of Law, and Recommended Order are deemed filed as of this date.

To preserve an objection to this Order for judicial review, you must object to the Order in a writing that: (1) identifies the basis of your objection with reasonable particularity; and (2) is filed with the ultimate authority for the Final Order, Stephen W. Robertson, Commissioner of the Department of Insurance, within eighteen (18) days from the date stamped on this Order.

  
\_\_\_\_\_  
Meggan J. R. Brumbaugh  
Administrative Law Judge

Distribution:  
Robert L. Hummel  
INDIANA DEPARTMENT OF INSURANCE  
311 W. Washington Street, Suite 200  
Indianapolis, IN 46204

Steven J. Strahl  
506 Franklin Street  
Edinburgh, IN 46124

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JAN 23 2014

STATE OF INDIANA  
DEPT. OF INSURANCE

**FINDINGS OF FACT, CONCLUSIONS OF LAW  
AND RECOMMENDED ORDER**

Administrative Law Judge Meggan J. R. Brumbaugh, having considered and reviewed all of the evidence, now renders a decision in the matter of the Steven J. Strahl. This matter came to be heard by Meggan J. R. Brumbaugh, designated Administrative Law Judge, at 10:00 a.m. on January 14, 2014.

The Indiana Department of Insurance ("Department") was represented by counsel, Robert L. Hummel. Respondent, Steven J. Strahl ("Respondent"), was not present and was not represented by counsel. Witnesses testified under oath, evidence was heard, and exhibits were received into evidence.

Based upon the evidence presented at said hearing, the Administrative Law Judge now makes the following Findings of Fact and Conclusions of Law and issues her Recommended Order.

**FINDINGS OF FACT**

1. Respondent is a licensed Indiana bail agent, holding license number 5511.

2. Respondent was issued a bail license from the Department on September 10, 2012. *Exhibit E.*

3. Lynda Gable, Senior Bail Bond Auditor for the Department, scheduled an audit of the Respondent's bail records for February 26, 2013, at 9:00 a.m. *Tr. of Proceedings at 12; Exhibit F.*

4. At the hearing, Ms. Gable testified that she traveled to 11 South Morton Street, Franklin, Indiana, to perform the audit, but the Respondent was not at the bail office. Ms. Gable called Respondent to find out where he was, and he told Ms. Gable he was around Indianapolis, but was on his way. Ms. Gable further testified that “. . .on his way he had things happen. And the last thing was he said he was in an accident.” *Tr. of Proceedings at 12-13.*

5. Respondent's general agent Kevin Smith was “extremely” upset that the Respondent didn't appear for his audit, and informed Ms. Gable that Respondent “wasn't in that office.” The audit was never rescheduled. *Tr. of Proceedings at 15.*

6. On February 28, 2013, counsel for the Department sent the Respondent a letter stating that the Respondent could be fined for failing to be available for his scheduled audit. The letter also informed the Respondent that it was Ms. Gable's understanding that the Respondent was no longer at 11 South Morton Street; and that he is required to notify the Department of a change of address within thirty (30) days after the change. *Exhibit G.*

7. On March 28, 2013, the Department received a letter from International Fidelity Insurance Company, informing the Department and the Respondent that the Respondent's appointment to represent the company was terminated, effective March 22, 2013. *Exhibit A, p.*

4.

8. On April 1, 2013, counsel for the Department sent a letter to Respondent. The letter asked Respondent to return his bail license to the Department for cancellation, unless he was appointed by a new surety company within thirty (30) days. *Exhibit A, p. 5.*

9. On June 14, 2013, the Commissioner of the Department of Insurance (“Commissioner”) issued Findings of Fact and Cancellation of License Order (“License Cancellation Order”), cancelling the Respondent’s bail agent license after Respondent’s appointment with International Fidelity Insurance Company was terminated on March 22, 2013, and Respondent failed to be appointed with another surety company. The License Cancellation Order also stated that Respondent failed to surrender his bail agent license within thirty (30) days, as required by Indiana Code § 27-10-3-13. *Exhibit A.*

10. At a meeting with an investigator and counsel for the Department, Respondent indicated that he did not receive previous correspondence from the Department, including the License Cancellation Order, because he had moved and had not notified the Department of his new address. *Exhibit B.*

11. After the meeting, Respondent agreed to a settlement (“Agreed Entry”) where he would pay a civil penalty totaling three hundred dollars (\$300.00) for failing to provide the Department with his change of address and for not surrendering his bail agent license. Respondent further agreed to become appointed with another surety company. *Exhibit B.*

12. On September 13, 2013, the Commissioner signed a Final Order and Approval (“September Final Order”) approving the Agreed Entry and ordering Respondent to pay the civil penalty of three hundred dollars (\$300.00) and become appointed with another surety company within thirty (30) days after the date of the September Final Order. *Exhibit C.*

13. On November 13, 2013, more than sixty (60) days after the date of the September Final Order, counsel for the Department filed a Statement of Charges against Respondent because the Respondent had neither paid the civil penalty nor had he become appointed with another surety company as ordered by the Commissioner in the September Final Order.

*Statement of Charges.*

14. On November 22, 2013, the Department received a hand-written letter from the Respondent in response to the Statement of Charges. *Exhibit D.*

15. In the letter, Respondent stated that his son was born four (4) weeks early on September 24, 2013, which coincided with the time period in which he was ordered to pay the civil penalty from the September Final Order. Respondent also represented that his son was born with a medical condition which required surgery three (3) days after his birth, and that his son remained in the hospital until he was released on November 1, 2013. *Exhibit D.*

16. Respondent's letter also stated that he had a company to work for "if this gets settled." Respondent further stated that the bond company he planned to go back to work for had contacted the Department to pay his three hundred dollar (\$300.00) civil penalty, but the bond company was informed that it was too late. Respondent did not provide the name of the bond company. *Exhibit D.*

17. On November 26, 2013, a Notice of Hearing was filed in this matter, which set a hearing date for January 7, 2014 at 10:00 a.m.

18. On January 7, 2014, Respondent left a voice mail message for counsel for the Department, indicating that he could not make it in from Johnson County that morning. Respondent asked for a postponement of the hearing, and counsel for the Department had no objection. *Email Correspondence dated 1/7/14.*



19. Respondent and counsel for the Department agreed to postpone the hearing to January 14, 2014 at 10:00 a.m. *Email Correspondence dated 1/7/14.*

20. Notice of the original and new hearing dates, times and issues to be heard in this matter was mailed to Respondent. *Notice of Hearing; Notice of New Hearing Date; Exhibit H.*

21. On January 14, 2014, Respondent left a voice mail message for counsel for the Department at 9:07 a.m. Respondent stated that he had worked third shift and had overslept. Respondent stated that he would not be attending the hearing set for later that morning. *Transcript of Proceedings at 24-25.*

22. Counsel for the Department tried to contact the Respondent via telephone before the hearing, and tried to contact Respondent again via telephone during the hearing to give him an opportunity to testify in the hearing. Respondent did not answer any of these calls. *Tr. of Proceedings at 7-8.*

23. Conclusions of Law that can be adopted as Findings of Fact are hereby incorporated herein as such.

### CONCLUSIONS OF LAW

24. The Commissioner of Insurance has jurisdiction over both the subject matter and the parties to this action. Ind. Code §§ 27-1-1-1, -2.

25. This hearing was held in compliance with the Administrative Orders and Procedures Act of the Indiana Code. Ind. Code §§ 4-21.5-3, *et seq.*

26. Service of process was completed via the use of the United States Mail in compliance with the statute and due process requirements. Ind. Code § 4-21.5-3-1(b)

27. Pursuant to Ind. Code § 27-10-3-8(a)(6), the Commissioner shall suspend or revoke the license of a bail agent for the willful failure to comply with or willful violation of any proper order or rule of the Commissioner.

28. Respondent's failure to pay the three hundred dollar (\$300.00) civil penalty as set forth in the Agreed Entry and the September Final Order is a violation of Ind. Code § 27-10-3-8(a)(6).

29. Respondent's failure to obtain an appointment with a surety company as set forth in the Agreed Entry and the September Final Order is a violation of Ind. Code § 27-10-3-8(a)(6).

30. The Department has met its burden of proof and shown by a preponderance of the evidence that Respondent's conduct is cause for discipline under Ind. Code § 27-10-3-8(a)(6).

31. Findings of Fact that can be adopted as Conclusions of Law are hereby incorporated herein as such.

### **RECOMMENDED ORDER**

With the Findings of Fact and the Conclusions of Law as stated, the Administrative Law Judge now recommends to the Commissioner of Insurance the following:

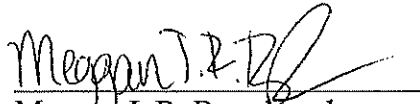
1. Respondent shall pay a civil penalty of a) three hundred dollars (\$300.00) per the terms of the Agreed Entry and September Final Order; and b) an additional five hundred dollars (\$500.00); for a total civil penalty of eight hundred dollars (\$800.00), within thirty (30) days after the date of the Commissioner's Final Order.

2. Respondent shall obtain an appointment with a surety company within thirty (30) days after the date of the Commissioner's Final Order.

3. Respondent shall not be eligible to hold an active bail agent license until sixty (60) days after the Respondent has complied with Paragraphs 1 and 2, above.

4. If Respondent fails to comply with Paragraphs 1 and 2, Respondent's license shall be permanently revoked.

ALL OF WHICH IS ADOPTED by the Administrative Law Judge and recommended to the Commissioner of Insurance this 23 day of January, 2014.

  
Meggan J. R. Brumbaugh  
Administrative Law Judge

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