

STATE OF INDIANA )  
 ) SS:  
 COUNTY OF MARION )

IN THE MATTER OF: )  
 )  
 Carl W. Johnson )  
 3361 North Road, )  
 Blue Mounds, WI 53517 )  
 )  
 Applicant. )  
 )  
 License Number: 578771 )  
 )  
 Type of Agency Action: Enforcement )

BEFORE THE INDIANA  
 COMMISSIONER OF INSURANCE

CAUSE NO: 18738-AD19-1209-147

**FILED**  
**AUG 06 2020**  
 STATE OF INDIANA  
 DEPT. OF INSURANCE

**FINAL ORDER**

On June 24, 2020, the Administrative Law Judge, Reuben B. Hill, filed his 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 on Respondent by mailing the same to his address of record.
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 Findings of Fact, Conclusions of Law and Recommended Order, and more than eighteen (18) days have elapsed.

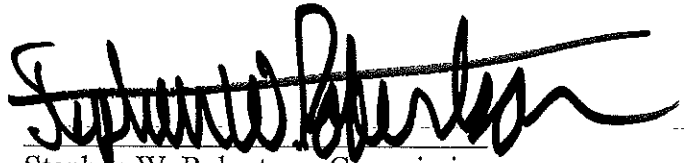
Therefore, the Commissioner of Insurance, being fully advised, now hereby adopts in full the Administrative Law Judge’s Findings of Fact, Conclusions of Law, and Recommended Order and issues the following Final Order:

IT IS THEREFORE ORDERED by the Commissioner of Insurance:

1. Denial of Applicant's nonresident producer license under license number 578771 is  
AFFIRMED.

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 6 day of August, 2020.



Stephen W. Robertson, Commissioner  
Indiana Department of Insurance

Copies to:

Carl W. Johnson  
3361 North Road,  
Blue Mounds, WI 53517

Victoria Hastings, Attorney  
Indiana Department of Insurance  
311 W. Washington St., Suite 103  
Indianapolis, IN 46204

STATE OF INDIANA )  
 ) SS:  
COUNTY OF MARION )

BEFORE THE INDIANA  
COMMISSIONER OF INSURANCE

CAUSE NUMBER: 18738-AD19-1209-147

IN THE MATTER OF: )

Carl W. Johnson )  
3361 North Road )  
Blue Mounds, Wisconsin 53517 )

Applicant. )

Type of Agency Action: Enforcement )

License Number: 578771 )

**FILED**

**JUN 24 2020**

STATE OF INDIANA  
DEPT. OF INSURANCE

**NOTICE OF FILING OF RECOMMENDED ORDER**

The parties of this action are hereby notified that the Administrative Law Judge's Recommended Order is filed as of this date.

To preserve an objection to this order for judicial review, the Parties must object to the order in a writing that: 1) Identifies the basis for the objection with reasonable particularity; and 2) Is filed with the ultimate authority for the Final Order, the Commissioner of the Department of Insurance within eighteen (18) days from the date of this Order.

DATED: 6-14-20



Reuben B. Hill  
Administrative Law Judge

STATE OF INDIANA )  
 )  
 ) SS:  
COUNTY OF MARION )

BEFORE THE INDIANA  
COMMISSIONER OF INSURANCE

IN THE MATTER OF: )  
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3361 North Road )  
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CAUSE NO.: 18738-AD19-1209-147

**FILED**

**JUN 24 2020**

STATE OF INDIANA  
DEPT. OF INSURANCE

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

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Administrative Law Judge Reuben B. Hill (“ALJ”), having heard, reviewed and considered all of the evidence, now renders a decision concerning the matter of Carl W. Johnson (“Applicant”). This matter came on to be heard by the ALJ on February 12, 2020 at 11:00 a.m. at the Indiana Department of Insurance at 311 West Washington Street, Indianapolis, Indiana.

The Enforcement Division of the Indiana Department of Insurance (“Department”) was represented by counsel, Victoria Hastings. Applicant appeared telephonically, and without counsel. Testimony was heard, and exhibits were received into evidence.

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

### **FINDINGS OF FACT**

1. Applicant was a licensed Non-Resident Insurance Producer, holding License Number 578771 from January 16, 2008, until October 31, 2018, wherein Applicant failed to renew his license. (Hearing Transcript, p. 13)
2. Applicant submitted an application to reinstate his Non-Resident Producer License on October 16, 2019. (Hearing Transcript, p.13)
3. On or about August 9, 2017, charges were filed against Applicant in Dane County Circuit Court in Wisconsin. (Department's Exhibit 1)
4. Applicant was charged with six (6) counts, including; Sexual Assault of a Child Under Sixteen (16) years of age, a Class C Felony; four (4) counts of Fourth Degree Sexual Assault, a Class A Misdemeanor, and Pandering-Solicitation, a Class A Misdemeanor. (Department's Exhibit 2)
5. Applicant's Initial Hearing was held December 11, 2017. (Hearing Transcript, p. 14)
6. When Applicant was charged in the criminal case, he was still a Licensed Non-Resident Producer in Indiana. (Hearing Transcript, p. 13,15)
7. The Commissioner entered his Preliminary Administrative Order and Notice of License Denial on December 20, 2019, due to Applicant's failure to timely report his criminal charges to the Department.
8. A hearing was held at Applicant's request on February 12, 2020.

9. Applicant testified that he was originally charged with just the felony, which was one (1) count of Sexual Assault of a Child Under Sixteen (16) years of age, a Class C Felony.  
(Hearing Transcript, p. 13-14)
10. Applicant testified that the misdemeanor charges were later added as a plea- negotiations.  
(Hearing Transcript, p. 14)
11. Applicant testified that he was on an online website where he met and started to message a younger female. (Hearing Transcript, p. 16)
12. Applicant testified that he was married at the time and was thirty-nine (39) years old at the time, when he started to message the younger female. (Hearing Transcript, p. 16)
13. Applicant testified that he met the younger female after approximately two (2) days of messaging at a hotel, where they had intercourse. (Hearing Transcript, p. 18)
14. Applicant testified he thought the younger female was approximately nineteen (19) years of age at the time. In reality, the younger female was fifteen (15) years of age at the time of the incident. (Department's Exhibits 2,4, Hearing Transcript p. 17, 39-40)
15. Applicant was convicted on May 31, 2019, on five (5), four (4) counts of Fourth Degree Sexual Assault, a Class A Misdemeanor, and one (1) count of Pandering-Solicitation, a Class A Misdemeanor. (Department's Exhibit 1, Hearing Transcript, p. 18-19)
16. Applicant uploaded documentation concerning his criminal case into NIPR on or around June 12, 2019. (Hearing Transcript, p. 19)
17. At the time Applicant uploaded the documentation concerning his criminal case, his Indiana Non-Resident Producer License had expired on or around October 31, 2018.  
(Hearing Transcript, p. 20)

18. The Department did not receive notification about Applicant's criminal case, the charges filed against him, and his subsequent convictions until he submitted his application to reinstate his license on or about October 16, 2019. (Hearing Transcript p. 29-31)
19. Applicant answered "yes" on his application to reinstate his license, concerning if he had been convicted of a misdemeanor. (Hearing Transcript, p. 21)
20. The investigator assigned to this case subsequently discovered the documentation in NIPR about Applicant's criminal case and subsequent convictions. (Hearing Transcript, p. 29-31)
21. Applicant testified that thirty (30) days after his Initial Hearing would have been on or around January 10, 2018. (Hearing Transcript, p. 14-15)
22. The application date of October 16, 2019 is six hundred and seventy-four (674) days, or one (1) year ten (10) months and five (5) days, after Applicant's Initial Hearing.
23. Applicant testified that he does not dispute that he failed to notify the Department about his criminal case within thirty (30) days of his Initial Hearing. (Hearing Transcript, p. 10, 21-22)
24. Applicant testified that he should have notified the Department about his criminal case within the thirty (30) days of his Initial Hearing. (Hearing Transcript, p. 44)
25. Applicant did not admit any exhibits at the hearing.
26. The Department admitted three (3) exhibits at the hearing. Department's Exhibit 1 was a sentencing order from Applicant's criminal case. Department's Exhibit 2 was the Amended Information in Applicant's criminal case. Department's Exhibit 4 was Applicant's explanation letter.

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

### **CONCLUSIONS OF LAW**

1. The Commissioner of the Indiana Department of Insurance (“Commissioner”) has jurisdiction over both the subject matter and the parties to this action.
2. This hearing was held in compliance with the Administrative Orders and Procedures of the Indiana Code.
3. Indiana Code 27-1-15.6-12(b) states, in part, that the Commissioner may refuse to issue or renew an Insurance Producer License, due to a number of factors.
4. Indiana Code 27-1-15.6-12(b)(2)(A) allows the Commissioner to refuse to issue or renew an Insurance Producer License for violating an insurance law.
5. Indiana Code 27-1-15.6-17(b) is an insurance law, that states that not more than thirty (30) days after an Initial Pretrial Hearing date, a producer shall report to the Commissioner any criminal prosecution of the producer initiated in any jurisdiction.
6. All hearings that occur prior to the trial in a criminal case are, by definition, pretrial hearings. The “Initial Pretrial Hearing Date” for purposes of Indiana Code 27-1-15.6-17(b) is the Initial Hearing.
7. Applicant did not report the criminal charges filed against him on or about August 9, 2017, for which his Initial Hearing was held on or about December 11, 2017, to the Department until on or about October 16, 2019, in violation of Indiana Code 27-1-15.6-17(b)



8. Indiana Code 4-21.5-3-14(c) states that the person requesting an agency take action has the burden persuasion and the burden of going forward. Applicant is requesting that the Department reinstate his Non-Resident Producer License and therefore, bears the burden.
9. Pursuant to Indiana Code 27-1-15.6-12(d), a hearing was held to determine the reasonableness of the Commissioner's decision. Applicant failed to meet his burden of proving the Commissioner's decision was unreasonable.
10. Findings of Fact that can be adopted as Conclusions of Law are hereby incorporated herein as such.

**RECOMMENDED ORDER**

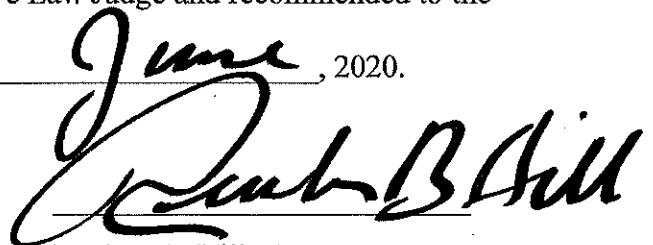
IT IS THEREFORE RECOMMENDED:

In consideration of the foregoing Findings of Fact and the Conclusions of Law as stated, the Administrative Law Judge now recommends to the **Commissioner of Insurance** the following:

1. The denial of Applicant 's Non-Resident Producer License under License Number 578771 shall be **AFFIRMED**.

**ALL OF WHICH IS ADOPTED** by the Administrative Law Judge and recommended to the

**Commissioner of Insurance** this 14<sup>th</sup> day of June, 2020.



Reuben B. Hill, Esq.  
Administrative Law Judge

Distribution:

Carl W. Johnson  
3361 North Road  
Blue Mounds, Wisconsin 53517

Victoria Hastings, Attorney  
Indiana Department of Insurance  
311 W. Washington St., Suite 103  
Indianapolis, Indiana 46204

STATE OF INDIANA )  
 )  
 ) SS:  
COUNTY OF MARION )

BEFORE THE INDIANA  
COMMISSIONER OF INSURANCE

CAUSE NO.: 18738-AD19-1209-147

IN THE MATTER OF: )

Carl W. Johnson )  
3361 North Road., )  
Blue Mounds, WI 53517 )

Respondent. )

Type of Agency Action: Enforcement )

License Number: 578771 )

**FILED**

**JAN 23 2020**

STATE OF INDIANA  
DEPT. OF INSURANCE

**NOTICE OF HEARING**

Notice is hereby given, pursuant to Indiana Code § 4-21.5-3 *et seq.*, that an evidentiary hearing will be held on February 12, 2020, at 11:00 (A.M./P.M.) Eastern Time at 311 West Washington Street, Suite 103, Indianapolis, Indiana 46204-2787, to determine whether to grant Respondent's request for reinstatement of his nonresident producer's license.

The hearing will be conducted in accordance with the provisions of the Administrative Orders and Procedures Act, codified at Indiana Code § 4-21.5-3 *et seq.* The Commissioner's authority regarding agent licensing is contained in Indiana Code § 27-1-15.6-12(b).

The issues to be resolved at the hearing are those described in the Preliminary Administrative Order and Notice of License Denial filed on December 20, 2019.

The Indiana Department of Insurance asserts that Respondent has violated Indiana Code § 27-1-15.6-12 (b)(8) based on his May 31, 2019 Wisconsin convictions for four (4) counts of Fourth (4<sup>th</sup>) Degree Sexual Assault, a Class A Misdemeanor, and one (1) count of Pandering- Solicitation, a Class A Misdemeanor, and that Respondent violated Indiana Codes §§ 27-1-15.6-12(b)(2)(A),

and 27-1-15.6-17(b) by failing to report these criminal cases to the Department within thirty (30) days of the initial pretrial hearing date for these charges.

In accordance with Indiana Code § 4-21.5-3 *et seq*, the Administrative Law Judge in this matter is:

Reuben B. Hill  
Indiana Department of Insurance  
311 West Washington Street, Suite 103  
Indianapolis, Indiana 46204-2787  
Telephone: (317) 232-2387

The Department of Insurance will be represented by its counsel, Victoria Hastings, who can be reached at:

Indiana Department of Insurance  
311 West Washington Street, Suite 103  
Indianapolis, Indiana 46204-2787  
Telephone: (317) 234-2101

A party who fails to attend or participate in a pre-hearing conference, hearing or other later stage of the proceeding, may be held in default or have a proceeding dismissed under Indiana Code § 4-21.5-3-24.

Dated: 1/23/20

Reuben B. Hill  
Administrative Law Judge  
Indiana Department of Insurance

This Notice has been sent to:

Victoria Hastings, Attorney  
ATTN: Dennis Wood, Supervising Investigator  
Indiana Department of Insurance  
Enforcement Division  
311 West Washington St., Suite 103  
Indianapolis, IN 46204-2787

Carl W. Johnson  
3361 North Road.,  
Blue Mounds, WI 53517

STATE OF INDIANA )  
 ) SS:  
COUNTY OF MARION )

BEFORE THE INDIANA  
COMMISSIONER OF INSURANCE

CAUSE NO.: 18738-AD19-1209-147

IN THE MATTER OF: )

Carl W. Johnson )  
290 Alpine Meadow Circle, )  
Oregon, WI 53575 )

Applicant. )

Type of Agency Action: Enforcement )

License Number: 578771 )

**FILED**

DEC 20 2019

STATE OF INDIANA  
DEPT. OF INSURANCE

**PRELIMINARY ADMINISTRATIVE ORDER**  
**AND NOTICE OF LICENSE DENIAL**

The Indiana Department of Insurance (“Department”), pursuant to the Indiana Administrative Orders and Procedures Act, Indiana Code § 4-21.5-1 *et seq.* and Indiana Code § 27-1-15.6-12, hereby gives notice to Carl W. Johnson (“Applicant”) of the following Administrative Order:

1. Applicant held a nonresident producer’s license from January 16, 2008 until October 31, 2018, at which time he allowed his license to lapse.
2. Applicant filed an application to reinstate his nonresident producer license with the Commissioner of the Indiana Department of Insurance (“Commissioner”) on October 16, 2019.
3. Before approving an application, the Commissioner must find that the applicant has met specific requirements under Indiana Code § 27-1-15.6-8 and Indiana Code § 27-1-15.6-12.
4. Indiana Code § 27-1-15.6-12(b)(8) provides, in part, that the Commissioner may refuse to issue or renew an insurance producer license for using fraudulent, coercive, or dishonest

practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in Indiana or elsewhere.

5. Indiana Code § 27-1-15.6-12(b)(2)(A) provides, in part, that the Commissioner may refuse to issue or renew an insurance producer's license for violating an insurance law.
6. Indiana Code § 27-1-15.6-17(b) is an insurance law that provides, in part, an insurance producer shall report to the Commissioner any criminal prosecution of the producer initiated in any jurisdiction not more than thirty (30) days after an initial pretrial hearing date.
7. Following a review of materials submitted by Applicant in support of his application, the Commissioner being fully advised, now hereby notifies Applicant that he has not fully met the requirements of licensure as stated by Indiana Code § 27-1-15.6-12(b)(8) based on his May 31, 2019 Wisconsin convictions for four (4) counts of Fourth (4<sup>th</sup>) Degree Sexual Assault, a Class A Misdemeanor, and one (1) count of Pandering- Solicitation, a Class A Misdemeanor and his failure to report these charges to the Department on a timely basis.
8. Following a review of materials submitted by Applicant in support of his application, the Commissioner being fully advised, now hereby notifies Applicant that he has not fully met the requirements of licensure as stated by Indiana Codes §§ 27-1-15.6-12(b)(2)(A), and 27-1-15.6-17(b) for failing to timely notify the Department about his criminal charges within thirty (30) days from the initial pretrial hearing date.
9. Indiana Code § 27-1-15.6-12(d) provides that the Applicant may, not more than sixty-three (63) days after notice of denial of the applicant's application is mailed, make written demand to the Commissioner for a hearing before the Commissioner to determine the reasonableness of the Commissioner's action.

**IT IS THEREFORE ORDERED** that the Applicant's request to reinstate his license is hereby DENIED pursuant to Indiana Codes §§ 27-1-15.6-12(b)(8), 27-1-15.6-12(b)(2)(A), and 27-1-15.6-17(b) due to Applicant's criminal history, including five (5) misdemeanor convictions, and for Applicant's failure to timely notify the Department about his criminal charges. Applicant may reapply for licensure not less than one (1) year from the date of this order.

12-20-2019

Date Signed



Stephen W. Robertson, Commissioner  
Indiana Department of Insurance

Distribution:

Carl W. Johnson  
290 Alpine Meadow Circle,  
Oregon, WI 53575

Victoria Hastings, Attorney  
ATTN: Dennis Wood, Sr. Investigator  
Indiana Department of Insurance  
311 W. Washington St., Suite 103  
Indianapolis, IN 46204  
317 232-7138, fax 317 234-2103