

No. 2018- 5796

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

Date: DEC 20 2018

Subject Considered:

Arturo Mascorro
809 Bonham St.
Grand Prairie, Texas 75050

Default Order
SOAH Docket No. 454-18-5215.C
TDI Enforcement File No. 10973

General remarks and official action taken:

The subject of this order is whether disciplinary action should be taken against Arturo Mascorro (Respondent).

The following findings of fact and conclusions of law are adopted:

Findings of Fact

Failure to Appear at Hearing on the Merits

1. On August 15, 2018, the Texas Department of Insurance filed a Notice of Hearing, attached as Exhibit A, with the State Office of Administrative Hearings.
2. The department's factual allegations set out in the attached Notice of Hearing are incorporated in this order as findings of fact.
3. The department sent the Notice of Hearing to Respondent's last known address provided in writing to the department, 809 Bonham St., Grand Prairie, Texas 75050. Notice was also sent to one additional address associated with Respondent: 2004 W Jefferson Blvd., Dallas, Texas 75028.

4. After receiving proper notice of the date, time and location of the hearing on the merits, Respondent failed to appear for the hearing on November 6, 2018, as reflected in the record in SOAH Docket No. 454-18-5215.C.

Conclusions of Law

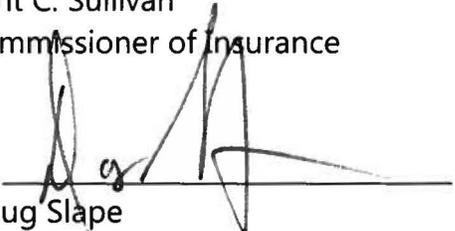
1. The commissioner has jurisdiction pursuant to Texas law, including TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4001.102, 4001.105, 4005.101-4005.105, 4051.051 and 4101.051, and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has authority to dispose of this case informally pursuant to TEX. GOV'T CODE § 2001.056; TEX. INS. CODE § 82.055; and 28 TEX. ADMIN. CODE §§ 1.47, 1.88, and 1.89.
3. The department provided proper notice of the hearing pursuant to TEX. GOV'T CODE §§ 2001.051, 2001.052, and 2001.054, and 28 TEX. ADMIN. CODE §§ 1.28, 1.88, 1.89, and 19.906.
4. Based on Respondent's failure to appear in person or by legal representative at the hearing, the department is entitled to disposition by default pursuant to 28 TEX. ADMIN. CODE §§ 1.88 and 1.89.
5. The department's factual and legal allegations set out in the attached Notice of Hearing are incorporated in this order and deemed admitted as true pursuant to 28 TEX. ADMIN. CODE § 1.89.

Order

It is ordered that Arturo Mascorro's general lines agent license with a property and casualty qualification and adjuster all lines license are revoked.

A copy of this order will be provided to law enforcement and/or other appropriate administrative agencies for further investigation as may be warranted.

Kent C. Sullivan
Commissioner of Insurance

By: 
Doug Slape
Chief Deputy Commissioner
Commissioner's Order No. 2018-5528

Affidavit

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

Before me, the undersigned authority, personally appeared Mariah Cook, who, being by me duly sworn, deposed as follows:

"My name is Mariah Cook and I am employed by the Texas Department of Insurance. I am of sound mind, capable of making this affidavit, and have personal knowledge of these facts which are true and correct.

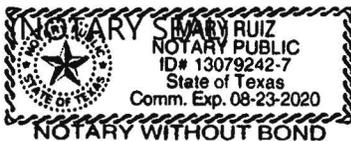
I have reviewed TDI's records concerning Arturo Mascorro. I have confirmed that:

- a. The last mailing address provided to the department in writing by Arturo Mascorro is 809 Bonham St., Grand Prairie, Texas 75050.
- b. The file maintained by the Enforcement Section of the Legal and Enforcement Division contains a Notice of Hearing dated August 15, 2018, which was filed with the State Office of Administrative Hearings.
- c. On August 15, 2018, a notice of hearing addressed to Arturo Mascorro was mailed first-class, and certified, return receipt requested, to his last known address and one additional address: 2004 W Jefferson Blvd., Dallas, Texas 75028.

Copies of the first-class mail log and certified mail log maintained by the Enforcement Section are attached as Exhibits B and Exhibit C, respectively."

Mariah J. Cook
Affiant

SWORN TO AND SUBSCRIBED before me on November 8, 2018.



Mary Ruiz
Signature of Notary Public

Mary Ruiz
Printed Name of Notary Public

SOAH DOCKET NO. 454-18-5215.C
TDI CASE NO. 10973

TEXAS DEPARTMENT OF INSURANCE,
Petitioner

BEFORE THE STATE OFFICE

V.

OF

ARTURO MASCORRO,
Respondent

ADMINISTRATIVE HEARINGS

NOTICE OF HEARING

The Texas Department of Insurance is seeking revocation of your license. Please consider this formal notice that a public hearing will be held before an Administrative Law Judge on Tuesday, November, 6, 2018, at 9:00 a.m. The hearing will take place at the State Office of Administrative Hearings, located in the William P. Clements Building, 300 W. 15th Street, 4th Floor, Austin, Texas, 78701.

The hearing shall be conducted pursuant to TEX. GOV'T CODE, Ch. 2001 and 1 TEX. ADMIN. CODE, Ch. 155. Unless otherwise directed by the Administrative Law Judge, the hearing shall continue from day to day in the offices of the State Office of Administrative Hearings until concluded.

PARTIES THAT ARE NOT REPRESENTED BY AN ATTORNEY MAY OBTAIN INFORMATION REGARDING CONTESTED CASE HEARINGS ON THE PUBLIC WEBSITE OF THE STATE OFFICE OF ADMINISTRATIVE HEARINGS AT WWW.SOAH.TEXAS.GOV, OR IN PRINTED FORMAT UPON REQUEST TO SOAH.

The commissioner of insurance has authority and jurisdiction pursuant to TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4005.101, 4005.102, 4051.051 and 4101.051; and TEX. GOV'T CODE §§ 2001.051-2001.178.

YOU MUST FILE A WRITTEN RESPONSE TO THE NOTICE OF HEARING WITH THE STATE OFFICE OF ADMINISTRATIVE HEARINGS WITHIN 20 DAYS OF THE DATE THE NOTICE OF HEARING WAS MAILED. FAILURE TO FILE A WRITTEN RESPONSE BY THIS DEADLINE SHALL ENTITLE TDI TO SEEK DISPOSITION BY DEFAULT PURSUANT TO 1 TEX. ADMIN. CODE § 155.501 AND 28 TEX. ADMIN. CODE §§ 1.88 AND 1.89.

IF YOU FAIL TO FILE A WRITTEN RESPONSE, THE SCHEDULED HEARING CAN BE CANCELLED AND, WITHOUT FURTHER NOTICE TO YOU, THE COMMISSIONER OF INSURANCE CAN ISSUE AN ORDER IN WHICH THE ALLEGATIONS IN THE NOTICE OF HEARING ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE NOTICE OF HEARING, INCLUDING REVOCATION OF YOUR LICENSE, ISSUANCE OF A CEASE AND DESIST ORDER,



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IMPOSITION OF ADMINISTRATIVE PENALTIES, AND/OR PAYMENT OF RESTITUTION, IS GRANTED BY DEFAULT.

IF YOU FILE A WRITTEN RESPONSE BUT THEN FAIL TO APPEAR ON THE DAY AND TIME SET FOR HEARING, WITHOUT FURTHER NOTICE TO YOU, THE COMMISSIONER OF INSURANCE CAN ISSUE AN ORDER IN WHICH THE ALLEGATIONS IN THE NOTICE OF HEARING ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE NOTICE OF HEARING, INCLUDING REVOCATION OF YOUR LICENSE, ISSUANCE OF A CEASE AND DESIST ORDER, IMPOSITION OF ADMINISTRATIVE PENALTIES, AND/OR PAYMENT OF RESTITUTION, IS GRANTED BY DEFAULT.

Pursuant to 28 TEX. ADMIN. CODE § 1.90(e) and 1 TEX. ADMIN. CODE §§ 155.101 and 155.103, send copies of your written response to:

- (1) Docketing Division
State Office of Administrative Hearings
300 West 15th Street, Room 504
P. O. Box 13025
Austin, Texas 78711-3025
(512) 322-2061 (Fax);
- (2) Chief Clerk
Texas Department of Insurance, MC113-2A
P. O. Box 149104
Austin, Texas 78714-9104
(512) 490-1064 (Fax)
chiefclerk@tdi.texas.gov; and
- (3) Elissa Mazza, Staff Attorney
Texas Department of Insurance
Enforcement Section | Legal & Enforcement Division, MC110-1A
P. O. Box 149104
Austin, Texas 78714-9104.

The allegations against you are:

Licensure

1. You hold a general lines agent license with a property and casualty qualification, originally issued by the Texas Department of Insurance on July 1, 2009. You also hold an adjuster all lines license, issued by the department on June 9, 2011.

Misappropriation / Conversion from Old Republic

2. You were appointed as an agent by Old Republic Surety Company (Old Republic) on August 7, 2013.
3. As part of your agency agreement with Old Republic, you were required to remit payment of balances due to Old Republic not later than 45 days after the end of the account month for which such statement was prepared.
4. Between August 20, 2014, and November 10, 2015, Old Republic sent you multiple letters and emails informing you that you owed past due bond premium payments to Old Republic. The final amount you owed Old Republic was \$4,362.00.
5. On February 10, 2016, Old Republic terminated your appointment for failure to remit premiums.
6. Since Old Republic afforded coverage despite your failure to remit premiums, the amount you converted in premiums was owed to Old Republic. Old Republic utilized an outside collection agency to collect the past due premiums from you, and the collection agency ultimately collected the full amount due.

Fictitious Certificate of Insurance

7. On April 22, 2016, you provided a certificate of liability insurance to Jose Ramirez Huerta (Huerta). This allowed Huerta to become a subcontractor on a contracting agreement with Cooper Contractors, Inc. (Cooper). The certificate of liability insurance identified Maxum Insurance Company (Maxum) as the insurer for policy no. APP032016141.
8. Cooper sustained damage in the amount of \$165,000, allegedly due to Huerta's negligence. When Cooper tried to make a claim on the policy you provided to Huerta, Maxum reported that it did not bind coverage for Huerta nor did it issue the certificate of insurance dated April 22, 2016.
9. You provided a fictitious certificate of liability insurance to Huerta.
10. As a result of Cooper's loss, you submitted a claim to your E & O carrier. This claim is currently in litigation.

The commissioner may discipline you because:

1. You have willfully violated an insurance law of this state, in violation of TEX. INS. CODE § 4005.101(b)(1);

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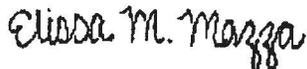
2. You misappropriated, converted to your own use, or illegally withheld money belonging to an insurer, in violation of TEX. INS. CODE § 4005.101(b)(4);
3. You have engaged in fraudulent or dishonest acts or practices, in violation of TEX. INS. CODE § 4005.101(b)(5); and
4. You have materially misrepresented the terms and conditions of an insurance policy or contract, in violation of TEX. INS. CODE § 4005.101(b)(6).

If one or more of the above allegations is found to be true, the commissioner may enter an order revoking your license, ordering you to cease and desist from certain activity, and/or imposing an administrative penalty, restitution, and additional sanctions. You have the right to appear at this hearing and to be represented by an attorney. Please address any questions and correspondence to the undersigned counsel at the address or telephone number below.

IMPORTANT SECURITY NOTICE:

ALL VISITORS TO THE WILLIAM P. CLEMENTS BUILDING WITHOUT AN AGENCY OR DPS ISSUED ID CARD MUST PROVIDE THE BUILDING SECURITY OFFICER WITH THE STATE OFFICE OF ADMINISTRATIVE HEARINGS DOCKET NUMBER AND RECEIVE A VISITOR'S PASS IN ORDER TO BE ALLOWED ACCESS TO THE HEARING ROOM. INDIVIDUALS SHOULD ALLOW ADDITIONAL TIME TO GO THROUGH THE SECURITY PROCESS.

Sincerely,



Elissa Mazza, Staff Attorney
State Bar No. 24078501
Texas Department of Insurance
Enforcement Section | Legal & Enforcement Division, MC110-1A
P.O. Box 149104
Austin, Texas 78714-9104
Phone: (512) 676-6338
Fax: (512) 490-1020
Email: elissa.mazza@tdi.texas.gov

cc: Leah Gillum, Associate Commissioner, Legal and Enforcement Division, Enforcement Section, MC-110-1A
Ginger R. Loeffler, Director, Licensing Litigation Office, Legal and Enforcement Division, Enforcement Section, MC-110-1A
Administrative Review, MC107-1A

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CERTIFICATE OF SERVICE

I, Elissa Mazza, certify that this *Notice of Hearing* was served by first class mail and certified mail, return receipt requested, on this 15th day of August, 2018 to:

Arturo Mascorro
809 Bonham Street
Grand Prairie, Texas 75050
Respondent Pro Se

Via CM/RRR No: 9214 8901 9403 8308 9684 00

Arturo Mascorro
2004 W. Jefferson Blvd.
Dallas, Texas 75028
Respondent Pro Se

Via CM/RRR No: 9214 8901 9403 8308 9684 24

Elissa M. Mazza

Elissa Mazza



Name and Address of Sender
 MC-110-1A M. Cook
 Texas Department of Insurance
 333 Guadalupe St
 Austin TX 78701

- Check type of mail or service
- Adult Signature Required
 - Adult Signature Restricted Delivery
 - Certified Mail
 - Certified Mail Restricted Delivery
 - Collect on Delivery (COD)
 - Insured Mail
 - Priority Mail
 - Priority Mail Express
 - Registered Mail
 - Return Receipt for Merchandise
 - Signature Confirmation
 - Signature Confirmation Restricted Delivery

Affix Stamp Here
 (if issued as an international certificate of mailing or for additional copies of this receipt).
 Postmark with Date of Receipt.



USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code™)	Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
1. 9214 8901 9403 8308 9684 00 MAZZA/10973	ARTURO MASCORRO 809 BONHAM STREET GRAND PRAIRIE TX 75050	0.71	3.45	Handling Charge - if Registered and over \$50,000 in value							1.50			
2. 9214 8901 9403 8308 9684 24	ARTURO MASCORRO 2004 W JEFFERSON BLVD DALLAS TX 75028	0.71	3.45	Handling Charge - if Registered and over \$50,000 in value							1.50			
				Handling Charge - if Registered and over \$50,000 in value				Adult Signature Required	Adult Signature Restricted Delivery	Restricted Delivery	Return Receipt	Signature Confirmation	Signature Confirmation Restricted Delivery	Special Handling
				Handling Charge - if Registered and over \$50,000 in value										
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Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, must match the labeled packages being presented to the USPS® employee with this form.

Shipment Date: 08/15/2018

Shipped From:

Name: MC-110-1A M COOK

Address: 333 GUADALUPE ST

City: AUSTIN

State: TX ZIP+4® 78701

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	2
Total	2

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0009 8329 08