

No. 2025-9685

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

Date: 12/17/2025

Subject Considered:

Texas Department of Insurance

v.

Elizabeth Audrey Perez

SOAH Docket No. 454-25-13728.C

General Remarks and Official Action Taken:

The subject of this order is Elizabeth Audrey Perez's application for a limited 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 Ms. Perez's application be granted. 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. Perez did not file a reply to the exceptions.

In response to the exceptions, the administrative law judge did not recommend revising the proposal for decision. A copy of the administrative law judge's response to exceptions is attached as Exhibit B.

TDI adopts the administrative law judge's proposed findings of fact and conclusions of law with changes to proposed Conclusions of Law Nos. 12 and 13 as described in this order.

Legal Authority for Changes to the Proposal for Decision

The legal authority for the changes to the proposal for decision made in this order is Government Code § 2001.058(e)(1), which provides that "[a] state agency may change a finding of fact or conclusion of law made by the administrative law judge, or may vacate or modify an order issued by the administrative judge, only if the agency determines . . . that the administrative law judge did not properly apply or interpret applicable law, agency rules, written policies [of the agency], or prior administrative decisions"

Analysis

The administrative law judge determined that Ms. Perez was convicted of a felony.¹ The administrative law judge also determined that there is correlation between Ms. Perez's crime and the responsibilities of an insurance agent² and that her offense directly relates to the insurance profession.³ Based on these determinations, TDI has authority to deny her application under Insurance Code § 4005.101(b)(8), and Occupations Code § 53.021 after considering factors set out in Occupations Code § 53.023.

TDI has reviewed the administrative law judge's discussion and assessment of the factors to be considered under Occupations Code § 53.023, and TDI rejects the proposal to grant Ms. Perez's application, because the administrative law judge did not properly weigh the factors to be considered under the section. State law requires that all applicable factors be weighed in determining an applicant's fitness for licensure.⁴ Thus, a failure to properly weigh all applicable factors is a misapplication of law and agency rules that warrants changes to the proposal for decision under Government Code § 2001.058(e)(1).

TDI's consideration of the applicable factors and review of how the administrative law judge addressed these factors follows:

¹ Proposed Findings of Fact No. 8, Proposal for Decision (PFD), page 16.

² Proposed Findings of Fact No. 17, PFD, page 17.

³ See Proposed Conclusion of Law No. 10, PFD, page 19, and the administrative law judge's response to exceptions, page 2.

⁴ See Tex. Occ. Code § 53.023(a) (stating that "the licensing authority *shall* consider" enumerated factors) (emphasis added).

- The extent and nature of Ms. Perez's past criminal activity: The proposal for decision says that, while Ms. Perez's offense was a serious crime and should not be taken lightly, there is no evidence of a pattern of criminal activity.⁵ However, this lack of a pattern does not abate the seriousness of Ms. Perez's crime, especially in light of how recently Ms. Perez committed her criminal act,⁶ how recently she was released from federal prison,⁷ and how recently she completed her supervised release.⁸ Ms. Perez has had hardly any time to develop a pattern of criminal activity, but granting her a license at this point would give her such an opportunity. Therefore, consideration of this factor weighs against granting Ms. Perez's application.
- The age of Ms. Perez when the crime was committed: Ms. Perez was 22 years old.⁹ The proposal for decision excuses this by saying that Ms. Perez used poor judgment in a time of need, and that lack of good judgment can be a natural consequence of youth. However, at the age of 22, Ms. Perez was an adult when she made the decision to commit a felony. Therefore, consideration of this factor weighs against granting Ms. Perez's application.
- The amount of time that has passed since Ms. Perez's last criminal activity: The proposal for decision says that the recency of Ms. Perez's completion of supervised release is tempered by her positive use of that time by obtaining her GED, engaging in professional coursework, and working.¹⁰ However, these points relate to evidence of her rehabilitative effort, not the recency of her crime. Ms. Perez's criminal act occurred on or about November 25, 2020; she was released from federal prison on May 22, 2022; and she completed her supervised release on May 25, 2025.¹¹ Ms. Perez was still under supervised release at the

⁵ PFD, page 12.

⁶ On or about November 25, 2020.

⁷ May 22, 2022.

⁸ May 25, 2025.

⁹ PFD, page 13.

¹⁰ *Id.*

¹¹ Proposed Findings of Fact Nos. 8 and 10, PFD, page 16.

time TDI proposed to deny her application,¹² so at that point only two years had passed from her release from prison, and no amount of time had passed from the completion of her supervised release. Therefore, consideration of this factor weighs against granting Ms. Perez's application.

- The conduct and work activity of Ms. Perez before and after the criminal activity: The proposal for decision states that there was no evidence of work before the date of the offense, but that evidence demonstrates that Ms. Perez maintained employment for the three years between her release from prison and her application. TDI's staff witness, Lewis Wright, testified that Ms. Perez had employment with multiple employers during this period, which was of great concern. However, the administrative law judge concluded that Ms. Perez provided credible testimony explaining each job change.¹³ Based on the fact that Ms. Perez had no work history before her crime and the administrative law judge's determination regarding the credibility of her work history after her crime, consideration of this factor does not strongly weigh for or against granting Ms. Perez's application.
- Evidence of Ms. Perez's rehabilitation or rehabilitative effort while incarcerated or after release: Ms. Perez obtained a GED, took a professional development course, and worked.¹⁴ Obtaining a GED and taking a professional development course are some signs of rehabilitative effort, so do provide some weight in favor of granting Ms. Perez's application.
- Evidence of Ms. Perez's compliance with any conditions of community supervision, parole, or mandatory supervision: The proposal for decision does not address specific conditions imposed on Ms. Perez as a condition of supervised release, but it does find that Ms. Perez successfully completed her supervised release. Therefore, this factor provides some weight in in favor of granting Ms. Perez's application.

¹² TDI proposed to deny her application on March 28, 2024. Proposed Finding of Fact No. 3, page 15.

¹³ PFD, page 13.

¹⁴ PFD, page 14.

- Other evidence of Ms. Perez's fitness, including letters of recommendation: Ms. Perez provided four letters of recommendation from coworkers aware of her criminal history who reference positive attributes, and the administrative law judge found these letters to be persuasive.¹⁵ Therefore, this factor does provide some weight in favor of granting Ms. Perez's application.

The administrative law judge says that Ms. Perez has made great strides to demonstrate her fitness for the profession, as shown by her educational advancement, consistent work history, and the high regard of colleagues who recommend that she be licensed, notwithstanding her criminal history.

However, Ms. Perez committed a serious crime involving elements of concealment or deceit.¹⁶ Further, Ms. Perez was an adult when she decided to accept the opportunity to make money by transporting an undocumented person seeking to avoid detection. And importantly, despite Ms. Perez's rehabilitative efforts and positive letters of recommendation, hardly any time has passed for Ms. Perez to show that she is currently fit for licensure, despite her criminal history. These factors outweigh the positive factors noted by the administrative law judge.

Therefore, the administrative law judge failed to properly balance the serious nature of Ms. Perez's criminal act, the fact that Mrs. Perez was an adult, and the short amount of time since she committed the criminal act against the positive factors of her rehabilitative efforts and other evidence of fitness when recommending that Ms. Perez is currently fit for licensure, despite her criminal history.

On the basis of this analysis, as adopted by this order, proposed Conclusions of Law Nos. 12 and 13 are revised to state:

12. Ms. Perez has not shown the fitness required to perform the duties and discharge the responsibilities of the licensed occupation. Tex. Occ. Code § 53.022-.023.
13. Ms. Perez's application for a limited lines agent license should be denied. Tex. Occ. Code § 53.023.

¹⁵ *Id.*

¹⁶ Proposed Finding of Fact No. 15, PFD, page 17.

Findings of Fact

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

Conclusions of Law

1. Proposed Conclusions of Law Nos. 1 - 11 as contained in Exhibit A are adopted and incorporated by reference into this order.
2. In place of proposed Conclusion of Law No. 12 as contained in Exhibit A, the following conclusion of law is adopted:

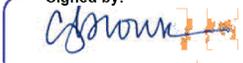
Ms. Perez has not shown the fitness required to perform the duties and discharge the responsibilities of the licensed occupation. Tex. Occ. Code § 53.022-.023.

3. In place of proposed Conclusion of Law No. 13 as contained in Exhibit A, the following conclusion of law is adopted:

Ms. Perez's application for a limited lines agent license should be denied. Tex. Occ. Code § 53.023.

Order

It is ordered that Elizabeth Audrey Perez's application for a limited lines agent license is denied.

Signed by:

FC5D7EDDFB4F8
Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:

Signed by:

5DAC5618BBC74D4...
Jessica Barta, General Counsel

Signed by:

27ADF3DA5BAF4B7...
Justin Beam, Chief Clerk

**BEFORE THE
STATE OFFICE OF ADMINISTRATIVE
HEARINGS**

—
**TEXAS DEPARTMENT OF INSURANCE,
PETITIONER**

v.

**ELIZABETH AUDREY PEREZ,
RESPONDENT**

PROPOSAL FOR DECISION

Elizabeth Audrey Perez applied to the Texas Department of Insurance (Department) for a limited lines agent license. The Department's staff (Staff) proposed to deny Ms. Perez's application because of her criminal history. After considering the evidence and applicable law, the Administrative Law Judge (ALJ) recommends that Ms. Perez's application for licensure as a limited lines agent be granted.

I. NOTICE, JURISDICTION, AND PROCEDURAL HISTORY

Notice and jurisdiction were not disputed and are addressed in the Findings of Fact and Conclusions of Law. The hearing on the merits convened via Zoom videoconferencing on June 4, 2025, before State Office of Administrative Hearings (SOAH) ALJ Shannon Breaux Saucedo. Staff was represented by Jeannie Ricketts, Staff Attorney with the Department’s Enforcement Division. Ms. Perez appeared and represented herself. The hearing adjourned that day. On June 18, 2025, a final transcript and record copy of admitted exhibits was filed, closing the record.

II. APPLICABLE LAW

The Department regulates the practice of insurance and may deny an application for licensure for certain reasons.¹ The Department may deny an application if the applicant has been convicted of a felony.² The Department may also deny an application if the applicant has been convicted of a crime that directly relates to the duties and responsibilities of an insurance agent.³ A criminal conviction is not necessarily fatal to a person’s current license or license application; rather, its consequences depend upon the nature of the offense and its connection to the particular licensed profession and the person’s fitness to perform it.

¹ Texas Ins. Code § 4005.101(b). All citations in this Proposal for Decision to the substantive rules refer to the version of the rules in effect when Ms. Perez applied for a license in February 2024, unless otherwise indicated. Any procedural rules cited refer to the current version.

² Texas Ins. Code § 4005.101(b)(8).

³ Tex. Occ. Code § 53.021(a)(1). See also, 28 Tex. Admin. Code § 1.502(d)(1).

The criteria considered when determining whether a crime directly relates to the duties and responsibilities of an insurance agent are as follows:

- the nature and seriousness of the crime;
- the relationship of the crime to the purposes for requiring a license to engage in the occupation;
- 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;
- the relationship of the crime to the ability or capacity required to perform the duties and discharge the responsibilities of the licensed occupation; and
- any correlation between the elements of the crime and the duties and responsibilities of the licensed occupation.⁴

Using these criteria, the Department has identified crimes that directly relate to the practice of insurance.⁵ The Department's list includes offenses for which fraud, dishonesty, or deceit is an essential element, and offenses related to the smuggling or trafficking of persons as defined by the Texas Penal Code.⁶

A person commits the offense of conspiracy to transport an undocumented person if the person knowingly:

- uses a motor vehicle to transport an individual with intent to conceal the individual from a peace officer or flee from a person the actor knows is a peace officer attempting to lawfully arrest or detain the actor;

⁴ Tex. Occ. Code § 53.022.

⁵ Tex. Occ. Code § 53.025(a).

⁶ 28 Tex. Admin. Code § 1.502(f)(1), (4)(D).

- encourages or induces a person to enter or remain in this country in violation of federal law by concealing, harboring, or shielding that person from detection; or
- assists, guides, or directs two or more individuals to enter or remain on agricultural land without the effective consent of the owner.⁷

Sentencing for the offense conspiracy to transport an undocumented person includes monetary fine, imprisonment for up to ten years, or both.⁸ Under federal law, a crime punishable by more than a year in prison is a felony.⁹

When deciding whether to deny an application for a license based on an applicant's criminal history, the Department must also consider the following factors that bear on an applicant's fitness for licensure despite any criminal history:

- the extent and nature of the person's past criminal activity;
- the age of the person when the crime was committed;
- the amount of time that has elapsed since the person's last criminal activity;
- the conduct and work activity of the person before and after the criminal activity;
- evidence of the person's rehabilitation or rehabilitative effort while incarcerated or after release;
- evidence of the person's compliance with any conditions of community supervision, parole, or mandatory supervision; and

⁷ 8 U.S.C. § 1324(a)(1)(A); Tex. Pen. Code § 20.5(a). *See Tex. Dept. of Public Safety – Private Duty Security Program v. Macias*, Docket No. 405-16-0494.PSB, 2016 WL 453526 (Tx. St. Off. Admin. Hgs. Jan. 27, 2016) (finding that the federal offense of Transporting an Alien under 8 U.S.C. §1324 is substantially similar to Smuggling of Persons under Tex. Pen. Code §20.05).

⁸ 8 U.S.C. § 1324(1)(B)(i).

⁹ 18 U.S.C. § 3559(a).

- other evidence of the person’s fitness, including letters of recommendation.¹⁰

If Staff proposes to deny a license, the applicant is entitled to a contested case hearing before SOAH.¹¹ At the hearing, Staff has the burden of proving its grounds for denying the application, while the applicant has the burden of bringing forward any favorable evidence of fitness to be licensed despite their criminal history.¹² The burden of proof is by a preponderance of the evidence.¹³

III. EVIDENCE

At the hearing, Staff offered four exhibits which were admitted into evidence without objection¹⁴ and the testimony of Lewis Wright. Ms. Perez testified on her own behalf and did not offer any exhibits.

A. BACKGROUND

The basic facts of this case are not in dispute. On April 28, 2021, Ms. Perez pleaded guilty to one count of Felony Conspiracy to Transport Illegal Aliens in violation of federal law,¹⁵ in Case No. DR:20-CR-01907(1)-AM, before the United

¹⁰ Tex. Occ. Code § 53.023; 28 Tex. Admin. Code § 1.502(e).

¹¹ Tex. Ins. Code § 4005.104(a).

¹² Tex. Occ. Code § 53.0211(b); 1 Tex. Admin. Code § 155.427.

¹³ *Granek v. Tex. State Bd. of Med. Exam’rs*, 172 S.W.3d 761, 777 (Tex. App.—Austin 2005, no pet.).

¹⁴ Admitted exhibits include the following: Staff Exhibits (Exs.) 1, Notice and Jurisdictional Documents; 2, Applicant File; 3, Criminal History Records; and 4, Relevant Authorities.

¹⁵ 8 U.S.C. § 1324.

States District Court for the Western District of Texas, Del Rio Division (Court).¹⁶ The criminal activity occurred on or around November 25, 2020. The Court sentenced Ms. Perez to 18 months in federal prison to start March 2, 2021. Upon release, Ms. Perez was required to serve a three-year term of supervised release. Ms. Perez was released from prison on May 25, 2022, and completed supervised release on May 25, 2025.

On February 27, 2024, Ms. Perez submitted a limited lines agent application with the Department and disclosed her criminal history.¹⁷ With her application, Ms. Perez submitted a written explanation of the circumstances surrounding her conviction.¹⁸ Ms. Perez shared that at the time of the offense she was a 22-year-old single mother struggling financially and grieving the loss of her mother. Ms. Perez accepted the offer of a childhood friend to make money by transporting an undocumented person seeking to avoid detection. She was pulled over and arrested on her first transport attempt. Ms. Perez expressed regret for making a bad decision and her desire to change. She provided the following work history information:

- Global Agility Solutions (Global), from June 2, 2022, to October 31, 2022; left for position with better pay.
- Hawkins Group Personal (Hawkins), from November 1, 2022, to January 9, 2023; let go because of criminal background.
- Global, from January 10, 2023, to March 17, 2023; moved to San Antonio.
- GetixHealth, from March 20, 2023, to December 19, 2023; let go because of criminal background.

¹⁶ Staff Ex. 3. Ms. Perez confirmed at hearing that the court records reference her maiden name, “Sanchez.”

¹⁷ Staff Ex. 2 at 072–076.

¹⁸ Staff Ex. 2 at 065.

- Texas Cleaning Services, from December 20, 2023, to January 21, 2024.
- Amtex Auto Insurance (Amtex), from January 22, 2024, to current.

Ms. Perez’s application was also accompanied by four letters of professional recommendation.¹⁹ The letters were authored by Ms. Perez’s coworkers from Amtex.

- Office Manager Augustine Alfaro states that Ms. Perez has been an outstanding employee, exhibiting honesty and integrity in her work, and is more than deserving of a limited lines agent license.²⁰
- Store Manager Ruby Mendez states that she has directly supervised Ms. Perez in her position as a customer service representative. Ms. Mendez encourages the Department to “look beyond [Ms. Perez’s] criminal record,” noting that she has observed Ms. Perez to be a dependable employee with a strong work ethic and the ability to learn quickly.²¹
- Co-District Manager Ashley Garcia states that Ms. Perez is a hard worker with a positive attitude deserving of a second chance.²²
- Co-District Manager Karina Rosas states that she has observed Ms. Perez to be of a sound character, disciplined, and hard-working.²³

¹⁹ Staff Ex. 2 at 066–070.

²⁰ Staff Ex. 2 at 67.

²¹ Staff Ex. 2 at 068.

²² Staff Ex. 2 at 069.

²³ Staff Ex. 2 at 070.

Staff concluded the investigation and notified Ms. Perez by letter dated March 28, 2024, of Staff's proposal to deny her application.²⁴ Ms. Perez timely requested a hearing to challenge Staff's decision.²⁵

B. MR. WRIGHT'S TESTIMONY

Mr. Wright testified that he has been employed by the Department for eighteen years.²⁶ His current position is the Administrative Review Liaison for the Agent and Adjuster Licensing Office. The Department receives approximately 200,000 applications each year. For any applicant with a criminal history, a referral is made to Administrative Review, a section of the Department that reviews the gathered information and determines whether the application should be granted or denied based on applicable laws, rules, and regulations. Applications are reviewed on a case-by-case basis because each applicant is unique.

According to Mr. Wright, the licensing of insurance agents is imperative to ensure public protection.²⁷ The average consumer relies on an insurance agent's specialized knowledge of products, funding mechanisms, and industry terminology. Insurance agents routinely receive consumers' sensitive private information and have access to funds. This applies to a limited lines agent license, which authorizes a

²⁴ Staff Ex. 2 at 046.

²⁵ Staff Ex. 2 at 041-043.

²⁶ Transcript (Tr.) at 10-15.

²⁷ Tr. at 15-23.

license holder to represent insurance companies on certain lines of insurance, including auto, residential, job protection, and agricultural.

Mr. Wright opined that the Department had authority by agency rule²⁸ to deny Ms. Perez's application on the basis that she was convicted of conspiracy to transport undocumented persons, a felony offense. He also supports Staff's determination that Ms. Perez's offense is directly related to the practice of insurance based on application of the factors in section 53.022 of the Texas Occupations Code.²⁹ Ms. Perez was convicted of a serious crime for which she served jail time. Mr. Wright testified that the licensure of a person convicted of this offense runs counter to the purpose for requiring a license to carry out the duties and responsibilities of an insurance agent: public safety. An insurance agent must maintain the confidentiality of sensitive information and carry out duties in a professional, lawful to engage in further criminal activity involving fraud, dishonesty, or deceit.

Mr. Wright testified that Staff also considered Ms. Perez's circumstances as required by section 53.023 of the Texas Occupations Code.³⁰ According to Mr. Wright, not much time had passed since Ms. Perez's criminal conduct and release from prison. He acknowledged that Ms. Perez provided information showing that since being released from prison, Ms. Perez has attempted to be steadily employed and was gainfully employed at the time of her application. The fact that she held five different jobs over three years was a concern for Staff. Mr. Wright

²⁸ Tex. Ins. Code § 4005.101 (b)(8).

²⁹ Tr. at 25-27.

³⁰ Tr. at 28-33.

acknowledged that at least two job changes were attributable to an employer's consideration of Ms. Perez's criminal history. The letters of recommendation from colleagues of Ms. Perez were all positive. Mr. Wright testified that these colleagues, employees of an insurance agency, may have been influenced by the employer's "financial" interest in moving Ms. Perez into a licensed sales agent role. Staff determined that Ms. Perez's rehabilitative evidence was not sufficient to outweigh the concerns raised around her criminal history. Mr. Wright supports the Staff's recommendation to deny Ms. Perez's application for a limited lines agent license.

C. MS. PEREZ'S TESTIMONY

Ms. Perez accepted accountability for her actions and expressed remorse for making a bad decision when she was younger.³¹ Over the past five years she has changed and is a different person now. Ms. Perez testified that the completion of supervised release was contingent on several provisions, which she successfully met. She also obtained high school equivalency credentials by passing the General Educational Development (GED) test. She was hired for an opening at Global three days after being released from prison. Ms. Perez's second job was at Hawkins. She was released by Hawkins because of her criminal history. Ms. Perez testified that Global immediately hired her back and she continued working there until her next job at GetixHealth. For the three years prior to applying for licensure, as one job ended, she started working another job by the next business day.

³¹ Tr. at 36-40.

Ms. Perez enjoyed her work at Amtex and developed an interest in the insurance industry. She was still working for Amtex at the time of her application. Ms. Perez currently works in credit assistance. She felt she had to move on to her current job because the application and appeal process has taken over a year. Ms. Perez still desires to work as an insurance agent for job satisfaction, financial stability, and professional growth.

IV. ANALYSIS

There is no dispute that on April 28, 2021, Ms. Perez pleaded guilty to and was convicted of conspiracy to transport undocumented persons, a felony offense.³² The Department has authority to recommend denial of Ms. Perez's application for a license under Texas Insurance Code section 4005.101(b)(8) because she was convicted of a felony.

The Department is also authorized to seek denial of Ms. Perez's application for a license because she committed an offense that is directly related to the practice of insurance. By Department rule, the smuggling or trafficking of persons is directly related to the practice of insurance.³³ The evidence relating to the factors in Texas Occupations Code section 53.022 further supports the Department's determination that Ms. Perez's offense directly relates to insurance. An insurance agent must be honest, trustworthy, and law abiding. Conspiring to transport an undocumented person for pay is a serious crime involving the concealment of one or more persons

³² Staff Ex. 3.

³³ 28 Tex. Admin. Code § 1.502(f)(1), (4)(D).

from detection to circumvent the law. Such acts of deceit and dishonesty directly implicate public safety, a core reason for requiring a license to work in insurance. A licensed insurance agent would have direct contact with consumers along with access to consumers' confidential or sensitive information and funds. These circumstances would provide the opportunity for Ms. Perez to engage in similar prohibited conduct. Engaging in a conspiracy to commit a crime for money is also related to the ability and capacity required to work in insurance. Someone who commits a crime for money is generally not a good fit in insurance, where money, personal information, and complex arrangements mix, presenting an opportunity to scam. The ALJ finds that the offense of conspiracy to transport undocumented persons is directly related to the duties and responsibilities of a licensed insurance agent.

On determining a directly related offense, consideration must be given to the factors of Texas Occupations Code section 53.023 to determine whether denial of Ms. Perez's application is warranted.³⁴ For clarity, the ALJ will address each factor in turn. Some evidence is relevant to more than one factor.

The first factor is the extent and nature of the person's past criminal activity. Ms. Perez's criminal history consists of a single felony conviction for one count of conspiracy to transport an undocumented person, which is a serious crime. While Ms. Perez's offense should not be taken lightly, there is no evidence showing a pattern of criminal activity.

³⁴ Tex. Occ. Code § 53.023(a).

The second factor is the age of the person when the crimes were committed. At the time the offense was committed, Ms. Perez was twenty-two years old. The ALJ finds Ms. Perez's testimony that she used poor judgment in a time of need credible and sincere. Lack of good judgment can be a natural consequence of youth, as seen in this case.

The third factor is the amount of time that has elapsed since the person's last criminal activity. The court documents indicate that Ms. Perez engaged in criminal activity on November 25, 2020. Not quite five years have passed since the commission of the offense, and Ms. Perez completed her three-years supervised release about a month before the hearing. The recency of Ms. Perez's completion of supervised release is tempered by her positive use of that time by obtaining her GED, engaging in professional coursework, and working.

The fourth factor is the conduct and work activity of the person before and after the criminal activity. There was no evidence of work history prior to the date of the offense, which may have been due to her status as a young mother at the time. The evidence demonstrates that Ms. Perez maintained employment for the three years between her release from prison and her application. Mr. Wright testified that Ms. Perez's work history showing employment by multiple employers during this time, commonly referred to as "job hopping,"³⁵ greatly concerned Staff. The evidence demonstrates that Ms. Perez provided reasonable explanations for each job change. Ms. Perez provided credible testimony that she transitioned between jobs

³⁵ Job-hopping is defined as the practice of changing jobs frequently. *See*, AMERICAN HERITAGE DICTIONARY OF THE ENGLISH LANGUAGE, <https://www.ahdictionary.com>, Copyright 2022, Harper Collins Publishers.

from one business day to the next. Ms. Perez is currently gainfully employed. Ms. Perez's initiative and self-reliance overshadow any generalized negative view of job hopping.

The fifth factor is evidence of the person's rehabilitation or rehabilitative efforts while incarcerated or after release. Ms. Perez's successful completion of supervised release signifies that she engaged in good conduct and abided the law. Doing so while obtaining a GED, taking a professional development course, and working, reflects Ms. Perez's desire and commitment to redeem herself.

The sixth factor is evidence of the person's compliance with any conditions of supervised release. As discussed above, Ms. Perez has successfully completed supervised release.

The seventh factor is other evidence of the person's fitness, including letters of recommendation. Ms. Perez submitted four persuasive letters of recommendation from her coworkers. Mr. Wright testified that the Department considered the authors to be biased in favor of financial gain, but this supposition is not supported by the evidence. There was no evidence that the insurance agency had any greater financial interest in hiring Ms. Perez as a licensed agent than would be expected in any lawful employment situation. The colleagues of Ms. Perez supported her licensure with knowledge of her criminal history. They did so while in an optimal position to observe Ms. Perez's conduct and behavior in the work environment. The letters of recommendation consistently reference positive attributes of Ms. Perez indicative of trustworthiness and fitness for licensure: performance of duties with

honesty, integrity, diligence, positivity, and professionalism. Ms. Perez's forthright disclosure of her criminal history, personal accountability, and cooperation with the Department's investigation also denote good character.

Ms. Perez has proven, by a preponderance of the evidence, that she is currently fit for licensure, despite her criminal history. Ms. Perez has made great strides to demonstrate her fitness for the profession, as shown by her educational advancement, consistent work history, and the high regard of colleagues who recommend that she be licensed notwithstanding her criminal history. The ALJ finds that Ms. Perez has the requisite honesty, trustworthiness, and integrity required to hold a license.

Accordingly, the ALJ recommends the Department grant Ms. Perez's application for a limited lines agent license.

V. FINDINGS OF FACT

1. On February 27, 2024, Elizabeth Aufrey Perez applied for a limited lines agent license with the Texas Department of Insurance (Department).
2. Ms. Perez disclosed her criminal history on the application and provided a written explanation of the circumstances surrounding her conviction, work history information, and letters of professional recommendation.
3. On March 28, 2024, the staff of Department (Staff) proposed to deny the application based on Ms. Perez's criminal history.
4. Ms. Perez timely requested a hearing to challenge the proposed denial.
5. On April 4, 2024, Staff issued a notice of hearing which attached and incorporated by reference its petition in this case.

6. 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.
7. The hearing in this case was held by videoconference on June 4, 2025, before Administrative Law Judge Shannon Breaux Saucedo with the State Office of Administrative Hearings (SOAH). Attorney Jeannie Ricketts represented Staff. Ms. Perez appeared and represented herself. The hearing concluded that day, and the record closed on June 18, 2025, following the e-filing of the admitted exhibits and submission of the transcript to SOAH.
8. On April 28, 2021, in Cause No. DR:20-CR-01907(1)-AM, before the United States District Court for the Western District of Texas, Del Rio Division (Court), Ms. Perez pled guilty to one count of Felony Conspiracy to Transport Illegal Aliens for an offense that occurred on or about November 25, 2020.
9. On October 8, 2021, the court sentenced Ms. Perez to serve 18 months in federal prison, followed by three years' supervised release.
10. Ms. Perez was released from prison on May 25, 2022, and successfully completed her supervised release on May 25, 2025.
11. Ms. Perez has no other criminal history before or since the November 2020 incident.
12. In November 2020, Ms. Perez was only 22 years old. She was a single parent experiencing financial hardship and grieving the loss of her mother.
13. On or about November 25, 2020, Ms. Perez was approached by a childhood friend who offered her the opportunity to make money by transporting an undocumented person seeking to avoid detection, which she accepted. Ms. Perez was pulled over on her first transport attempt.
14. An insurance agent must be open and honest and not conceal or hide significant matters.

15. Conspiring to transport an undocumented person avoiding detection for pay is a serious crime involving elements of concealment or deceit.
16. Engaging in a conspiracy to commit a crime for money is related to the ability and capacity required to work in insurance.
17. There is some correlation between the elements of conspiring to transport an undocumented alien for money and the responsibilities of a licensed insurance agent.
18. Throughout the application process and appeal, Ms. Perez has expressed genuine remorse for her actions leading to her arrest and accepted full responsibility for her violation of the law.
19. Following her conviction, Ms. Perez studied for and passed the General Education Development test to obtain high school education equivalency credentials. She also completed a course in medical billing and coding.
20. Ms. Perez worked for five separate employers during the three years prior to submitting her application.
21. Ms. Perez had no gaps in employment, as she transitioned from one job to another within one business day.
22. Ms. Perez was terminated from two jobs because of her criminal history. The other job changes were made for better pay or opportunity for professional growth.
23. Ms. Perez is currently gainfully employed.
24. Ms. Perez's work colleagues at the time of her application, three supervisors and the office manager, were aware of her criminal history and provided recommendation letters in support of Ms. Perez's licensure despite her criminal history.
25. Ms. Perez's supporters stated that in their view, Ms. Perez conducted herself with honesty, integrity, diligence, positivity, and professionalism.

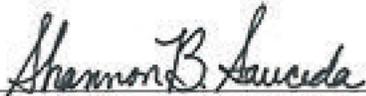
VI. CONCLUSIONS OF LAW

1. The Department has jurisdiction over this matter. Tex. Ins. Code chs. 4001, 4005.
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 proper notice. Tex. Gov't Code §§ 2001.051-.052; Tex. Ins. Code § 4005.104(b).
4. Staff had the burden of proving a basis for denying the license application, while Ms. Perez had the burden of bringing forward any favorable evidence that she is fit to be licensed despite her criminal history. 1 Tex. Admin. Code § 155.427.
5. The standard of proof is by a preponderance of the evidence. *Granek v. Tex. St. Bd. of Med. Examn'rs*, 172 S.W.3d 761, 777 (Tex. App.—Austin 2005, no pet.).
6. The Department may deny an application if the applicant has been convicted of a felony. Tex. Ins. Code § 4005.101(b)(8).
7. Ms. Perez's conviction for conspiracy to transport undocumented persons avoiding detection for pay is a felony. 8 U.S.C. § 1324(a)(1)(A)(ii), (v)(I), (B)(i); 18 U.S.C. § 3559(a).
8. The Department may disqualify a person from receiving a license on the grounds that the person has been convicted of an offense that directly relates to the duties and responsibilities of the licensed occupation. Tex. Occ. Code § 53.021(a)(1).
9. 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 offense for which fraud, dishonesty, or deceit is an essential element, and any offense with the essential elements of offenses related to the smuggling or trafficking of people, as described in Penal Code chapter 20. 28 Tex. Admin. Code § 1.502(e)(1), (4)(D).

10. Ms. Perez's conviction for conspiracy to transport undocumented persons avoiding detection for pay is a crime that directly relates to the duties and responsibilities of an insurance agent. Tex. Occ. Code § 53.022.
11. The Department will consider the factors listed in Texas Occupations Code sections 53.022 and .023 in determining whether to issue a license to an applicant despite a criminal offense or fraudulent or dishonest conduct 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(f), (h).
12. Despite her criminal conviction, Ms. Perez has shown the fitness required to perform the duties and discharge the responsibilities of the licensed occupation. Tex. Occ. Code § 53.022-.023.
13. Ms. Perez's application for a limited lines agent license should be granted. Tex. Occ. Code § 53.023.

Signed August 8, 2025

ALJ Signature:



Shannon Breaux Saucedo

Presiding Administrative Law Judge

2025-9685

Exhibit B

State Office of Administrative Hearings

Kristofer S. Monson
Chief Administrative Law Judge

August 28, 2025

ACCEPTED
454-25-13728
8/28/2025 4:59:07 pm
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Kevin Garza, CLERK

FILED
454-25-13728
8/28/2025 4:57 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Kevin Garza, CLERK

Jeannie Ricketts
Staff Attorney, TDI Enforcement

VIA EFILE TEXAS

Elizabeth Audrey Perez
Applicant, Self-Represented

VIA EFILE TEXAS

RE: SOAH Docket Number 454-25-13728.C; *Texas Department of Insurance v. Elizabeth Audrey Perez*

Dear Parties:

The Administrative Law Judge (ALJ) issued a proposal for decision in this matter on August 8, 2025. The staff (Staff) of the Texas Department of Insurance (TDI/Petitioner) timely filed exceptions to the proposal for decision. Elizabeth Audrey Perez (Respondent) has not filed a response. All issues raised in Staff's exceptions were fully considered in the proposal for decision. The ALJ will address each exception for clarification.

Staff urges the ALJ to change the term, "undocumented person" in page 6 of the proposal for decision, or any similar references throughout, to a plural

version.¹ Petitioner argues the evidence shows that Respondent transported more than one individual. Petitioner points to the criminal complaint in Respondent's underlying case, wherein the agent references "two illegal aliens."² In contrast, the indictment against Respondent describes the transport of one named person, further referenced as "a certain alien."³ This is consistent with the judgment convicting Respondent on only one count of violating 8 U.S.C. § 1324, Conspiracy to Transport Illegal Aliens.⁴

Staff also urges the ALJ to change the term "some correlation" in Finding of Fact No. 17 to "correlation" or "direct correlation." Here, the ALJ considers section 53.022 of the Texas Occupations Code (Code), which provides several factors to be balanced in determining whether an offense "directly relates" to an occupation for the purposes of licensing. One of those factors is, "any correlation between the elements of the crime and the duties and responsibilities of the licensed occupation."⁵ In balancing all factors, the ALJ concluded that Respondent's offense directly relates to the insurance profession.⁶

¹ From the outset of this matter, Staff asserted the factual allegation that Respondent was arrested, "for transporting an alien, DBVH." TDI Ex. 1 at 006, Original Petition, filed March 5, 2025.

² TDI Ex. 3 at 085.

³ TDI Ex. 3 at 087.

⁴ TDI Ex. 3 at 090.

⁵ Code § 53.022.

⁶ Proposal for Decision, Conclusion of Law No. 10.

2025-9685

Exceptions Letter

August 28, 2025

Page 3 of 3

Accordingly, the ALJ recommends that the proposal for decision be adopted as written. Because the State Office of Administrative Hearings has concluded its involvement in this matter, the case is being remanded to TDI. *See* Tex. Gov't Code § 2003.051(a).



Shannon Breaux Saucedo,
Presiding Administrative Law Judge

CC: Service List

2025-9685

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