

No. 2026-9909

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

**Date:** 05/05/2026

**Subject Considered:**

Texas Department of Insurance

v.

Walter Medcalf

SOAH Docket No. 454-25-16107.C

**General Remarks and Official Action Taken:**

The subject of this order is Walter Medcalf's application for an adjuster all-lines license. This order denies Mr. Medcalf'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 TDI deny Mr. Medcalf's application. A copy of the proposal for decision is attached as Exhibit A.

TDI adopts the administrative law judge's proposed findings of fact and conclusions of law with changes to Findings of Fact No. 7 as described in this order.

**Legal Authority for Changes to Proposal for Decision**

The legal authority for changes to the proposal for decision made in this order is Tex. Gov't Code § 2001.058(e)(3), 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 a technical error in a finding of fact should be changed."

## **Technical Error in the Proposal for Decision**

In proposed Finding of Fact No. 7, the proposal for decision incorrectly reports the date of the hearing before the administrative law judge as September 20, 2025. The notice of hearing and official hearing transcript in the administrative record reflect that the hearing occurred on September 30, 2025. In addition, the correct date of September 30, 2025, is stated in the Notice, Jurisdiction, and Procedural History section of the proposal for decision. The date listed in proposed Finding of Fact No. 7 is therefore considered a technical error.

This technical error does not affect the recommendation that Mr. Medcalf's application be denied. However, for accuracy, proposed Finding of Fact No. 7, as adopted by this order, is revised to reflect the correct hearing date.

## **Findings of Fact**

1. Proposed Findings of Fact Nos. 1–6 and 8–27 as contained in Exhibit A are adopted and incorporated by reference into this order.
2. In place of proposed Finding of Fact No. 7 as contained in Exhibit A, the following finding of fact is adopted:

The hearing in this case was held by videoconference on September 30, 2025, before SOAH Administrative Law Judge (ALJ) Brent McCabe. Attorney Sarah White represented Staff. Respondent appeared and represented himself. The record closed on October 23, 2025, upon the filing of the hearing transcript.

## **Conclusions of Law**

The proposed conclusions of law contained in Exhibit A are adopted and incorporated by reference into this order.

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**Order**

It is ordered that Walter Medcalf's application for an adjuster all-lines license is denied.

Signed by:  
*Amanda Crawford*  
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Amanda Crawford  
Commissioner of Insurance

Recommended and reviewed by:

Signed by:  
*Jessica Barta*  
5DAC5618BBC74D4... \_\_\_\_\_  
Jessica Barta, General Counsel

Signed by:  
*Justin Beam*  
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Justin Beam, Chief Clerk

**BEFORE THE  
STATE OFFICE OF ADMINISTRATIVE  
HEARINGS**

—  
**TEXAS DEPARTMENT OF INSURANCE,  
PETITIONER**

**v.**

**WALTER MEDCALF,  
RESPONDENT**

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**PROPOSAL FOR DECISION**

Walter Medcalf (Respondent) applied to the Texas Department of Insurance (Department) for an adjuster-all lines license. Department staff (Staff) seeks to deny Respondent's licensure because of his criminal history.

After considering the evidence and the applicable law, the Administrative Law Judge (ALJ) recommends that Respondent's license application be denied.

**I. NOTICE, JURISDICTION, AND PROCEDURAL HISTORY**

Referral to SOAH:	April 2, 2025
Hearing Date:	September 30, 2025
For Staff:	Sarah White
For Respondent:	Self-Represented
Administrative Law Judge:	Brent McCabe
Court Reporter:	Debbie Cunningham, C.S.R.
Close Date:	October 23, 2025
Staff's Admitted Exhibits:	Exhibits 1A, 2-13
Respondent's Admitted Exhibits:	None
Witnesses:	Lewis Wright Respondent

No party contested notice or jurisdiction, and those matters are addressed solely 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 the Department may deny a license application if the applicant has engaged in fraudulent or dishonest acts or practices

or has been convicted of a felony or an offense directly related to the duties and responsibilities of the licensed occupation.<sup>1</sup>

By rule, the Department has identified offenses it believes are directly related or are of “prime importance in determining fitness” to the practice of insurance, which include (1) any offense for which fraud, dishonesty, or deceit is an essential element; (2) any felony involving moral turpitude or breach of fiduciary duty; and (3) an offense relating to the manufacture, delivery, or possession with intent to manufacture or deliver, a controlled substance.<sup>2</sup>

Once a direct relationship is established, the Department considers these additional factors to determine whether an application should be denied:

1. the extent and nature of the person’s past criminal activity;
2. the age of the person when the crime was committed;
3. the amount of time that has elapsed since the person’s last criminal activity;
4. the conduct and work activity of the person before and after the criminal activity;

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<sup>1</sup> Tex. Ins. Code § 4005.101(b)(5), (8); Tex. Occ. Code § 53.021(a)(1). In determining whether an offense directly relates to the duties and occupation of a licensed occupation, the Department must consider certain factors: (1) the nature and seriousness of the crime; (2) the relationship of the crime to the purposes for requiring a license to engage in the occupation; (3) 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; (4) the relationship of the crime to the ability or capacity required to perform the duties and discharge the responsibilities of the licensed occupation; and (5) any correlation between the elements of the crime and the duties and responsibilities of the licensed occupation. Tex. Occ. Code § 53.022.

<sup>2</sup> 28 Tex. Admin. Code § 1.502(e)(1), (3), (4)(G); *see* Tex. Occ. Code § 53.025. The Department amended its criminal history rule in September 2023. Because Respondent’s application was filed and originally decided prior to this amendment, citations will be to the law in effect at the time that Respondent’s application was filed (January 2023). However, the ALJ notes that the amendments to Rule 1.502 would not change his recommendation in this PFD.

5. evidence of the person's rehabilitation or rehabilitative effort while incarcerated or after release;
6. evidence of the person's compliance with any conditions of community supervision, parole, or mandatory supervision; and
7. other evidence of the person's fitness, including letters of recommendation.<sup>3</sup>

An applicant is entitled to a hearing to contest the proposed denial of their application.<sup>4</sup> The Department has the burden of proving a basis for denying the application, while the applicant has the burden of producing evidence that he is fit to be licensed despite his criminal history.<sup>5</sup> The burden of proof is by a preponderance of the evidence.<sup>6</sup>

### III. EVIDENCE

In February 2023, Respondent filed an application for an adjuster-all lines license with the Department.<sup>7</sup> On May 8, 2023, the Department proposed to deny

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<sup>3</sup> Tex. Occ. Code § 53.023(a); 28 Tex. Admin. Code § 1.502(h)(2). An applicant has the responsibility, to the extent possible, to obtain and provide to the licensing authority the letters of recommendation. Tex. Occ. Code § 53.23(b). In addition to these factors, this prior Department rule specified additional factors that were found in the pre-2019 version of Texas Occupations Code section 53.023. *See* 28 Tex. Admin. Code § 1.502(h)(2)(F)-(G).

<sup>4</sup> Tex. Ins. Code § 4005.104(a).

<sup>5</sup> 1 Tex. Admin. Code § 155.427.

<sup>6</sup> *See Granek v. Texas State Bd. of Med. Exam'rs*, 172 S.W.3d 761, 777 (Tex. App.—Austin 2005, no pet.).

<sup>7</sup> Staff Ex. 3 at TDI0080-87.

Respondent’s application based on his criminal history.<sup>8</sup> In June 2023, Respondent requested a hearing.<sup>9</sup>

**A. CRIMINAL HISTORY**

Between 1990 and 2010, Respondent had six felony convictions and three misdemeanor convictions:

- On August 8, 1990, Respondent was convicted, following a jury trial, of the third-degree felony offense of retaliation in the 367th Judicial District Court of Denton County, Texas, in Cause No. F-90-335-E. Respondent was sentenced to ten years in prison, which was probated pending completion of a “special alternative incarceration program.” According to the indictment, in March 1990, Respondent struck another person in the face as retaliation for the reporting of a crime.<sup>10</sup>
- On October 5, 1990, Respondent was convicted, following a jury trial, of the first-degree felony of possession of a controlled substance with intent to deliver in the 367th District Court in Denton County, Texas, in Cause No. F-90-377-E. The court sentenced Respondent to ten years in prison to be served after Respondent completed the “special alternative incarceration program” from Cause No. F-90-335-E above. The offense occurred in March 1990 when Respondent possessed cocaine of less than 28 grams with intent to deliver.<sup>11</sup>
- On December 6, 1990, Respondent pleaded guilty and was convicted of the second-degree felony of possession of a controlled substance with intent to deliver in the 367th District Court in Denton County, Texas, in Cause

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<sup>8</sup> Staff Ex. 3 at TDI0024.

<sup>9</sup> Staff Ex. 3 at TDI0068.

<sup>10</sup> Staff Ex. 4 at TDI0088-91.

<sup>11</sup> Staff Ex. 5 at TDI0092-94.

No. F-89-1094-E. The offense occurred on October 14, 1989. Respondent was sentenced to ten years in prison.<sup>12</sup>

- On September 26, 1994, Respondent pleaded guilty and was convicted of three misdemeanors in the County Court at Law No. 2 in Denton County, Texas:
  - in Cause No. CR-94-01776-B, possession of marijuana under 2 ounces;<sup>13</sup>
  - in Cause No. CR-94-06436-B, evading arrest;<sup>14</sup> and
  - in Cause No. CR-93-06612-C, misdemeanor assault.<sup>15</sup>

Respondent was sentenced to 45, 45, and 90 days in jail for each offense, respectively.<sup>16</sup>

- On April 4, 2005, Respondent pleaded guilty and was convicted of two felonies in the 367th Judicial Court of Denton County, Texas:
  - in Cause No. F-2004-1476-E, possession of a controlled substance with intent to deliver;<sup>17</sup> and
  - in Cause No. F-2004-1475-E, possession of a controlled substance.<sup>18</sup>

For each offense, Respondent was sentenced to 15 years in prison.<sup>19</sup>

- On October 21, 2010, in the 367th District Court of Denton County, Texas, in Cause No. F-2010-1466-E, Respondent pleaded guilty and was convicted of the felony of engaging in organized criminal activity, a first-

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<sup>12</sup> Staff Ex. 6 at TDI0095-98.

<sup>13</sup> Staff Ex. 7 at TDI0100, 03. The offense occurred on February 6, 1994. Staff Ex. 7 at TDI00101.

<sup>14</sup> Staff Ex. 8 at TDI0104. The offense occurred on September 3, 1994. Staff Ex. 8 at TDI0105.

<sup>15</sup> Staff Ex. 9 at TDI0109. The offense occurred on June 14, 1994. Staff Ex. 9 at TDI00107.

<sup>16</sup> Staff Exs. 7-9.

<sup>17</sup> Staff Ex. 10 at TDI0110. According to the indictment, on December 9, 2003, Respondent possessed four or more grams but less than 200 grams of cocaine. Staff Ex. 10 at TDI0113.

<sup>18</sup> Staff Ex. 11 at TDI014. According to the indictment, on January 3, 2004, Respondent possessed four or more grams but less than 200 grams of cocaine. Staff Ex. 11 at TDI0117.

<sup>19</sup> Staff Exs. 10 & 11.

degree felony, Texas Penal Code § 71.02.<sup>20</sup> Respondent was sentenced to 30 years in prison. The charging documents stated that Respondent committed the offense on May 5, 2010, by knowingly possessing, obtaining, attempting to possess or obtain hydrocodone by misrepresentation, fraud, forgery, deception or subterfuge—by using a fraudulent prescription that purported to be authorized by a doctor.<sup>21</sup>

In August 2017, Respondent was placed on parole for his 2004 and 2010 convictions.<sup>22</sup> Respondent is scheduled for release from this parole in May 2040.<sup>23</sup>

## **B. TESTIMONY OF MR. WRIGHT**

Mr. Wright is the Administrative Review Liaison to the Enforcement Division for the Agent and Adjuster Licensing Office. As part of his role, Mr. Wright reviews license applications submitted by individuals with criminal history concerns. Mr. Wright stated that the Department’s mission is to protect Texas consumers in the insurance industry and, by issuing a license, the Department is indicating to the public that the licensee has been deemed honest, trustworthy, competent, and reliable in dealing with Texas insurance consumers.

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<sup>20</sup> Staff Ex. 12 at TDI0118. In 2010, engaging in organized criminal activity under Texas Penal Code section 71.02 has many grounds by which a defendant may be found guilty. In Respondent’s case, the offense consisted of the following: “A person commits an offense if, with the intent to establish, maintain, or participate in a combination or in the profits of a combination or as a member of a criminal street gang, the person commits or conspires to commit . . . [the] unlawful manufacture, delivery, dispensation, or distribution of a controlled substance or dangerous drug, or unlawful possession of a controlled substance or dangerous drug through forgery, fraud, misrepresentation, or deception. . . .” Tex. Penal Code § 71.02(a)(5) (2010 ver.).

<sup>21</sup> Staff Ex. 12 at TDI0120.

<sup>22</sup> Staff Ex. 3 at TDI0064.

<sup>23</sup> Staff Ex. 3 at TDI0065.

Mr. Wright testified that each of Respondent's convictions are crimes of prime importance to the Department and directly relate to the occupation for the license Respondent is seeking. However, particularly concerning to Mr. Wright was Respondent's 2010 conviction of engaging in organized criminal activity because it involved fraudulent or dishonest activities.

In considering the additional section 53.023 factors, Mr. Wright opined that Respondent's application should be denied. For one, Respondent remains on parole until 2040; thus, it cannot be determined that Respondent has truly rehabilitated and can maintain good behavior without such oversight. Mr. Wright also noted that Respondent's history of violating prior release conditions. Mr. Wright further testified that Respondent's most recent conviction cannot be considered a youthful indiscretion, as Respondent was 37 years old at the time of the offense.

While Mr. Wright acknowledged Respondent provided letters of recommendation and a documented work history, he felt that the information Respondent submitted did not outweigh the seriousness of Respondent's criminal history. Mr. Wright felt that Respondent failed to take full responsibility for his actions and said Respondent's explanations were inconsistent with the court documents.<sup>24</sup>

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<sup>24</sup> Mr. Wright also indicated that Respondent would be required, under 18 U.S.C. section 1033, to request written consent from the Commissioner of Insurance to participate in the business of insurance and, to date, Respondent had not made such a request to the Commissioner.

**C. RESPONDENT’S TESTIMONY AND PERSONAL STATEMENTS**

Respondent provided personal statements with the application and testimony at the hearing. For some of his convictions, Respondent acknowledged his guilt and feels that he has accepted responsibility for those actions. For others, he maintains his innocence or otherwise downplays his relationship to the offense. Respondent testified that he is now trying to get his life together and on the right track.

According to the personal statements, he moved to Denton, Texas, from Chicago when he was 16 years old.<sup>25</sup> He wrote that this was a culture shock and made him stand out, gaining a bad reputation.<sup>26</sup> This led to him being charged with and convicted of three crimes that he maintains he did not commit.<sup>27</sup> Respondent claimed that, at that time, he was being targeted by the police where he lived. He challenged the first two charges and was convicted by a jury.<sup>28</sup> After conviction by jury on the first two, he pleaded guilty to the third charge.<sup>29</sup> For these offenses, Respondent served 32 months and was paroled in January 1993.<sup>30</sup>

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<sup>25</sup> Staff Ex. 3 at TDI0067.

<sup>26</sup> Staff Ex. 3 at TDI0067.

<sup>27</sup> Staff Ex. 13 at TDI0139.

<sup>28</sup> Staff Ex. 3 at TDI0067.

<sup>29</sup> Staff Ex. 3 at TDI0067.

<sup>30</sup> Staff Ex. 13 at TDI0140.

In 1994, his parole was revoked following his misdemeanor assault conviction.<sup>31</sup> Following revocation, he was incarcerated until February 2002.<sup>32</sup> He acknowledged that when he got out of prison, he began dealing drugs but stated that it was not his plan; instead, he was attempting to earn money to start a trucking business.<sup>33</sup> In 2004, he was convicted of possession of a controlled substance. He served three years of a 15-year sentence and was released in 2008.<sup>34</sup>

Relating to the most recent conviction—engaging in organized criminal activity—Respondent wrote that he was merely driving the two women to the pharmacy and was not involved in the actual offense.<sup>35</sup> They were paying him “enough not to question them.”<sup>36</sup> He testified that he felt that he had no choice but to plead guilty because of his previous convictions and risk of a harsh sentence.

After being granted parole in 2017, Respondent stated that he has worked to rebuild his life. He stated that he had a lot of time to think while incarcerated and wanted to make an honest living.<sup>37</sup> He testified that he has held down steady employment since his release including obtaining a commercial driver’s license and

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<sup>31</sup> Staff Ex. 13 at TDI0140. He also maintains that he was wrongly accused of the assault.

<sup>32</sup> Staff Ex. 13 at TDI0140.

<sup>33</sup> Staff Ex. 3 at TDI0067.

<sup>34</sup> Staff Ex. 13 at TDI0140.

<sup>35</sup> *See* Staff Ex. 13 at TDI0140.

<sup>36</sup> Staff Ex. 13 at TDI0140.

<sup>37</sup> Staff Ex. 3 at TDI00075-76.

driving for Uber.<sup>38</sup> He also completed a Texas All Lines Adjuster Pre-Licensure Course at Advanced Adjusting Academy.<sup>39</sup>

Respondent stated that he is not a dishonest or disloyal person. Respondent described significant personal growth since his release, noting that he has intentionally avoided conflict, maintained steady employment, and adapted to new professional environments. He further stated that encouragement from friends and family motivated him to pursue the insurance field and that his lifestyle is now very different from in the past.<sup>40</sup>

#### **D. LETTERS OF RECOMMENDATION**

In addition to his resume and personal statements, Respondent submitted seven letters of recommendation:

- Kevin King stated he is a postal worker and has known Respondent his whole life. He stated they were so close that they believed they were related growing up. He described Respondent as a driven and determined person who would be of great service to the insurance industry.<sup>41</sup>
- Lee Curry stated he is a police officer with the Little Rock Police Department and a veteran of the U.S. Military. He also stated that he knew Respondent his whole life and that he would be a good candidate for licensure.<sup>42</sup>

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<sup>38</sup> See also Staff Ex. 3 at TDI0077 (resume).

<sup>39</sup> Staff Ex. 13 at TDI0143.

<sup>40</sup> Staff Ex. 13 at TDI0140.

<sup>41</sup> Staff Ex. 3 at TDI0071.

<sup>42</sup> Staff Ex. 3 at TDI0072.

- Throsia Newsome stated that she has known Respondent for 20 years and that Respondent was “compassionate, conscientious, honest, humble, optimistic, persistent, resilient, sincere, [and] ambiti[ous].” She stated she observed tremendous growth over the time she has known Respondent.<sup>43</sup>
- Yashika Hill stated that she has known Respondent for over 30 years in the capacity of a family friend and as the godmother to his children. She is aware of Respondent’s criminal records and described Respondent as having a strong work ethic, dedication, and a commitment to personal and professional growth. She further stated that Respondent has demonstrated integrity, responsibility, and a sincere desire to contribute positively to his family and community. She believes Respondent would approach work in the insurance industry with determination and a commitment to ethical standards.<sup>44</sup>
- Maya McIntosh stated that she has known Respondent since 1993 and wrote to clarify the circumstances surrounding a past domestic violence case. She stated that Respondent was not the aggressor in the incident and had attempted to de-escalate a conflict between her and another individual. She further stated that she falsely accused Respondent at the time and now regrets having done so. Ms. McIntosh described Respondent as having shown significant personal growth over the years and stated that he has consistently made positive choices in his personal and professional life.<sup>45</sup>
- Gretchen Lamb stated that she met Respondent a few years ago through his mother. She stated that after his mother suffered a stroke, Respondent regularly traveled from Dallas to Denton to assist her with her daily needs and medical appointments. Ms. Lamb described Respondent as loyal to his family and consistently employed. She expressed the view that Respondent deserves a second chance<sup>46</sup>
- Uniqueka Preston stated that she is Respondent’s fiancée and has known Respondent for several years. She noted that this is the longest period

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<sup>43</sup> Staff Ex. 3 at TDI0073-74.

<sup>44</sup> Staff Ex. 13 at TDI0133-34.

<sup>45</sup> Staff Ex. 13 at TDI0135-36.

<sup>46</sup> Staff Ex. 13 at TDI0138.

Respondent has remained out of jail, that he is steadily employed, that he earned his CDL, and has successfully completed an adjuster course. She described Respondent as dependable and supportive, recounting that he cared for her during her mother's death and her own cancer treatment and that he has demonstrated responsibility and stability in his personal life.<sup>47</sup>

#### IV. ANALYSIS

Staff seeks to deny Respondent's application based on his criminal history and because he has engaged in fraudulent and dishonest acts. Respondent asserts that, since his release, he has strived to put his life together, and that the record demonstrates his fitness for licensure. The ALJ concludes that Staff has established grounds for the Department to deny Respondent's application and finds that the evidence of the mitigating factors do not outweigh the seriousness of Respondent's criminal history.

It is uncontroverted that Respondent has pleaded guilty to and been convicted of several offenses. As noted above, the Department has categorized certain offenses as directly related to the duties and responsibility of insurance adjusting, and Respondent's most recent conviction—engaging in organized criminal activity—falls into each of the identified categories.<sup>48</sup> First, while Texas Penal Code section 71.02 contains numerous grounds under which an offense may be committed, Respondent was charged with and convicted of a subsection that required conduct of “forgery, fraud, misrepresentation, or deception.”<sup>49</sup> Thus, this offense has an

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<sup>47</sup> Staff Ex. 13 at TDI0144.

<sup>48</sup> See 28 Tex. Admin. Code § 1.502(e)(1), (3), (4)(G).

<sup>49</sup> See Tex. Penal Code § 71.02(a)(5) (2010 ver.).

essential element of fraud, dishonesty or deceit and is a felony involving moral turpitude.<sup>50</sup> Additionally, Texas Penal Code section 71.02(a)(5) also requires that the criminal enterprise commit or conspire to commit the unlawful manufacture, delivery, dispensation, or distribution of a controlled substance or dangerous drug, meeting another category of offense identified by the Department as directly related.<sup>51</sup> Respondent asserts that he did not actually commit the offense but pleaded guilty due to the risks and pressure of taking the matter to trial. However, the ALJ cannot revisit and must accept the district court's judgment convicting Respondent in this case. Therefore, the ALJ concludes that Respondent's 2010 conviction is directly related in this case.<sup>52</sup>

Staff further argues that Respondent's 2010 conviction consisted of fraudulent or dishonest acts, constituting an additional basis for taking action against his application. The ALJ agrees. As noted above, the offense for which Respondent was charged and pleaded guilty to require a showing that the actions were achieved through forgery, fraud, misrepresentation, or deception. Because the ALJ cannot

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<sup>50</sup> See 28 Tex. Admin. Code § 1.502(e)(1), (3).

<sup>51</sup> 28 Tex. Admin. Code § 1.502(e)(4)(G). Furthermore, consideration of the Texas Occupations Code § 53.022 also support a finding of a direct relationship between the offense and the duties and responsibilities of the licensed occupation. First, the offense is serious. Second, Mr. Wright testified of the Department's duty to protect the public from, among other things, fraudulent acts, suggesting a tangible relationship between the crime and the purpose of requiring a license. Third, Mr. Wright testified that Respondent's potential role as an adjuster would grant further opportunities to engage in similar fraudulent activities.

<sup>52</sup> Staff also asserts that Respondent's previous offenses are directly related as well and form an independent ground under chapter 53. The ALJ notes that each offense appears to fall within a category of offense denoted as directly related in the Department's rule. However, the ALJ finds that these offenses are best considered in light of section 53.023's factor to consider "the extent and nature of the person's past criminal activity." Tex. Occ. Code § 53.023(a)(1).

revisit the plea and conviction in the district court, the ALJ must accept that the offense included conduct of that nature. Staff has met its burden on this ground.<sup>53</sup>

Therefore, the record in this case demonstrates a basis on which the Department may deny licensure, and the question then turns to whether it should. The ALJ concludes that, on consideration of the section 53.023 factors, the evidence of fitness presented does not outweigh the seriousness and length of Respondent's criminal history.

It is uncontroverted that Respondent has an extensive criminal history, spanning 20 years and involving multiple serious crimes. Additionally, during that 20-year period, he was incarcerated for much of that time and unable to establish a prolonged record of employment or good conduct. His earliest offenses could be classified as youthful indiscretions; however, he was 37 years old when he committed the 2010 offense. Respondent remains on parole until 2040 and at least once before had his parole revoked. Finally, little evidence was provided of Respondent's formalized rehabilitative efforts while incarcerated or since release.

However, Respondent did present some evidence that favors a finding that he is fit for licensure. First, his last criminal activity was 15 years ago. While he was incarcerated for some of those 15 years, he was released eight years ago, which is by

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<sup>53</sup> Staff argued that Respondent has not obtained the written consent of the Commissioner of Insurance following her conviction of a felony involving dishonesty as contemplated by 18 United States Code section 1033. At the hearing, Staff acknowledged that the process to request written consent is independent from the license application and is not a prerequisite to receiving a license. Therefore, the ALJ declines to address this issue or rely on it in determining whether Respondent's application should be denied.

far the longest stretch since 1990 where Respondent has not been incarcerated or facing criminal charges. Respondent also presented numerous letters of recommendation. Of note, one letter is from the victim of the 1994 assault, who wrote that she wrongly accused Respondent, and they remain friends 20 years later. While it appears that all the letters are personal references and not from professional or work relationships, the ALJs finds that the letters are entitled to some weight in this analysis. Further, it appears that since his release, Respondent has been consistently employed including working toward additional licenses and certification to increase his opportunities for work. Finally, Respondent remains in compliance with conditions of his current parole.

Respondent has presented evidence that, in the eight years since his release, he has worked to rehabilitate his life. These efforts appear sincere and designed to change his lifestyle for the better. However, the evidence—at this time—is insufficient to overcome his long running criminal history including the seriousness of his most recent conviction, which contained an element of fraud or dishonesty. Therefore, the ALJ finds that the balance of the evidence supports a denial of Respondent’s application for an adjuster-all lines license.

## **V. FINDINGS OF FACT**

1. On February 1, 2023, Walter Medcalf (Respondent) filed an application for an adjuster-all lines license with the Texas Department of Insurance (Department).
2. On May 8, 2023, staff (Staff) of the Department proposed to deny the application based on Respondent’s criminal history.

3. Respondent timely appealed the proposed denial.
4. On April 2, 2025, this matter was referred to the State Office of Administrative Hearings (SOAH) for a hearing on the merits.
5. On April 4, 2025, Staff issued a notice of hearing and Original Petition.
6. The notice of hearing, together with the petition, 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 September 20, 2025, before SOAH Administrative Law Judge (ALJ) Brent McCabe. Attorney Sarah White represented Staff. Respondent appeared and represented himself. The record closed on October 23, 2025, upon the filing of the hearing transcript.
8. On August 8, 1990, Respondent pleaded guilty and was convicted of the felony offense of retaliation in the 367th Judicial District Court of Denton County, Texas, in Cause No. F-90-335-E. Respondent was sentenced to ten years in prison. Respondent's sentence was probated pending completion of a "special alternative incarceration program."
9. On October 5, 1990, Respondent was convicted of the felony of possession of a controlled substance with intent to deliver in the 367th District Court in Denton County, Texas, in Cause No. F-90-377-E. The court sentenced Respondent to ten years in prison, to be served consecutively with his confinement in sentence in Cause No. F-90-335-E.
10. On December 6, 1990, Respondent pleaded guilty and was convicted of felony possession of a controlled substance with intent to deliver in the 367th District Court in Denton County, Texas, in Cause No. F-89-1094-E. Respondent was sentenced to ten years in prison.
11. Respondent was paroled and released from incarceration in January 1993.

12. On September 26, 1994, Respondent pleaded guilty and was convicted of the misdemeanors of possession of marijuana under 2 ounces, evading arrest, and misdemeanor assault in the County Court at Law No. 2 in Denton County, Texas. Respondent was sentenced to 45, 45, and 90 days in jail for each offense, respectively. The Cause Nos. are CR-94-01776-B, CR-94-06436-B, and CR-93-06612-C, respectively.
13. The victim of the assault asserts that she wrongly accused Respondent of the offense, and they remain friends to this day.
14. Respondent's parole was revoked as a result of these convictions, and he was incarcerated until he completed his sentence in February 2002.
15. On April 4, 2005, Respondent pleaded guilty and was convicted of the felonies of possession of a controlled substance and possession of a controlled substance with intent to deliver in the 367th Judicial Court of Denton County, Texas, in Cause Nos. F-2004-1475-E and F-2004-1476-E. For each offense, Respondent was sentenced to 15 years in prison.
16. He was released from prison in 2008.
17. On October 21, 2010, Respondent pleaded guilty and was convicted of the felony of engaging in organized criminal activity in the 367th District Court of Denton County, Texas, in Cause No. F-2010-1466-E. Respondent committed the offense on May 5, 2010, by knowingly possessing, obtaining, attempting to possess or obtain hydrocodone by misrepresentation, fraud, forgery, deception or subterfuge—by using a fraudulent prescription that purported to be authorized by a doctor. Respondent was sentenced to 30 years in prison. Respondent was 37 at the time of the offense.
18. On August 15, 2017, Respondent was placed on parole and is not scheduled for release from parole until 2040.
19. The crime of engaging in organized criminal activity as charged against Respondent had an essential element of fraud, dishonesty, or deceit; was a felony involving moral turpitude; and related to the manufacture, delivery, or possession with intent to manufacture or deliver a controlled substance.

20. Respondent's offense of engaging in organized criminal activity is directly related to the duties and responsibilities of the licensed occupation.
21. Respondent's offense of engaging in organized criminal activity was not a youthful indiscretion.
22. It has been fifteen years since Respondent's last offense, and eight years since he was released on parole.
23. Respondent has been consistently employed since his parole and has complied with the terms of that supervision.
24. There is no evidence of any criminal activity after Respondent's May 5, 2010 criminal offense.
25. Respondent is described as a determined, compassionate, honest, and sincere person.
26. Respondent acted to increase professional opportunities including obtaining a commercial driver's license and completing a pre-licensure course at Advanced Adjusting Academy.
27. Respondent acknowledged that he committed certain offenses and took responsibility for those crimes.

## **VI. CONCLUSIONS OF LAW**

1. The Department has jurisdiction over this matter. Tex. Ins. Code §§ 4001.002, .105, 4005.101.
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. Respondent received timely and sufficient notice of the hearing. Tex. Gov't Code §§ 2001.051-.052; Tex. Ins. Code § 4005.104(b).
4. Staff has the burden to prove that grounds exist to deny Respondent's application; while Respondent has the burden to establish that he is fit for

licensure despite his criminal background or fraudulent or dishonest conduct.  
1 Tex. Admin. Code § 155.427.

5. The standard of proof is by a preponderance of the evidence. *Granek v. Texas St. Bd. of Med. Exam'rs*, 172 S.W.3d 761, 777 (Tex. App.—Austin 2005, no pet.).
6. The Department may deny a license application if the applicant has engaged in fraudulent or dishonest acts or practices, has been convicted of a felony, or has been convicted of an offense directly related to the duties and responsibilities of the licensed occupation. Tex. Ins. Code § 4005.101(b)(5), (8); Tex. Occ. Code § 53.021(a); 28 Tex. Admin. Code § 1.502(g).
7. The Department may deny Respondent's license applications because he has been convicted of a felony that is directly related to the duties and responsibilities of the licensed occupation. Tex. Occ. Code § 53.021(a); *see also* Tex. Ins. Code § 4005.101(b)(8).
8. The Department may deny Respondent's license applications because he has engaged in fraudulent or dishonest acts. Tex. Ins. Code § 4005.101(b)(5).
9. The mitigating evidence does not outweigh the seriousness of Respondent's criminal offenses, and he has not shown his fitness to perform the duties and discharge the responsibilities of the licensed occupation. *See* Tex. Occ. Code § 53.023.
10. The Department should deny Respondent's application for licensure at this time.

**Signed December 12, 2025.**

ALJ Signature:

A handwritten signature in black ink, appearing to read "B McCabe", written over a horizontal line.

Brent McCabe

Presiding Administrative Law Judge