# Official Order of the Texas Commissioner of Insurance

Date: <u>05-09-2022</u>

#### **Subject Considered:**

Texas Department of Insurance v. Cedric Tramaine Ledet

SOAH Docket No. 454-21-0511.C

#### General remarks and official action taken:

The subject of this order is Cedric Tramaine Ledet's application for an adjuster property and casualty license. This order approves Mr. Ledet'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 the Texas Department of Insurance (TDI) approve Mr. Ledet's application. A copy of the proposal for decision is attached as Exhibit A.

Enforcement staff for TDI filed exceptions to the administrative law judge's proposal for decision. Mr. Ledet filed a response to the exceptions.

In reply to the exceptions, the administrative law judge recommended revising the proposal for decision, but did not change the recommendation to approve Mr. Ledet's application. A copy of the administrative law judge's reply to exceptions is attached as Exhibit B.

#### **Findings of Fact**

The findings of fact contained in Exhibit A, as revised to be consistent with Exhibit B, are adopted by TDI and incorporated by reference into this order.

COMMISSIONER'S ORDER TDI v. Cedric Tramaine Ledet SOAH Docket No. 454-21-0511.C Page 2 of 2

#### **Conclusions of Law**

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

#### Order

It is ordered that Cedric Tramaine Ledet's application for an adjuster property and casualty license is approved.

Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:

James Person, General Counsel

Docusigned by:

Justin Bram

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Justin Beam, Assistant General Counsel

## **Exhibit A**

#### **SOAH DOCKET NO. 454-21-0511.C**

TEXAS DEPARTMENT OF	§	BEFORE THE STATE OFFICE
INSURANCE,	§	
Petitioner	§	
	§	$\mathbf{OF}$
V.	§	
	§	
CEDRIC TRAMAINE LEDET,	§	
Respondent	<b>§</b>	ADMINISTRATIVE HEARINGS

#### PROPOSAL FOR DECISION

The staff (Staff) of the Texas Department of Insurance (Department) seeks to deny the application of Cedric Tramaine Ledet for an adjuster property and casualty license based on his criminal history. After considering the evidence and the applicable law, the Administrative Law Judge (ALJ) recommends the Department grant Mr. Ledet's license application.

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

The hearing in this case was held via Zoom videoconference on July 8, 2021, before ALJ Ross Henderson of the State Office of Administrative Hearings. Staff was represented by attorney Nancy Williams. Mr. Ledet appeared and was represented by attorney Mark Font. The hearing concluded and the record closed the same day. Notice and jurisdiction were not disputed and are set out in the Findings of Fact and Conclusions of Law below.

#### II. DISCUSSION

#### A. Background

On March 27, 2000, Mr. Ledet pleaded guilty to five counts of theft and was placed on deferred adjudication. Mr. Ledet admitted he stole pharmaceuticals from his employer, Jack Eckerd Corporation (Eckerd), from October 1998 to October 1999. In January 2001, Mr. Ledet was charged with theft from his subsequent employer, Aerial/Voicestream Wireless (Voicestream), in May 2000. The subsequent charge was a violation of the terms of his probation,

resulting in a motion to revoke his deferred adjudication for the Eckerd theft. Thereafter, Mr. Ledet was adjudicated guilty of felony theft on March 27, 2001, in Cause No. 32519, in the 240th District Court of Fort Bend County, Texas and he was sentenced to twelve months' confinement to run concurrently with his sentence for the Voicestream theft discussed in more detail below.

On June 11, 2001, Mr. Ledet pleaded guilty to felony theft, in Cause No. 34107, in the 240th District Court of Fort Bend County, Texas, and was sentenced to three years' confinement for the aforementioned May 2000 theft from Voicestream. Mr. Ledet admitted to crediting false customer returns to himself in May 2000, at the expense of his employer, Voicestream. As part of his sentence, Mr. Ledet was also ordered to pay Voicestream restitution in the amount of \$34,626.49. Mr. Ledet was released from incarceration after approximately 14 months, and subsequently was released from probation.

On September 21, 2018, Mr. Ledet applied for an adjuster property and casualty license with the Department. On March 7, 2019, Staff proposed to deny his application based on his criminal record. Mr. Ledet timely requested a hearing.<sup>1</sup>

#### B. Applicable Law

The Department may deny a license to an applicant who has engaged in fraudulent or dishonest acts or practices or who has been convicted of a felony.<sup>2</sup> To further guide its decision-making, the Department has identified certain crimes that it considers to be of such a serious nature that they are of prime importance in determining fitness for licensure.<sup>3</sup> These crimes include any offense for which fraud, dishonesty, or deceit is an essential element.<sup>4</sup> Theft is specifically identified by the Department as a crime of prime importance.<sup>5</sup>

<sup>&</sup>lt;sup>1</sup> Staff Ex. 1 at 3.

<sup>&</sup>lt;sup>2</sup> Tex. Ins. Code § 4005.101(b)(5), (8).

<sup>&</sup>lt;sup>3</sup> 28 Tex. Admin. Code § 1.502(e)(4).

<sup>&</sup>lt;sup>4</sup> 28 Tex. Admin. Code § 1.502(e)(1).

<sup>&</sup>lt;sup>5</sup> 28 Tex. Admin. Code § 1.502(e)(4)(F).

For applicants with criminal convictions, the Department considers the factors listed in Texas Occupations Code §§ 53.022 and.023 in determining whether to grant a license to the applicant. Under its rules, the Department is to deny a license application unless it finds these factors outweigh the seriousness of the criminal offense.

The first set of factors that the Department considers are those that are used to determine whether a conviction directly relates to the occupation:

- 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 the 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; and
- 4. The relationship of the crime to the ability, capacity, or fitness required to perform the duties and responsibilities of the licensed occupation.<sup>8</sup>

The Department must also consider the following factors related to fitness:

- 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 prior to and following the criminal activity;

<sup>&</sup>lt;sup>6</sup> 28 Tex. Admin. Code § 1.502(h).

<sup>&</sup>lt;sup>7</sup> 28 Tex. Admin. Code § 1.502(f).

<sup>&</sup>lt;sup>8</sup> Tex. Occ. Code § 53.022. Because Mr. Ledet submitted his application prior to the 2019 amendments to Texas Occupations Code chapter 53 (effective September 1, 2019) impacting the licensing implications of criminal history, his application is considered under the prior law. Unless otherwise specified, all citations are to the law as in effect at the time of Mr. Ledet's September 2018 application. *See* Acts 2019, 86th Leg., R.S., Ch. 765 (H.B. 1342), effective Sept. 1, 2019.

- 5. evidence of the person's rehabilitation or rehabilitative effort while incarcerated or following release;
- 6. other evidence of the person's present fitness, including letters of recommendation from:
  - a. prosecutors and law enforcement and correctional officers who prosecuted, arrested, or had custodial responsibility for the person;
  - b. the sheriff or chief of police in the community where the person resides; and
  - c. any other persons in contact with the convicted person; and
- 7. proof furnished by the applicant that the applicant has:
  - a. maintained a record of steady employment;
  - b. supported the applicant's dependents;
  - c. maintained a record of good conduct; and
  - d. paid all outstanding court costs, supervision fees, fines, and restitution ordered in any criminal case in which the applicant or holder has been convicted.<sup>9</sup>

In this proceeding, Staff has the burden of proving its basis for denying the application, while Respondent has the burden to prove that he is fit to be licensed despite his criminal history.<sup>10</sup>

#### C. Evidence

Staff offered four exhibits, which were admitted into evidence. Staff also offered the testimony of Lewis Weldon Wright, IV, an Administrative Review Liaison for the Department. Mr. Ledet testified on his own behalf, and called Darren Hill, a former co-worker and friend, as an additional witness. Mr. Ledet did not offer any exhibits.

<sup>&</sup>lt;sup>9</sup> Tex. Occ. Code § 53.023.

<sup>&</sup>lt;sup>10</sup> Tex. Occ. Code § 53.023(a)-(b); 1 Tex. Admin. Code § 155.427.

#### 1. Testimony of Mr. Wright

Mr. Wright testified that he acts as the point of contact between the licensing and legal divisions of the Department when an application raises concerns and an administrative review process is initiated.

Mr. Wright testified that Mr. Ledet's application was denied based on his criminal history. According to Mr. Wright, the Department considers theft to be a serious offense because it involves untrustworthiness. He added that there is a direct relationship between theft and the business of insurance and that the legislature has specifically enumerated the crime as being of prime importance in insurance licensing decisions. Mr. Wright explained that the crime of theft is particularly concerning because the licensee would be in a position to engage in further similar criminal activity.

Regarding the other licensure factors, Mr. Wright stated that the Department considered that Mr. Ledet was young when he committed the criminal offenses and that a significant amount of time had passed since his last criminal offense, but he also reiterated the seriousness of the crimes and that the criminal activity took place over a period of a couple of years rather than as an isolated incident. Mr. Wright also found it significant that there is no evidence that Mr. Ledet ever made any payments to Voicestream towards his court-ordered restitution of over \$34,000. Regarding the evidence of Mr. Ledet's rehabilitative efforts, Mr. Wright testified that the evidence primarily related to Mr. Ledet's work history and his several letters of reference.

Mr. Wright detailed Mr. Ledet's work history as being: corporate trainer at Brinker International (Brinker) from 2003 to 2011; and as an entrepreneur/owner of Global Excel Properties, LLC (Global), from 2010 to present, where he processes claims for homes to be restored from storm damage. Relevant to Mr. Ledet's work history, Mr. Wright further expressed concern that Mr. Ledet's position processing claims might pose a conflict of interest as an adjuster if he were to process a claim in which he had a financial interest.

Mr. Wright's conclusion, after considering all of the Department's guidelines, was that Mr. Ledet's license application should be denied.

#### 2. Testimony of Mr. Ledet

Mr. Ledet testified at the time of the hearing he was 40 years old, has been in a long-term relationship since 2010, and has a 10-year-old son who he cares for monthly. Mr. Ledet testified he does not have a child-support order for his son, but that he provides support for him. Mr. Ledet explained that the license will give him the stable income he needs to provide a better life for his son. With his current business, his income is not steady enough to qualify for a mortgage.

Mr. Ledet did not dispute his criminal history. He explained the crimes were committed when he was young (aged 19) and a student in college, trying to "fit in with the wrong crowd." Mr. Ledet testified that he had no idea of the gravity of his crimes until he actually went to prison. He stated he was "awakened" during his 14-month confinement in prison and that he made up his mind he would change his life so that he never would be there again. Mr. Ledet stated he was not aware that he owed restitution for his criminal activity.

Regarding his trustworthiness, Mr. Ledet explained that he handled other people's money and credit cards in his positions at Brinker. Mr. Ledet left Brinker after he graduated from college to work for Acumen, an insurance restoration company. In a short time, Mr. Ledet was the top salesman for Acumen and he decided to go off on his own by starting Global. Mr. Ledet explained that Global began as a home repair business he co-owned with his father, but he decided to expand the business in 2016 into buying and selling homes as well. In his positions with Acumen and his own business at Global, Mr. Ledet testified he has had access to client funds without incident or complaint.

#### 3. Testimony of Darren Hill

Mr. Hill has been a friend of Mr. Ledet's for eight years, since they were co-workers at Acumen. Mr. Hill stated that as long as he has known Mr. Ledet, he has found him to be honest

and trustworthy and has never witnessed any evidence that Mr. Ledet has engaged in further criminal activity or dishonesty. Mr. Hill testified that he would trust Mr. Ledet to perform work for him or his family. He recommends that Mr. Ledet be allowed to obtain his license and believes that he would be an asset to the industry based on his background in construction.

#### 4. Letters of Reference

Mr. Ledet provided three reference letters to the Department from longtime friends and a former co-worker, which were introduced into evidence. Those reference letters praise Mr. Ledet's work ethic, honesty, and dependability.<sup>11</sup>

#### D. Analysis

Under Texas Insurance Code § 4005.101(b)(5), the Department may deny a license application if the Department determines that the applicant has engaged in fraudulent or dishonest acts or practices. The Department may also deny a license application if the applicant has been convicted of a felony, as contemplated by Texas Insurance Code § 4005.101(b)(8) and 28 Texas Administrative Code § 1.502(e). Mr. Ledet's guilty pleas were for felony theft, which directly relates to the job duties of an insurance adjuster. Therefore, the Department must consider whether to grant Mr. Ledet's application despite his criminal history.

Pursuant to 28 Texas Administrative Code § 1.502(h), the Department will consider the factors listed in Texas Occupations Code §§ 53.022 and .023, set out above, in determining whether to grant Mr. Ledet's license application. Regarding these factors, the evidence established that the theft offenses committed between October 1998 and May 2000 were Mr. Ledet's only criminal activities, but theft is a serious offense. Staff argued that Mr. Ledet's criminal conduct should be considered even more serious, because his crimes were multiple and ongoing over a period of about two years. The ALJ agrees that the extended nature of Mr. Ledet's criminal activity

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<sup>&</sup>lt;sup>11</sup> Staff Ex. 1 at 8-10.

should be considered. However, Mr. Ledet was 19 years old at the time of his last offense, so his crimes were committed when he was still relatively young.

At the time of hearing, over twenty years had passed since his last criminal activity. Mr. Ledet persuasively argued that he did not understand the gravity of his actions until he went to prison and that he has reformed himself and endeavors to never repeat such activity. Mr. Ledet supported his argument with evidence of an extensive and continuous work history since he was released from incarceration and positive letters of recommendation that focus on his work ethic. In his professional life, Mr. Ledet has been in a position to commit similar crimes, but he has handled customer and employer funds without incident. Mr. Ledet also testified that he has been in a long-term committed relationship since 2010. Additionally, he has a 10-year old son for whom he shares some childcare responsibility and he does not owe child-support.

At hearing, Staff also emphasized that Mr. Ledet did not complete the terms of his sentence because there is no evidence that he has paid court-ordered restitution totaling over \$34,000 to Voicestream. Mr. Ledet argued he was not aware he was still responsible for the restitution. The ALJ notes that the record does not indicate whether Voicestream is an ongoing business concern to which Mr. Ledet could actually make restitution payments. Therefore, ALJ finds that this factor is relevant, but not determinative. Further, it is only one licensure factor among many. Mr. Ledet was released from incarceration and was later released from supervision over 15 years ago and the failure to pay restitution apparently was not a factor in his release from either.

The ALJ concludes that although Mr. Ledet committed a string of serious crimes when he was young, the preponderance of the evidence shows that he has reformed himself. The mitigating factors discussed above outweigh the seriousness of Mr. Ledet's criminal past. <sup>12</sup> Accordingly, Mr. Ledet's application for an adjuster property and casualty license should be granted. In support of this recommendation, the ALJ makes the following findings of fact and conclusions of law.

<sup>&</sup>lt;sup>12</sup> 28 Tex. Admin. Code § 1.502(f).

#### III. FINDINGS OF FACT

- 1. On September 21, 2018, Cedric Tramaine Ledet applied for an adjuster property and casualty license with the Texas Department of Insurance (Department).
- 2. On March 7, 2019, the staff (Staff) of the Department proposed to deny his application based on his criminal record.
- 3. Mr. Ledet timely requested a hearing to challenge the denial.
- 4. On October 28, 2020, Staff issued a notice of hearing on the denial of the application.
- 5. 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 petition filed with the state agency.
- 6. The hearing in this case was held via Zoom videoconference on July 8, 2021, before Administrative Law Judge Ross Henderson of the State Office of Administrative Hearings (SOAH). Staff was represented by attorney Nancy Williams. Mr. Ledet appeared and was represented by attorney Mark Font. The hearing concluded and the record closed that day.
- 7. On March 27, 2000, Mr. Ledet pleaded guilty to five counts of theft and was placed on deferred adjudication. Mr. Ledet admitted he stole pharmaceuticals from his employer, Jack Eckerd Corporation (Eckerd), from October 1998 to October 1999. In January 2001, Mr. Ledet was charged with theft from his subsequent employer Aerial/Voicestream Wireless (Voicestream), in May 2000. The subsequent charge was a violation of the terms of his probation for the Eckerd theft, resulting in a motion to revoke his deferred adjudication. Thereafter, Mr. Ledet was adjudicated guilty of felony theft on March 27, 2001, in Cause No. 32519, in the 240th District Court of Fort Bend County, Texas and he was sentenced to twelve months' confinement.
- 8. On June 11, 2001, Mr. Ledet pleaded guilty to felony theft, in Cause No. 34107, in the 240th District Court of Fort Bend County, Texas, and was sentenced to three years' confinement for theft from Voicestream. Mr. Ledet admitted to crediting false customer returns to himself in May 2000, at the expense of his employer, Voicestream. As part of his sentence, Mr. Ledet was also ordered to pay \$34,626.49 in restitution to Voicestream.
- 9. Mr. Ledet was released from incarceration after about 14 months, and he was released from probation thereafter.
- 10. Licensure as an adjuster property and casualty agent would provide Mr. Ledet the opportunity to reoffend.

- 11. Theft is a felony that involves fraudulent conduct or dishonesty.
- 12. Mr. Ledet has no criminal history other than his 2000 and 2001 felony theft pleas.
- 13. Mr. Ledet's criminal conduct occurred between October 1998 and May 2000.
- 14. Approximately 20 years have elapsed since Mr. Ledet's last offense.
- 15. Mr. Ledet was approximately 19 years old when he committed his last criminal act.
- 16. Mr. Ledet has worked steadily, and without incident, since his release from confinement.
- 17. In the past dozen or more years, Mr. Ledet has worked in settings where he has had access to client funds and has had no complaints made against him.
- 18. Mr. Ledet supports his dependents.
- 19. Four people who know Mr. Ledet praised his work ethic.
- 20. Mitigating factors established by Mr. Ledet outweigh the serious nature of his criminal offense.

#### IV. 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. Mr. Ledet received timely and sufficient notice of hearing. Tex. Gov't Code §§ 2001.051-.052.; Tex. Ins. Code § 4005.104(b).
- 4. The Department may deny a license if the Department determines that the applicant has engaged in fraudulent or dishonest acts or practices or has been convicted of a felony. Tex. Ins. Code § 4005.101(b)(5), (8).
- 5. 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 theft and any offense for which fraud, dishonesty, or deceit is an essential element. 28 Tex. Admin. Code § 1.502(e)(1), (4)(F).
- 6. The Department will consider the factors listed in Texas Occupations Code §§ 53.022 and 0.023 in determining whether to issue a license to an applicant with a criminal history and will not issue a license unless those mitigating factors outweigh the serious nature of

- the criminal offense when viewed in the light of the occupation being licensed. 28 Tex. Admin. Code § 1.502(f), (h).
- 7. Mr. Ledet has shown that he is currently fit to hold an adjuster property and casualty license despite his criminal history. Tex. Occ. Code §§ 52.022-023; 28 Tex. Admin. Code § 1.502(f), (h).
- 8. The Department should grant Mr. Ledet's application for a license.

SIGNED August 19, 2021.

ROSS HENDERSON

ADMINISTRATIVE LAW JUDGE

STATE OFFICE OF ADMINISTRATIVE HEARINGS





### State Office of Administrative Hearings

Kristofer S. Monson Chief Administrative Law Judge

September 15, 2021

Chief Clerk for Kent Sullivan Commissioner of Insurance Texas Department of Insurance 333 Guadalupe, Tower 1, 13<sup>th</sup> Floor, Mail Code 113-2A Austin, Texas 78714 **VIA E-FILE TEXAS** 

RE: Docket No. 454-21-0511.C; Texas Department of Insurance v. Cedric Tramaine Ledet

Dear Commissioner Sullivan:

I issued a proposal for decision (PFD) in this matter on August 19, 2021. On August 26, 2021, the staff (Staff) of the Texas Department of Insurance (Department) filed exceptions. Respondent filed no exceptions but filed Responses to Staff's exceptions on September 9, 2021.

Staff requested the following changes relating to the Findings of Fact:

- A. Include findings of fact about the serious nature of the Respondent's crimes.
- B. Include findings of fact about the relationship of the Respondent's criminal activity to the business of insurance.
- C. Change Finding of Fact 10 to refer to Mr. Ledet's application as being for an adjuster license rather than a license for "adjuster property and casualty agent."
- D. Change Finding of Fact 16, relating to Mr. Ledet's steady employment since his release from incarceration, because Staff argues it is not supported by the record.

With respect to Staff's requested changes A and B, the issues raised (the seriousness of the crime and its relationship to the business of insurance) are both ultimate conclusions of law that are adequately addressed in the Conclusions of Law 4 and 5. Theft is serious and relates to the business of insurance as a matter of law because the Department has adopted 28 Texas Administrative Code § 1.502(e)(4)(F). Conclusions of Law 4 and 5 are supported by Findings of Fact 7 and 8 (detailing Mr. Ledet's theft convictions) and Finding of Fact 10 (identifying theft as involving fraudulent conduct or dishonesty).

Further, the ALJ notes that the PFD considered the seriousness of Mr. Ledet's criminal past on pages 8 to 9 of the PFD where the ALJ wrote "... theft is a serious. Staff argued that Mr. Ledet's criminal conduct should be considered even more serious, because his crimes were multiple and ongoing over a period of about two years. The ALJ agrees..." Additionally, the PFD considered the relationship of the crimes to the business of insurance on page 8, noting, "Mr. Ledet's guilty pleas were for felony theft, which directly relates to the job duties of an insurance adjuster." However, changes will be made to the PFD in Findings of Fact 10 and 11 to further clarify these considerations (see below).

With respect to Staff's requested change C, the ALJ relied on Staff's own Exhibit 1 which only refers to the requested license as an "adjuster property and casualty license," and never as simply an "adjuster license." However, the ALJ's reference to the license as an "agent" was a clerical error and the PFD should be corrected for this inadvertent error.

Finally, in reviewing the exceptions, the ALJ noticed an additional clerical error in Finding of Fact 20, which refers to only an offense, when the record clearly demonstrated multiple offenses were committed. This Finding of Fact is also corrected.

Therefore, the following changes to Findings of Fact 10, 11, and 20 are recommended as follows:

- 10. The Department has adopted rules which state that felony theft is of prime importance in determining fitness for licensure. Therefore, felony theft directly relates to the business of insurance. Licensure as Obtaining an adjuster property and casualty agent license would provide Mr. Ledet the opportunity to reoffend.
- 11. Theft is a felony that involves fraudulent conduct or dishonesty. <u>The Department considers theft to be a serious crime—and Mr. Ledet's conduct</u>

<sup>1</sup> See bates TDI002 ("RE: Application for Hearing for Adjuster Property and Casualty License . . . This letter acknowledges receipt of your request for a hearing on your pending Adjuster Property and Casualty License application"), and see bates TDI 005 ("RE: Application for Adjuster Property and Casualty License . . . This letter acknowledges receipt . . . of your Adjuster Property and Casualty License application"), and see bates TDI057 ("Qualification Code Adjuster - P&C") (emphasis added for all citations).

was more serious because there were multiple and ongoing crimes over a period of about two years.

20. Mitigating factors established by Mr. Ledet outweigh the serious nature of his criminal offenses.

Relating to Staff's requested change D, the ALJ considered all argument, evidence, and testimony relating to Mr. Ledet's post-incarceration employment record, and found that there is substantial evidence to support the conclusion that Mr. Ledet has maintained steady employment.<sup>2</sup> Staff's newly raised contention that Mr. Ledet had only one year of employment at Chili's in 2011 mischaracterizes the record and is contrary to the testimony of its own witness, Mr. Wright. Further, Mr. Ledet's statement that he is seeking a position with *steadier income* to qualify for a home mortgage is not inconsistent with a conclusion that he has maintained *steady employment*. The ALJ makes no changes based on this request.

Finally, Staff argues that Conclusion of Law 8, (which reads "The Department should grant Mr. Ledet's application for a license"), is "the ALJ's recommendation for how the Commissioner of Insurance should resolve the case, not a conclusion of law." The ALJ disagrees. Whether the Department should grant Mr. Ledet's license is the ultimate conclusion of law in this case, which the Commissioner can consider whether to adopt.<sup>3</sup>

With these changes, the PFD is ready for your review and consideration.

Sincerely,

Ross Henderson Administrative Law Judge

RH/nm Enclosure

cc: N

Nancy Williams, Staff Attorney, Texas Department of Insurance, 333 Guadalupe, Tower 1, 13<sup>th</sup> Floor, Austin, Texas 78701 - **VIA E-FILE TEXAS** 

Micah Mireles, Texas Department of Insurance, 333 Guadalupe, Tower I, Suite 1300D, Austin, Texas 78701 – VIA E-FILE TEXAS

Mark Font, CKR Law LL |

The Woodlands, TX 77380 - VIA E-FILE

**TEXAS** 

<sup>&</sup>lt;sup>2</sup> Staff's witness Mr. Wright provided testimony detailing Mr. Ledet's post-incarceration employment. Mr. Ledet's own testimony was credible and unrebutted and was substantiated by the testimony of Darren Hill and Staff's Ex. 1.

<sup>&</sup>lt;sup>3</sup> See Froemming v. Tex. State Bd. of Dental Examiners, 380 S.W.3d 787, 792 (Tex. App.—Austin 2012, no pet).