



CHARLES D. BAKER
GOVERNOR

KARYN E. POLITO
LIEUTENANT GOVERNOR

COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

1000 Washington Street • Suite 810 • Boston, MA 02118-6200
(617) 521-7794 • FAX (617) 521-7475
<http://www.mass.gov/doi>

JAY ASH
SECRETARY OF HOUSING AND
ECONOMIC DEVELOPMENT

JOHN C. CHAPMAN
UNDERSECRETARY

GARY D. ANDERSON
COMMISSIONER OF INSURANCE

Division of Insurance, Petitioner
v.
Valenzia Ramsey, Respondent
Docket No. E2016-16

**Decision and Order on Petitioner's Motion
for Entry of Default and Summary Decision**

Introduction and Procedural History

On November 28, 2016, the Division of Insurance ("Division") filed an Order to Show Cause ("OTSC") against Valenzia Ramsey ("Ramsey") who was a licensed Massachusetts non-resident insurance producer at the time of filing.¹ The Division alleges that Ramsey failed to report administrative actions against her by the Commonwealth of Kentucky and the State of Idaho that resulted in revocation of her insurance producer licenses in those jurisdictions. The Division contends that Ramsey, by failing timely to report those actions, violated M.G.L. c. 175, §162V (a). The Division further contends that these allegations support revocation of Ramsey's Massachusetts producer license pursuant to the provisions of M.G.L. c. 175, §162R (a)(9). In addition to license revocation, the Division seeks a cease and desist order and orders requiring Ramsey to dispose of any insurance-related interests in Massachusetts, prohibiting her from conducting any insurance business in Massachusetts, and imposing fines for the alleged violations.

On November 28, 2016, the Division served the OTSC and a Notice of Action on Ramsey by the United States Postal Service ("USPS") certified mail and first class mail

¹ Ramsey's Massachusetts non-resident producer license terminated by operation of law on December 1, 2016 for failure to renew. Pursuant to M.G.L. c. 175, §162R (e), the Commissioner retains the authority to enforce the producer licensing statute against Ramsey.

addressed to her at the business and residential addresses on file in the Division's licensing records. Ramsey filed no answer or other response to the OTSC. On December 22, 2016, the Division filed a motion for summary decision in its favor against Ramsey for failure to answer the OTSC. I issued an order on January 10, 2017 instructing Ramsey to file any written response to the Division's motion by January 25, 2017 and scheduled a hearing on the motion for January 27, 2017.

Ramsey did not respond to the Division's motion for summary decision. Neither she nor any person purporting to represent her appeared at the hearing on January 27, 2017. Robert J. Kelly, Esq. represented the Division at the hearing. He stated that he had not been contacted about this matter by Ramsey or by any person purporting to represent her. He confirmed that the OTSC and the motion for summary decision that were served on Ramsey by first class mail at the residential and business addresses shown on the Division's records had not been returned by USPS. Attorney Kelly also confirmed that the certified letter sent to Ramsey's residential address was returned unclaimed and the certified letter sent to Ramsey's business address was signed for and delivered.

Finding of Default

On the basis of the record before me, I conclude that the Division took appropriate actions to ensure proper service. The OTSC was served on Ramsey by both first class mail and certified mail at her residential and business addresses of record. M.G.L. c. 175, §174A states that notices of hearings seeking revocations of producer licenses are deemed sufficient when sent postpaid "by registered mail to the last business or residence address of the licensee appearing on the records of the commissioner." For purposes of giving notice, M. G. L. c. 4, §7, Clause 44 provides that certified mail is equivalent to registered mail. I conclude that service was sufficient and that Ramsey's failure to answer the OTSC, to respond to the Division's motion, or to appear at the hearing warrant a finding that she is in default.

By her default, Ramsey has waived her right to proceed further with an evidentiary hearing in this case and I may consider the Division's motion for summary decision based on the record. That record consists of the OTSC, the Motion for Summary Decision, and the following exhibits attached to the OTSC: A) Order of Revocation from the Commonwealth of Kentucky Department of Insurance, dated April 7, 2016 and B) Order from the Idaho Department of Insurance, dated June 21, 2016. Attached to the Division's Motion for Summary Decision are

exhibits C) USPS certified mail tracking information for the certified letter sent to Ramsey's residential address and D) a signed USPS certified mail receipt for the certified letter sent to Ramsey's business address.

Findings of Fact

Based on my review of the record, I make the following findings of fact.

1. The Division first licensed Ramsey as a non-resident insurance producer on or about October 29, 2014.
2. On April 7, 2016, the Commonwealth of Kentucky Department of Insurance revoked Ramsey's Kentucky resident insurance producer license.
3. On June 21, 2016, the State of Idaho Department of Insurance revoked Ramsey's Idaho insurance producer license.
4. Ramsey did not report to the Division the administrative actions by Kentucky and Idaho that resulted in the revocation of her producer licenses in those jurisdictions.

Analysis and Conclusions of Law

801 CMR 1.01(7)(h) permits a party to move for summary decision when, in its opinion, there is no genuine issue of fact relating to a claim and it is entitled to prevail as a matter of law. Ramsey has not contested the factual allegations in the OTSC or offered any defense to the Division's claims for relief. M.G.L. c. 175, §§162G through 162X describe the requirements for obtaining and maintaining a Massachusetts insurance producer license. M.G.L. c. 175, §162R (a) specifies 14 grounds on which the Commissioner may initiate disciplinary action against a licensed producer. The Division identifies M.G.L. c. 175, §162R (a)(9) as grounds for revocation of Ramsey's license due to the administrative actions of Kentucky and Idaho revoking her insurance producer licenses. The Division also seeks administrative action due to her failure to comply with M.G.L. c. 175, §162V(a), a statute requiring a producer to report to the Commissioner any administrative action taken against her by another jurisdiction within 30 days of the final disposition of the matter.

M.G.L. c. 175, §162R (a)(9) supports disciplinary action when an insurance producer's license has been revoked by another jurisdiction. The administrative actions revoking Ramsey's insurance producer licenses in Kentucky and Idaho therefore fully support revocation of her Massachusetts license under subsection (a)(9). On this record, I find that, in addition to revocation of her license, Ramsey should be prohibited from transacting or acquiring, in any

capacity whatsoever, any insurance business in Massachusetts and shall dispose of any interests she may have in any insurance business in Massachusetts.

M.G.L. c. 175, §162R (a) also permits the Commissioner to levy a civil penalty in accordance with M.G.L. c. 176D, §7 (“Section 7 fines”) for the reasons that support disciplinary action against a producer under §162R (a). The maximum penalty permitted under M.G.L. c. 176D, §7 is \$1,000 per violation. The Division requests Section 7 fines for the ground that it relies on to support revocation of Ramsey’s producer license, the revocation of her insurance agent’s license in Kentucky and Idaho.

Decisions in administrative proceedings seeking license revocation distinguish grounds for disciplinary action that arise from the respondent’s affirmative acts from grounds arising from administrative or judicial actions initiated by third parties to revoke or suspend the respondent’s license. Because the ground on which the Division seeks to discipline Ramsey, §162R (a)(9), is based entirely on the administrative actions against her in Kentucky and Idaho, I decline to impose Section 7 fines.

The Division also requests a fine for Ramsey’s violation of M.G.L. c. 175, §162V(a), which prescribes a reporting obligation on licensed producers in the Commonwealth of Massachusetts. For violations of law not listed as grounds for disciplinary action under §162R (a), M.G.L. c. 175, §194 permits a fine of not more than \$500 for each violation.² The OTSC is based on undisputed facts relating to Ramsey’s failure to report the Kentucky and Idaho administrative actions, which effectively enabled her to avoid prompt enforcement action in Massachusetts. Ramsey, by failing to report two administrative actions against her, committed two violations of M.G.L. c. 175, §162V. I will impose the maximum \$500 fine for each of Ramsey’s failures to report an administrative action.

For the reasons set forth above, the Division’s Motion for Summary Decision is hereby allowed.

ORDERS

Accordingly, after due notice, hearing, and consideration it is

ORDERED: That any insurance producer license issued to Valenzia Ramsey by the Division is hereby revoked; and it is

² That section specifically states that “[w]hoever violates any provision of this chapter, the penalty whereof is not specifically provided herein, shall be punished by a fine of not more than five hundred dollars.”


FURTHER ORDERED: that Valenzia Ramsey shall return to the Division any license in her possession, custody or control; and it is

FURTHER ORDERED: that Valenzia Ramsey is, from the date of this order, prohibited from directly or indirectly transacting any insurance business or acquiring, in any capacity whatsoever, any insurance business in Massachusetts; and it is

FURTHER ORDERED: that Valenzia Ramsey shall comply with the provisions of M.G.L. c. 175, §166B and dispose of any and all interests in Massachusetts as proprietor, partner, stockholder, officer or employee of any licensed insurance producer; and it is

FURTHER ORDERED: that Valenzia Ramsey shall pay a fine of One Thousand Dollars (\$1,000) to the Division within 30 days of the date of this decision and order.

This decision has been filed this 6th day of December 2017, in the office of the Commissioner of Insurance. A copy shall be sent to Valenzia Ramsey by regular first class mail, postage prepaid.


Kristina A. Gasson
Presiding Officer

Pursuant to M.G.L. c. 26, §7, this decision may be appealed to the Commissioner of Insurance.