

**SOUTH DAKOTA
DEPARTMENT OF LABOR AND REGULATION
DIVISION OF INSURANCE**

IN THE MATTER OF)	
CHRISTOPHER KOPATZ)	FINAL DECISION
LICENSEE)	INS 15-03

After reviewing the record and the proposed decision of the Hearing Examiner in this matter,

IT IS HEREBY ORDERED that pursuant to SDCL 1-26D-4, the Hearing Examiner's Proposed Findings of Fact, Conclusions of Law and Proposed Order, dated April 15, 2015 is adopted in full.

IT IS FURTHER ORDERED that the South Dakota Non-resident Insurance Producer License of Christopher Kopatz will hereby be revoked.

Parties are hereby advised of the right to further appeal the final decision to Circuit Court within (30) days of receiving such decision, pursuant to the authority of SDCL 1-26.

Dated this 20th day of April 2015



Marcia Hultman, Secretary
South Dakota Department of Labor and Regulation
700 Governors Drive
Pierre, SD 57501

**STATE OF SOUTH DAKOTA
OFFICE OF HEARING EXAMINERS**

**IN THE MATTER OF
CHRISTOPHER KOPATZ**

**PROPOSED DECISION
INS 15-03**

V.

DIVISION OF INSURANCE

An administrative hearing was held in this matter on April 9, 2015. Licensee, Christopher Kopatz (Kopatz), did not appear or testify at the hearing. The Division of Insurance (Division) was represented by Benjamin Erickson. The Division had a witness, Matthew Ballard. Based on the evidence, the arguments of the parties, and the law, the Hearing Examiner enters the following Findings of Fact, Conclusions of Law, and Proposed Order.

ISSUES

Whether Kopatz failed to report to the Division administrative actions against him by the States of Arkansas, Utah, and California?

Whether Kopatz failed to respond to an inquiry from the Division?

Whether the Division may revoke Kopatz's license as an insurance producer?

FINDINGS OF FACT

I.

Kopatz was licensed by the Division as a Non-Resident Producer on January 11, 2013. His license number is 40246906.

II.

Kopatz's license is currently active. His last known address provided to the Division was 9216 Silverstone Lane, Verona Wisconsin 53593-9192.

III.

The state of California, Department of Insurance, denied Kopatz a restricted license on September 13, 2013. Kopatz had pled no contest to a fourth operating while under the influence offense in Wisconsin. The investigative analyst felt that it would be against the public interest for Kopatz to transact insurance in California.

IV.

On November 8, 2013, the Division sent Kopatz an inquiry regarding the administrative actions in California. The letter was sent to his last known address. However it was returned to sender and not deliverable. The United States Post Office was also unable to forward the letter.

V.

The Department sent an email on December 6, 2013 to Kopatz requesting information about the California administrative action. The email was returned undeliverable and there was no update of an address.

VI.

On June 24, 2014, the State of Arkansas revoked Kopatz's Arkansas Nonresident Producer License. The license was revoked because Kopatz failed to report an administrative action from Virginia.

VII.

The State of Utah assessed an administrative forfeiture in the amount of \$500 against Kopatz on July 11, 2014, for failing to respond to inquiries from the insurance commissioner.

VIII.

Kopatz did not report the California, Arkansas, or Utah administrative actions to the Division.

IX.

The Division scheduled a hearing on the matter for April 9, 2015.

X.

Any additional findings included in the Reasoning section of this decision are incorporated herein by this reference. To the extent any of the foregoing are improperly designated and are instead conclusions of law, they are hereby redesignated and incorporated herein as conclusions of law.

REASONING

There was an administrative action against Kopatz in California that he did not report to the Division. It was later discovered that Kopatz also failed to report actions in Arkansas and Utah. SDCL 58-30-193 states that an insurance producer shall report to the director any administrative action taken against the insurance producer in another jurisdiction or by another governmental agency in this state within thirty days of the final disposition of the matter. This report shall include a copy of the order, consent order, or other relevant legal documents.

The insurance law also requires that a licensee shall inform the director in a form or format prescribed by the director of a change of address within thirty days of the change. SDCL 58-30-157. Letters were sent to Kopatz's last known address and returned undeliverable from the post office. It is clear that Kopatz was not keeping the Division informed of any address changes.

Additionally, Kopatz failed to respond to inquiries from the Division. A letter was mailed on November 8, 2013, and there was no response. The Division also unsuccessfully attempted to make contact by sending an email to Kopatz on December 6, 2013.

SDCL 58-33-66(1) provides that unfair or deceptive acts or practices in the business of insurance include failing to respond to an inquiry from or failing to supply documents requested by the Division of Insurance within twenty days of receipt of such inquiry or request.

SDCL 58-30-167 provides that the director may suspend for not more than twelve months, or may revoke or refuse to continue, any license issued under this chapter, or any license of a surplus lines broker after a hearing. Notice of such hearing and of the charges against the licensee shall be given to the licensee and to the insurers represented by such licensee or to the appointing agent of a producer at least twenty days before the hearing. The director may suspend, revoke, or refuse to issue or renew an insurance producer's license or may accept a monetary penalty in accordance with § 58-4-28.1 or any combination thereof, for any one or more of the following causes:

- (1) Providing incorrect, misleading, incomplete, or materially untrue information in the license application;
- (2) Violating any insurance laws or rules, subpoena, or order of the director or of another state's insurance director, commissioner, or superintendent;

In this case, Kopatz violated South Dakota insurance laws. Kopatz had an administrative action in California that went unreported. He did not keep in contact with the Division or provide information on a change of address. The evidence shows that the Division has good reasons to revoke Kopatz's insurance producer license.

CONCLUSIONS OF LAW

I.

The Division has jurisdiction over Kopatz and the subject matter of this contested case. The Office of Hearing Examiners has authority to conduct the appeal pursuant to the provisions of SDCL 1-26D.

II.

Kopatz violated the requirements of SDCL 58-30-193 in failing to advise the Division within thirty days of California's administrative action against his insurance license.

III.

The failure of Kopatz to report administrative actions against his insurance producer license is grounds for sanction by the Division pursuant to SDCL 58-30-167(2).

IV.

Kopatz committed an unfair or deceptive act in the business of insurance by failing to respond to an inquiry from the Division within twenty days as required by SDCL 58-33-66(1).

V.

These violations of the statutes permit the Director of the Division of Insurance to revoke Kopatz's insurance producer license and/or impose other sanctions as set forth in SDCL 58-30-167.

VI.

Any Conclusions of Law in the reasoning section of this decision are incorporated herein by reference. To the extent any of the foregoing are improperly designated and are instead findings of fact, they are hereby redesignated and incorporated herein as findings of fact.

PROPOSED ORDER

It is the Proposed Order of the Hearing Examiner that the license of Christopher Kopatz be revoked.

Dated April 15, 2015.



Ryan P. Darling
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