

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

**IN THE MATTER OF  
LUIZA NELSON  
LICENSEE**

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**FINAL DECISION  
INS 19-30**

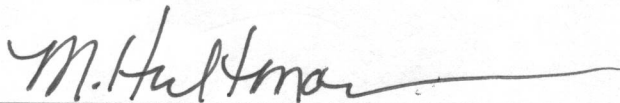
After reviewing the record and the proposed order of the Hearing Examiner in this matter,

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 August 2, 2019, is adopted in full.

IT IS FURTHER ORDERED that the South Dakota Non-resident Insurance Producer License of Luiza Nelson 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 5 day of August, 2019.



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Marcia Hultman, Secretary  
South Dakota Department of Labor and Regulation  
123 W. Missouri Ave.  
Pierre, SD 57501

STATE OF SOUTH DAKOTA  
DEPARTMENT OF LABOR AND REGULATION

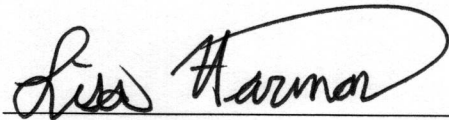
IN THE MATTER OF  
LUIZA NELSON

INS 19-30

NOTICE OF ENTRY OF PROPOSED  
FINDINGS OF FACT, CONCLUSION OF LAW,  
AND DECISION AND FINAL DECISION

NOTICE IS HEREBY GIVEN, that attached hereto, is a true and correct copy of the Proposed Findings of Fact, Conclusions of Law, and Decision, and Final Decision entered by Marcia Hultman, Secretary of the South Dakota Department of Labor and Regulation, on August 5, 2019.

Dated this 9th day of August, 2019.



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Lisa M. Harmon  
Legal Counsel  
South Dakota Division of Insurance  
124 S. Euclid Ave., 2<sup>nd</sup> Floor  
Pierre, SD 57501  
(605) 773-3563

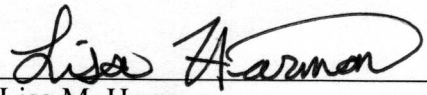
**CERTIFICATE OF SERVICE**

I, Lisa Harmon, the undersigned, do hereby certify that on the date shown below, a true and correct copy of the Proposed Findings of Fact, Conclusions of Law, and Decision, and Final Decision with respect to the above-entitled action was sent U.S. Certified Mail thereon, to the following:

Luiza Nelson  
1103 N. Drew St.  
Appleton, WI 54911

Luiza Nelson  
3008 E. Forest St.  
Appleton, WI 54915-3396

Dated this 9th day of August, 2019 in Pierre, South Dakota.

  
\_\_\_\_\_  
Lisa M. Harmon  
Legal Counsel  
South Dakota Division of Insurance  
124 S. Euclid Ave., 2<sup>nd</sup> Floor  
Pierre, SD 57501  
(605) 773-3563

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

**IN THE MATTER OF  
LUIZA NELSON**

**INS 19-30  
PROPOSED DECISION**

This matter came for hearing before the Office of Hearing Examiners on August 2, 2019, pursuant to a Notice of Hearing issued by the South Dakota Division of Insurance (“Division”) on July 1, 2019. Lisa M. Harmon appeared as counsel for the Division. Luiza Nelson did not appear, either in person or through counsel. The Division admitted its Exhibits DOI 1 through DOI 5 into evidence and moved that the Hearing Examiner enter these Proposed Findings of Fact, Conclusions of Law, and Proposed Decision as a default disposition to this contested case.

**ISSUE**

Whether the Non-Resident Insurance Producer License of Luiza Nelson should be revoked for violating any insurance laws; for using fraudulent or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere; and for failing to respond to the Division’s requests; in violation of SDCL 58-30-167(2), (8), and 58-33-66.

**FINDINGS OF FACT**

1. Luiza Nelson was licensed by the Division as an insurance producer on October 10, 2017. The license is currently active. (Exhibit 1).
2. Luiza Nelson was terminated for cause from an appointment for allegedly failing to notice a consumer’s needs and potential insurability during a telephone conversation. (Exhibits DOI 2A, DOI 2B, DOI 2C, DOI 2D, and DOI 2E).
3. The Division sent inquiries to Luiza Nelson at her address of record regarding the licensure matters. (Exhibits DOI 3, DOI 4, and DOI 5).
4. Luiza Nelson did not respond to the Division’s inquiries. (Exhibits DOI 3, DOI 4, and DOI 5).
5. Any additional Findings of Fact included in the Reasoning section of this decision are incorporated herein by reference.
6. 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**

This case involves a request by the Division to revoke the South Dakota Non-Resident Insurance Producer’s License of Luiza Nelson. As a consequence of the potential loss of

Respondent's livelihood from the lack of licensure, the burden of proof in this matter is higher than the preponderance of evidence standard, which applies in a typical administrative hearing. "In matters concerning the revocation of a professional license, we determine that the appropriate standard of proof to be utilized by an agency is clear and convincing evidence." *In re Zar*, 434 N.W.2d 598, 602 (S.D. 1989). Our Supreme Court has defined "clear and convincing evidence" as follows:

The measure of proof required by this designation falls somewhere between the rule in ordinary civil cases and the requirement of our criminal procedure, that is, it must be more than a mere preponderance but not beyond a reasonable doubt. It is that measure or degree of proof which will produce in the mind of the trier of facts a firm belief or conviction as to the allegations sought to be established. The evidence need not be voluminous or undisputed to accomplish this.

*Brown v. Warner*, 78 S.D. 647, 653, 107 NW2d 1, 4 (1961).

SDCL 58-33-66(1) and 58-33-68 require Luiza Nelson to respond to the Division and supply requested documents within twenty days from the receipt of a request. In addition, the Division considers SDCL 58-30-167 (shown in pertinent part) as follows:

The director may... revoke or refuse to continue, any license issued under this chapter... after a hearing... The director may... revoke... an insurance producer's license... for any one or more of the following causes:

- (2) Violating any insurance laws or rules, subpoena, or order of the director or of another state's insurance director, commissioner, or superintendent;
- (8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere;

The evidence indicates that Luiza Nelson violated the insurance laws of another jurisdiction, used fraudulent, coercive, or dishonest practices, or demonstrated incompetence or untrustworthiness in the conduct of her business, and failed to respond to Division inquiries regarding the action. Applying the law to the Findings of Fact it is clear the Non-Resident Insurance Producer License of Luiza Nelson is subject to revocation and should be revoked.

#### CONCLUSIONS OF LAW

1. The Division has jurisdiction over Luiza Nelson and the subject matter of this contested case. The Office of Hearing Examiners is authorized to conduct the hearing and issue a proposed decision pursuant to SDCL 1-26D-4.
2. The Division bears the burden of establishing the alleged statutory violations by clear and convincing evidence.

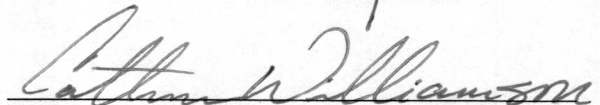
3. The Division established by clear and convincing evidence that Luiza Nelson violated SDCL § 58-33-66.
4. The Division established by clear and convincing evidence that the South Dakota Non-Resident Insurance Producer License of Luiza Nelson is subject to revocation pursuant to SDCL § 58-33-167(2) and (8).
5. The Division may revoke or impose any penalty against a person who violates Title 58, even if the person's license or registration has been surrendered or has lapsed by operation of law pursuant to SDCL § 58-30-170.
6. Any additional Conclusions of Law included in the Reasoning section of this decision are incorporated herein by reference.
7. 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.

Based on the above Findings of Fact, Reasoning, and Conclusions of Law, the Hearing Examiner enters the following:

#### **PROPOSED DECISION**

The South Dakota Non-Resident Insurance Producer License of Luiza Nelson should be revoked.

Dated this 2<sup>nd</sup> day of August, 2019.

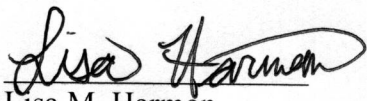
  
Catherine Williamson, Chief Hearing Examiner  
Office of Hearing Examiners  
523 East Capitol  
Pierre, SD 57501

## CERTIFICATE OF SERVICE

I certify on August 2nd, 2019, at Pierre, South Dakota, a true and correct copy of this Proposed Decision was mailed to each of the parties below.

Luiza Nelson  
1103 N. Drew St.  
Appleton, WI 54911

Luiza Nelson  
3008 E. Forest St.  
Appleton, WI 54915-3396



Lisa M. Harmon  
Legal Counsel  
South Dakota Division of Insurance  
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