

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

**IN THE MATTER OF  
CHRISTIAN MORALES**

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**FINAL DECISION  
INS 24-19**

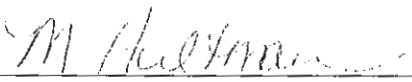
After reviewing the record and the proposed order of the Hearing Examiner in this matter,

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 June 10, 2024 is adopted in full.

IT IS FURTHER ORDERED that the South Dakota Non-resident Insurance Producer License of the respondent 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 9<sup>th</sup> day of July, 2024.

  
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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  
CHRISTIAN MORALES**

**INS 24-19  
PROPOSED DECISION**

This matter came for hearing before the Office of Hearing Examiners on May 23, 2024 pursuant to a Notice of Hearing issued by the South Dakota Division of Insurance ("Division") on April 10, 2024. Clayton Grueb appeared as counsel for the Division. CHRISTIAN MORALES did not appear, either in person or through counsel. The Division admitted its Exhibits 1 through 4 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 CHRISTIAN MORALES should be revoked due to demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere and for failing to remit the required licensing fee and failing to respond within 20 days, in violation of SDCL §§ 58-30-167(2) and (8), 58-30-159, and 58-33-66.

**FINDINGS OF FACT**

1. CHRISTIAN MORALES was licensed by the Division as an insurance producer and the license is currently active. (Exhibit 1).
2. The Division received notice that CHRISTIAN MORALES licensing fee was not properly paid. (Exhibit 2).
3. The Division sent inquiries to CHRISTIAN MORALES at the address of record regarding termination matter. (Exhibit 3-4).
4. CHRISTIAN MORALES did not respond to the Division's inquiries. (Exhibit 3-4).
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 CHRISTIAN MORALES. 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) requires CHRISTIAN MORALES 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... 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;

SDCL 58-30-159 requires an individual to pay the required fee before they can obtain their license.

The evidence indicates that CHRISTIAN MORALES violated the insurance laws of South Dakota. The evidence further indicates that CHRISTIAN MORALES used fraudulent, coercive, or dishonest practices, or demonstrated incompetence or untrustworthiness in the conduct of his business. The evidence further indicates that CHRISTIAN MORALES failed to respond to the Division within 20 days as required by statute and that he failed to pay the required fee. Applying the law to the Findings of Fact it is clear the Non-Resident Insurance Producer License of CHRISTIAN MORALES is subject to revocation and should be revoked.

### CONCLUSIONS OF LAW

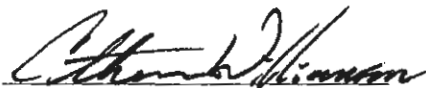
1. The Division has jurisdiction over CHRISTIAN MORALES and the subject matter of this contested case. The Office of Hearing Examiners is authorized to conduct the hearing and issue a proposed decision pursuant to SDCL 1-26D-4.
2. The Division bears the burden of establishing the alleged statutory violations by clear and convincing evidence.
3. The Division established by clear and convincing evidence that the South Dakota Non-Resident Insurance Producer License of CHRISTIAN MORALES is subject to revocation pursuant to SDCL § 58-33-167(2), and (8).
4. The Division established by clear and convincing evidence that CHRISTIAN MORALES violated SDCL § 58-33-66.
5. The Division established by clear and convincing evidence that CHRISTIAN MORALES violated SDCL § 58-30-159.
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 CHRISTIAN MORALES should be revoked.

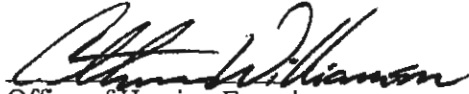
Dated this 10<sup>th</sup> day of June, 2024.



Ryan Darling, Hearing Examiner  
Office of Hearing Examiners  
523 East Capitol  
Pierre, SD 57501

**CERTIFICATE OF SERVICE**

I certify on ~~May 10~~<sup>June</sup>, 2024, at Pierre, South Dakota, a true and correct copy of this Proposed Decision was mailed to each of the parties below.

  
Office of Hearing Examiners

CHRISTIAN MORALES  
6407 Hitchin post Way  
Delray Beach, FL 33484

Clayton Grueb  
Division of Insurance  
2330 N. Maple Ave, Suite 1  
Rapid City, SD 57701

STATE OF SOUTH DAKOTA  
DEPARTMENT OF LABOR AND REGULATION

IN THE MATTER OF  
CHRISTIAN MORALES

INS 24-19

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 July 9, 2024.

Dated this 29th day of June, 2024.



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Clayton Grueb  
Legal Counsel  
South Dakota Division of Insurance  
2330 N. Maple Ave. Suite 1  
Rapid City, SD 57701  
(605) 394-3396

**CERTIFICATE OF SERVICE**

I, Clayton Grueb, 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 and first-class mail thereon, to the following:

CHRISTIAN MORALES  
6407 Hitchin post Way,  
Delray Beach, FL 33484

Dated this 10th day of June, 2024 in Rapid City, South Dakota.



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Clayton Grueb  
Legal Counsel  
South Dakota Division of Insurance  
2330 N. Maple Ave. Suite 1  
Rapid City, SD 57701  
(605) 394-3396