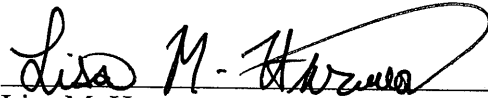


BEFORE THE DIVISION OF INSURANCE
DEPARTMENT OF LABOR AND REGULATION
STATE OF SOUTH DAKOTA

<p>IN THE MATTER OF RICARDO VERDUZCO</p>	<p>INS 26-006</p> <p>NOTICE OF ENTRY OF PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION, AND FINAL DECISION</p>
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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 April 9, 2026.

Dated this 10th day of April, 2026.



Lisa M. Harmon
Insurance Division Legal Counsel
South Dakota Dept. of Labor and Regulation
124 S. Euclid Ave., 2nd Floor
Pierre, SD 57501
Phone (605) 773-3563
Fax (605) 773-5369

CERTIFICATE OF SERVICE

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

RICARDO VERDUZCO



Dated this 10th day of April, 2026 in Pierre, South Dakota.

A handwritten signature in cursive script that reads "Lisa M. Harmon".

Lisa M. Harmon
Insurance Division Legal Counsel
Department of Labor and Regulation
124 S. Euclid Ave., 2nd Floor
Pierre, SD 57501
(605) 773-3563
lisa.harmon@state.sd.us

BEFORE THE DIVISION OF INSURANCE
DEPARTMENT OF LABOR AND REGULATION
STATE OF SOUTH DAKOTA

IN THE MATTER OF
RICARDO VERDUZCO

INS 26-006
FINAL DECISION

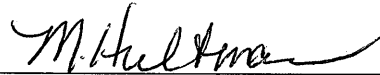
After reviewing the record and the proposed order of the Hearing Examiner in this matter,

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 April 1, 2026 is adopted in full.

IT IS FURTHER ORDERED that the South Dakota 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 at Pierre, South Dakota this 9 day of April, 2026.



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
RICARDO VERDUZCO**

**INS 26-006
PROPOSED DECISION**

This matter came for hearing before the Office of Hearing Examiners on March 31, 2026 pursuant to a Notice of Hearing issued by the South Dakota Division of Insurance (“Division”) on February 25, 2026. Lisa M. Harmon appeared as counsel for the Division with a witness Haelly Pease. RICARDO VERDUZCO did not appear, either in person or through counsel. The Division admitted its Exhibits 1 through 6 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 Insurance Producer License of RICARDO VERDUZCO should be revoked due to not being appointed with an insurance company; violating the insurance laws of South Dakota; for demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere; and failing to timely respond to the Division, in violation of SDCL 58-30-175; 58-30-167(2) & (8); 58-33-66; and 58-33-68.

FINDINGS OF FACT

1. RICARDO VERDUZCO is a licensed by the Division as an insurance producer and the license is currently active. (Exhibit 1).
2. RICARDO VERDUZCO was the subject of a complaint. (Exhibit 2).
3. RICARDO VERDUZCO was the writing agent of a health insurance policy where RICARDO VERDUZCO was not appointed with the insurance company when enrolling a South Dakota consumer into a health insurance policy with the insurance company. (Exhibit 2).
4. RICARDO VERDUZCO used fraudulent, coercive, or dishonest practices, or demonstrated incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere. (Exhibit 2).
5. The Division sent inquiries to RICARDO VERDUZCO on October 6, 2025 and October 27, 2025 at the address of record regarding this matter. (Exhibits 3 & 4).
6. RICARDO VERDUZCO did not respond to the Division’s inquiries. (Exhibits 3 & 4).

7. The Division entered an Order Revoking RICARDO VERDUZCO's license for the above stated reasons on the 2nd day of February, 2026. (Exhibit 5).
8. RICARDO VERDUZCO sent a written request for a hearing to the Division on the 16th day of February, 2026. (Exhibit 6).
9. Any additional Findings of Fact included in the Reasoning section of this decision are incorporated herein by reference.
10. 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 Insurance Producer's License of RICARDO VERDUZCO. 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 58-30-175 states that "No insurance producer or business entity may act as an agent of an insurer unless the insurance producer becomes an appointed insurance producer of that insurer..." (quotation excludes the exclusion for property and casualty producers as it is not applicable in this case). SDCL 58-33-66(1) requires RICARDO VERDUZCO 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;

The evidence indicates that RICARDO VERDUZCO has violated the insurance laws of the State of South Dakota; was not appointed with the health insurance company when RICARDO VERDUZCO enrolled a consumer into a health insurance policy; failed to timely respond to the Division. The evidence further indicates that RICARDO VERDUZCO used fraudulent, coercive, or dishonest practices, or demonstrated incompetence or untrustworthiness in the conduct of his business. Applying the law to the Findings of Fact it is clear the Insurance Producer License of RICARDO VERDUZCO is subject to revocation and should be revoked.

CONCLUSIONS OF LAW

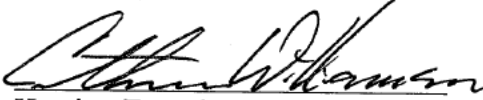
1. The Division has jurisdiction over RICARDO VERDUZCO and the subject matter of this contested case. The Office of Hearing Examiners is authorized to conduct the hearing and issue a proposed decision pursuant to SDCL 1-26D-4.
2. The Division bears the burden of establishing the alleged statutory violations by clear and convincing evidence.
3. The Division established by clear and convincing evidence that RICARDO VERDUZCO violated SDCL 58-30-175.
4. The Division established by clear and convincing evidence that RICARDO VERDUZCO violated SDCL 58-33-66.
5. The Division established by clear and convincing evidence that the South Dakota Insurance Producer License of RICARDO VERDUZCO is subject to revocation pursuant to SDCL 58-33-167(2) and (8).
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 Insurance Producer License of RICARDO VERDUZCO should be revoked.

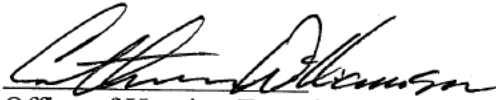
Dated this 1st day of April, 2026.



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

CERTIFICATE OF SERVICE

I certify on April 1st, 2026, 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

RICARDO VERDUZCO



Lisa Harmon
Division of Insurance
124 S. Euclid Ave., 2nd Floor
Pierre, SD 57501