

BEFORE THE IOWA INSURANCE COMMISSIONER

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IN THE MATTER OF	)	Division Case No. 115703
	)	
BLAINE J. HAMLETT,	)	<b>DEFAULT ORDER, FINDINGS OF</b>
NPN 6831570	)	<b>FACT, CONCLUSIONS OF LAW</b>
DOB 11/12/XXXX	)	<b>AND ORDER</b>
	)	
Respondent.	)	

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The Commissioner has taken up for consideration the Division’s motion for default order, filed on July 7, 2023, by Colin Grace as the attorney representing the Iowa Insurance Division (“Division”). Respondent, Blaine J. Hamlett (“Hamlett”), did not file an answer to the statement of charges or provide a timely response to the Division’s motion for default, so the Division’s motion for default was sustained and the Commissioner entered judgment in favor of the Division against Hamlett in an interlocutory order of default on August 1, 2023.

At the hearing on monetary relief on August 23, 2023, the Division appeared by counsel. Hamlett did not appear.

**PARTIES AND JURISDICTION**

1. The Commissioner of Insurance, Douglas M. Ommen, directly and through his designees, administers and enforces Iowa Code chapter 522B—Licensing of Insurance Producers pursuant to Iowa Code § 505.8.
2. Blaine J. Hamlett (“Hamlett”) is an individual with a last-known residence address of 3038 Heathcote Road, Waldorf, Maryland 20602.
3. Hamlett is and has been licensed in the state of Iowa as a non-resident insurance producer since April 29, 2022. Hamlett is licensed under National Producer Number 6831570.
4. Pursuant to Iowa Code § 505.28, Hamlett consented to the jurisdiction of the Commissioner of Insurance by committing acts governed by chapter 522B.

5. From on or about May 25, 2022, to present, Hamlett engaged in acts and practices within the state of Iowa constituting cause for probation, suspension, or revocation of his insurance producer license; cease and desist orders; and civil penalties or other relief under Iowa Code chapters 505, 507B, 522B, and rules adopted pursuant to these chapters.

#### **FINDINGS OF FACT**

6. Hamlett applied for a non-resident insurance producer license with the Division by submitting through the National Insurance Producer Registry a Uniform Application for Individual Producer License (“Uniform Application”). In submitting the Uniform Application, Hamlett designated the Commissioner as an agent for service of process.

7. The Division issued Hamlett a license as a non-resident insurance producer on April 29, 2022, and assigned to Hamlett National Producer Number 6831570.

8. Hamlett worked as a Client Care Specialist for Equitable Financial Life Insurance Company (“Equitable”) from approximately January 10, 2022, until he was terminated for cause on June 22, 2022.

9. Equitable terminated Hamlett’s appointment for cause on June 22, 2022, for allegedly failing to disclose criminal charges in a timely manner following previous failure to disclose a reportable financial matter.

10. On April 28, 2022, a criminal complaint, Docket No. CP-31-CR-0000216-2022, was filed in Pennsylvania against Hamlett alleging two (2) felony counts of forgery, and two (2) misdemeanor counts of accessing a device without authorization. The complaint alleged Hamlett used his dying father-in-law’s bank card in two (2) transactions without authority to do so.

11. On May 25, 2022, Hamlett waived his right to a preliminary hearing in Docket No. CP-31-CR-0000216-2022.

12. On June 24, 2022, Hamlett failed to timely report to the Division his criminal charges.

13. To-date, Hamlett has not reported to the Division his criminal charges, nor provided a copy of the initial complaint filed, any orders resulting from that hearing, or any other relevant legal documents.

*Division's Investigation*

14. On July 12, 2022, the Division received the termination for cause notice from Equitable.

15. On July 13, 2022, a Division investigator issued a Request for Information ("RFI") letter and a Termination for Cause ("TFC") questionnaire to Hamlett via email to Hamlett's personal email address indicated in his licensing records, blainehamlett@gmail.com. The letter demanded an answer by August 8, 2022.

16. On July 28, 2022, Hamlett replied to the Division investigator by email. Therein he stated that his criminal matter had "not been adjudicated yet," requested that he "be allowed to let the Justice System [sic] reach a final resolution/disposition regarding this matter," and further advised that he would notify the Division upon the outcome of the case.

17. Later that day, the Division investigator responded to Hamlett's email advising Hamlett that the Division's investigation is a regulatory matter that cannot be halted or delayed due to outside issues, including the pending criminal matter. The Division investigator then requested a full and complete response to the Division's RFI.

18. On August 8, 2022, Hamlett failed to timely respond to the Division's RFI letter and TFC questionnaire.

19. To-date, Hamlett has not responded to the Division's RFI and TFC questionnaire.

## CONCLUSIONS OF LAW

### Count 1: Failure to Report Criminal Charges

20. Under Iowa Code § 522B.16, and Iowa Administrative Code rule 191—10.13, an insurance producer is required to report any criminal prosecution of the insurance producer in any jurisdiction to the Commissioner within thirty (30) days of the initial pre-trial hearing date.

21. Hamlett never notified the Division regarding Docket No. CP-31-CR-0000216-2022.

22. Hamlett's failure to inform the Commissioner of the criminal actions against him is a violation of Iowa Code § 522B.16(2) and Iowa Administrative Code rule 191—10.13, subjecting Hamlett to a penalty, the imposition of costs of the investigation and prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 522B.17, 507B.7, and 505.8.

### Count 2: Failure to Cooperate

23. Under Iowa Code § 522B.11(1)(p), a license may be subject to probation, suspension, or revocation and civil penalties may be levied, as provided in Iowa Code § 522B.17, for failing or refusing to cooperate in an investigation.

24. Hamlett failed to cooperate with an investigation by the Division regarding his termination for cause.

25. Hamlett failed to provide a response to the Division's RFI letter and TFC questionnaire issued on July 13, 2022.

26. Hamlett's acts and practices have been in violation of Iowa Code § 522B.11(1)(p) subjecting Hamlett to probation, suspension, or revocation of Hamlett's insurance producer license, the imposition of a civil penalty, an order requiring Hamlett to cease and desist from engaging in such acts or practices, the imposition of costs of the investigation and prosecution of

the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 522B.11, 522B.17 and 505.8.

**ORDER**

**IT IS HEREBY ORDERED** that Blaine J. Hamlett is in default, pursuant to Iowa Administrative Code rule 191-3.22, and that judgment shall be entered against Hamlett in favor of the Division.

**IT IS FURTHER ORDERED**, pursuant to the powers granted to the Commissioner of Insurance by Iowa Code chapters 507B and 522B:

- A. Blaine J. Hamlett's non-resident insurance producer license is immediately revoked pursuant to Iowa Code § 522B.11;
- B. Blaine J. Hamlett is prohibited from selling, soliciting, or negotiating insurance, offering to the public advise, counsel, or services with regard to insurance, or transacting any insurance business in this state pursuant to Iowa Code §§ 505.8(10), 507B.7 and 522B.17 without an insurance producer license;
- C. Blaine J. Hamlett shall, within 30 days of this Order, pay as civil penalties in the amount of \$2,173.75, made payable to the Iowa Insurance Division, to be credited to the Iowa Enforcement Fund, to provide funds for insurance enforcement and education pursuant to Iowa Code §§ 505.8, 522B.6(7), 522B.11, and 522B.17;
- D. Blaine J. Hamlett shall, within 30 days of this Order, pay as costs of investigation and prosecution in the amount of \$1,573.75, made payable to the Iowa Insurance Division, to be credited to the Iowa Enforcement Fund, to provide funds for insurance enforcement and education pursuant to Iowa Code §§ 505.8, 522B.6(7), 522B.11, and 522B.17; and

E. These orders may be enforced under Iowa Code chapter 507B and 522B, including but not limited to, Iowa Code §§ 507B.8 and 522B.17(3), and additionally, by any collection remedies available to the State of Iowa Department of Revenue for unpaid penalties and other ordered monetary amount.

SO ORDERED on this 1<sup>st</sup> day of September, 2023



Douglas M. Ommen  
Iowa Insurance Commissioner

**Copy to:**

Colin Grace  
Iowa Insurance Division  
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Des Moines, Iowa 50315  
[colin.grace@iid.iowa.gov](mailto:colin.grace@iid.iowa.gov)  
**ATTORNEY FOR THE DIVISION**

Blaine J. Hamlett  
3038 Heathcote Road  
Waldorf, Maryland 20602  
[blainehamlett@gmail.com](mailto:blainehamlett@gmail.com)  
**RESPONDENT**

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing instrument was served upon all parties to the above cause, or their attorney, at their respective addresses disclosed on the pleadings on September 7, 2023.

By:  First Class Mail  Personal Service  
 Restricted certified mail, return receipt  Email  
 Certified mail, return receipt  \_\_\_\_\_

Signature: Brooke Hohn  
Brooke Hohn

### **NOTICE OF FINAL ORDER**

A default decision becomes final agency action 15 days from the date of the decision was mailed unless a motion to vacate the default decision is filed within that time period. 191 IAC 3.22(3). A motion to vacate must state all the facts upon which the moving party relies to establish good cause for failure to appear or participate at the contested case proceeding. Each fact must be substantiated by at least one affidavit by a person with personal knowledge of the fact, and the affidavit must be attached to the motion.

### **NOTICE OF PENALTIES FOR WILLFUL VIOLATION OF THIS ORDER**

**YOU ARE NOTIFIED** that acting as an insurance producer, as defined in Iowa Code Chapter 522B, in violation of this Order, is a felony under Iowa Code 507 A.10, subjecting you to punishment of imprisonment, jail, fines, or any combination of custody and fines.

**YOU ARE ALSO NOTIFIED** that if you violate this Order, you may be subject to administrative and civil penalties pursuant to Iowa Code 522B.17(3). The Commissioner may petition the district court to hold a hearing to enforce the order as certified by the Commissioner. The district court may assess a civil penalty against you in an amount not less than three thousand dollars but not greater than ten thousand dollars for each violation, and may issue further orders as it deems appropriate.

### **NOTICE REGARDING REISSUANCE**

When this Order becomes final, your insurance producer license will become inactive due to revocation. While your license is inactive, you are prohibited from conducting the business of insurance. Your license will not be active until the Division makes the determination to reissue an insurance producer license by order pursuant to Iowa Administrative Code 191-10.10.

Reissuance of an insurance producer license is subject to the discretion of the Commissioner. Additionally, it will not be granted unless and until you have fully complied with the terms of this Order, made the appropriate application, and paid all applicable fees. If applicable, you may also be required to apply for licensure through the National Insurance Producer Registry (NIPR) and pay all applicable fees.

### **NOTICE OF FINAL ORDER IMPACT**

A final order of license probation, suspension, or revocation or a cease and desist order may adversely affect other existing business or professional licenses and may result in license revocation or disciplinary action.

A final order in an administrative action does not resolve any potential criminal or civil violations or causes of action that might arise from the same or similar conduct that is the subject of this order. It may result in criminal law enforcement authorities, including the fraud bureau of the Iowa Insurance Division, pursuing a criminal investigation or prosecution of potential criminal law violations.