



BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF )

MICHAEL L. FRANCISCO )

DIVISION FILE NO.: 84427

**DEFAULT ORDER UPHOLDING REFUSAL TO ISSUE INSURANCE PRODUCER LICENSE**

Now therefore, the Commissioner of Insurance, being fully advised in the premises, issues the following findings of fact, conclusions of law and order of refusal to issue insurance producer license:

**Findings of Fact**

1. On May 29, 2014, Respondent Michael L. Francisco ("Francisco") applied for a resident producer license by submitting through the National Insurance Producer Registry a Uniform Application for Individual Insurance Producer License ("Application").
2. In submitting the Application, Francisco designated the Commissioner as an agent for service of process.
6. On May 30, 2014, the Division notified Francisco by letter that his Application was being denied an insurance producer license because of a prior felony conviction pursuant to Iowa Code § 522B.11(1)(f) (2013). He was informed that the decision would become final unless he requested an administrative hearing within thirty days of the date of the letter.
7. On June 20, 2014, the Division received a letter from Francisco requesting an administrative hearing on the denial of his application for an insurance producer license.

8. The Division's grounds for the denial of Francisco's Application to become a licensed insurance producer was his felony conviction dated August 22, 2007 on Count I – Conspiracy to Possess Controlled Substance with intent to deliver Methamphetamine in violation of Iowa Code § 124.401(1)(b); Count II – Delivery of Controlled Substance Methamphetamine in violation of Iowa Code § 124.401(1)(c); and Count III – Failure to Affix Drug Tax Stamps in violation of Iowa Code § 453B.12. Francisco was sentenced to be confined for a period of no more than twenty-five years in a correctional facility.

9. On February 24, 2010, Francisco was paroled from a correctional facility.

10. On April 11, 2013, Francisco was discharged from parole and further liability under his sentence by the First Judicial District Department of Correctional Services.

11. On June 26, 2014, the Division filed a statement of charges against Francisco.

9. Pursuant to Francisco's consent to service of process, the Commissioner was served with the statement of charges on July 1, 2014. The Commissioner issued a Notice of Hearing scheduling a contested case for August 12, 2014.

10. The Commissioner mailed notification of the statement of charges and the notice of hearing to the last known address provided by Francisco in his licensing record.

11. On July 3, 2014, Francisco accepted the notice of hearing and statement of charges by restricted certified mail delivery from the United States Postal Service.

12. Francisco has not filed an answer, nor any other responsive pleading to the statement of charges.

13. On July 24, 2014, the Insurance Division mailed a motion for entry of default judgment to Francisco's address of record.

14. Francisco has not filed any response to the motion for entry of default judgment.

**Conclusions of Law**

15. The Commissioner may consider a motion unresisted, if no response is timely filed. 191 IAC 3.15(2). Francisco has not filed a timely written response to the Division's motion for entry of default judgment. The motion is unresisted.

16. A party to a contested case action may move for default against a party when the party fails to file a required pleading or has failed to appear after proper service. 191 IAC 3.22(2). Francisco has not filed an answer and has not resisted the Division's motion for default judgment.

17. Under Francisco's consent to service of process, Francisco was properly served as required by 191 IAC 3.5(1). Francisco certified, under penalty of perjury, that all the information submitted in his Application was true and complete including his current address.

18. The Division's motion for default should be granted.

19. Francisco had been convicted of a felony in violation of Iowa Code § 522B.11(1)(f) (2013).

20. The violation of Iowa Code Chapter 522B and applicable rules is grounds for the refusal to issue an insurance producer license pursuant to Iowa Code § 522B.11 (2013).

21. This hearing procedure was governed by Iowa Code §§ 17A.12, 522B.11; and 191 IAC Ch. 3.

**Order**

IT IS HEREBY ORDERED that Michael L. Francisco is in Default.

IT IS FURTHER ORDERED that an order upholding the Division's decision to refuse to issue an insurance producer license is entered against Michael L. Francisco. The Insurance Division shall take any steps necessary to implement this decision.

Dated this 7<sup>th</sup> date of August, 2014.



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NICK GERHART  
Commissioner of Insurance

**NOTICE**

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.