

No. 2026-9838

**Official Order
of the
Texas Commissioner of Insurance**

Date: 03/11/2026

Subject Considered:

Texas Department of Insurance v.
Genesis Reyes

SOAH Docket No. 454-25-26823.C

General Remarks and Official Action Taken:

The subject of this order is Genesis Reyes' application for a limited lines agent license. This order denies Ms. Reyes' application.

Background

After proper notice was given, the above-styled case was heard by an administrative law judge for the State Office of Administrative Hearings. The administrative law judge made and filed a proposal for decision containing a recommendation that the Texas Department of Insurance (TDI) deny Ms. Reyes' application for a limited lines agent license. A copy of the proposal for decision is attached as Exhibit A.

Findings of Fact

The proposed findings of fact contained in Exhibit A are adopted and incorporated by reference into this order.

Conclusions of Law

The proposed conclusions of law contained in Exhibit A are adopted and incorporated by reference into this order.

COMMISSIONER'S ORDER
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Order

It is ordered that Genesis Reyes' application for a limited lines agent license is denied.

Signed by:
Amanda Crawford
FE10434BC41A470... _____
Amanda Crawford
Commissioner of Insurance

Recommended and reviewed by:

Signed by:
Jessica Barta
5DAC5618BBC74D4... _____
Jessica Barta, General Counsel

Signed by:
Justin Beam
27ADF3DA5BAF4B7... _____
Justin Beam, Chief Clerk

**BEFORE THE
STATE OFFICE OF ADMINISTRATIVE
HEARINGS**

FILED
454-25-26823
12/29/2025 2:59 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

ACCEPTED
454-25-26823
12/29/2025 3:05:49 pm
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

**TEXAS DEPARTMENT OF INSURANCE,
PETITIONER
v.
GENESIS REYES,
RESPONDENT**

PROPOSAL FOR DECISION

Genesis Reyes (Respondent) applied to the Texas Department of Insurance (Department) for a limited lines insurance license. The Department seeks to deny the application based on Respondent's criminal history. After considering the evidence and applicable law, the Administrative Law Judge (ALJ) recommends that Respondent's license application be denied.

I. NOTICE, JURISDICTION, AND PROCEDURAL HISTORY

On December 12, 2024, Respondent applied to the Department for a limited lines license.¹ On January 14, 2025, the Department proposed to deny the application.² Respondent timely requested a hearing to challenge the proposed denial.³ On August 26, 2025, the Department referred the matter to the State Office of Administrative Hearings (SOAH) for a contested case hearing.

SOAH ALJ Katerina DeAngelo convened a hearing on November 17, 2025, by Zoom videoconference. Attorney Whitney Fraser represented the Department, and Respondent appeared and represented herself. The evidentiary record closed on December 4, 2025, upon filing of the hearing transcript. Notice and jurisdiction are undisputed and are addressed in the Findings of Fact and Conclusions of Law.

II. APPLICABLE LAW

The Texas Insurance Code authorizes the Department to regulate the business of insurance in Texas, including taking disciplinary action against license holders and denying applications for licensure when authorized by law.⁴ In exercising that authority, the Department considers it essential that license holders and applicants be honest, trustworthy, and reliable; and it evaluates criminal history and

¹ Department Exhibit (Ex.) 2 at 53-58.

² Department Ex. 2 at 25.

³ Department Ex. 2 at 24.

⁴ Tex. Ins. Code §§ 31.002(1), (3), 4005.102.

other conduct to determine whether an applicant possesses those qualities.⁵ The Department may deny an application for licensure if the applicant has been convicted of a felony.⁶

The Department has adopted guidelines identifying the matters it considers when determining whether to grant, deny, suspend, or revoke a license or authorization within its jurisdiction. Under those guidelines, certain crimes are deemed to be of such a serious nature that they are either directly related to the duties and responsibilities of the licensed occupation or are of prime importance in determining fitness for licensure. These include any offense for which fraud, dishonesty, or deceit is an essential element; offenses involving the smuggling or trafficking of persons, as described in Texas Penal Code Chapters 20 or 20A; any criminal attempt or conspiracy to commit an enumerated offense, as described in Texas Penal Code sections 15.01 or 15.02; and offenses under federal law that contain elements substantially similar to those of an enumerated offense.⁷

When an applicant has a criminal conviction, the Department evaluates the conviction under Texas Occupations Code Chapter 53, as implemented by 28 Texas Administrative Code section 1.502.⁸ Section 53.022 of the Texas Occupations Code sets forth factors relevant to determining whether a criminal conviction directly relates to the duties and responsibilities of the licensed occupation, including the

⁵ 28 Tex. Admin. Code § 1.502(a), (c).

⁶ Tex. Ins. Code § 4005.101(b)(8).

⁷ 28 Tex. Admin. Code § 1.502(f)(1), (4)(D), (7), (8).

⁸ 28 Tex. Admin. Code § 1.502(e).

nature and seriousness of the crime, the relationship of the crime to the purposes for requiring a license, and the extent to which licensure might provide an opportunity for further criminal activity. Texas Occupations Code section 53.023 (Section 53.023) identifies factors relevant to rehabilitation and present fitness, which the Department must consider in making a licensing decision.

In determining an applicant's fitness for licensure under Section 53.023, the Department considers: (1) the extent and nature of the person's past criminal activity; (2) the age of the person at the time the crime was committed; (3) the amount of time that has elapsed since the person's last criminal activity; (4) the person's conduct and work activity before and after the criminal activity; (5) evidence of rehabilitation or rehabilitative efforts; (6) compliance with the conditions of community supervision, parole, or mandatory supervision; and (7) other evidence of present fitness, including letters of recommendation.⁹ It is the applicant's responsibility, to the extent possible, to obtain and provide letters of recommendation.¹⁰

In a contested case, the Department bears the burden of proving the grounds for denial of an application, while the applicant bears the burden of proving fitness for licensure despite criminal history.¹¹ The applicable standard of proof is a preponderance of the evidence.¹²

⁹ Tex. Occ. Code § 53.023(a).

¹⁰ Tex. Occ. Code § 53.023(b).

¹¹ 1 Tex. Admin. Code § 155.427.

¹² *Granek v. Tex. State Bd. of Med. Exam'rs*, 172 S.W.3d 761, 777 (Tex. App.—Austin 2005, no pet.).

III. EVIDENCE

The Department offered two exhibits, which were admitted, and presented testimony from Lewis Wright. Respondent testified on her own behalf and did not offer any exhibits.

A. BACKGROUND

Respondent applied to the Department for a limited lines license.¹³ The Department proposed to deny the application due to Respondent's criminal history; and Respondent timely appealed the proposed denial.¹⁴

On October 15, 2021, Respondent pleaded guilty to and was adjudged guilty of the felony offense of conspiracy to transport an undocumented alien within the United States, in violation of 8 United States Code (U.S.C.) section 1324(a)(1)(A)(ii) and (v)(I),¹⁵ in Case No. 5:21CR01054-002 in the United States District Court for the Southern District of Texas.¹⁶ The court sentenced Respondent to 32 days of imprisonment, followed by three years of supervision with special conditions, including substance abuse treatment, testing, and abstinence; and mental health evaluation and treatment. She was also ordered to

¹³ Department Ex. 2 at 53-58. On her application, Respondent answered "No" to the question asking whether she had ever been convicted of a felony. *Id.* at 55. Respondent testified that Alpa Insurance, her employer, submitted the application on her behalf and that they were aware of her criminal background.

¹⁴ Department Ex. 2 at 24-26.

¹⁵ 8 U.S.C. section 1324(a)(1)(A)(ii) criminalizes knowingly transporting or moving an undocumented alien within the United States, or attempting to do so, in furtherance of the alien's unlawful presence. 8 U.S.C. section 1324(a)(1)(A)(v)(I) criminalizes conspiring to commit any of the alien-smuggling offenses listed in section 1324(a)(1)(A), including transportation offenses under subsection (ii).

¹⁶ Department Ex. 2 at 34.

pay a \$100 assessment.¹⁷ Respondent's term of supervision expired on January 12, 2024, after she successfully completed all conditions of supervision.¹⁸

Respondent's resume reflects a consistent history of customer service employment. She worked as a Customer Service Representative at And X Agency from July 2021 to May 2022, followed by employment as a Customer Service Associate at Cricket Wireless from May 2022 to August 2022. She then worked as a Customer Service Representative at Conduent from August 2022 to February 2023. From May 2023 to November 2023, Respondent was employed as a Cashier at Sea Island Shrimp House.¹⁹ In a December 2024 email to the Department, Respondent stated that she was employed by Alpa Insurance as a Sales Trainee and began that position in November 2024.²⁰

Respondent submitted written statements to the Department explaining the circumstances of her offense and her rehabilitation and requesting reconsideration of her application. She explained that the offense occurred in May 2021, when she was 20 years old and shortly after the death of her father, and stated that she was pressured into a compromising situation involving the transportation of undocumented immigrants by her then-boyfriend. Respondent expressed regret, accepted full responsibility for her actions, and acknowledged the seriousness of her conduct, emphasizing that she does not blame anyone but herself. She stated that the

¹⁷ Department Ex. 2 at 34-39.

¹⁸ Department Ex. 2 at 40. Respondent completed a marijuana education course on August 3, 2021. *Id.* at 41.

¹⁹ Department Ex. 2 at 47.

²⁰ Department Ex. 2 at 44.

experience fundamentally changed her, shaping her into a more accountable and responsible person with greater integrity; that she has learned to recognize warning signs and avoid negative influences; and that she valued her freedom, family, and future. Respondent noted that, prior to the offense, she had no criminal history, had never been in trouble at school, and had never been jailed or detained. She expressed a desire to move forward, put the mistake behind her, and build a successful life. She further explained that she completed all required probation classes and counseling, which improved her decision-making and judgment.²¹

Respondent submitted two character reference letters to the Department. Joel Medina stated that he has known Respondent for approximately ten years and described her as genuine, hardworking, honest, and responsible. He emphasized his trust in Respondent, noting that she is the only person he has entrusted with the care of his son since infancy. Mr. Medina stated that Respondent's felony conviction has not changed his view of her character and expressed confidence that she would be well-suited for work as an insurance agent due to her charisma, intelligence, and work ethic.²² Amaris L. stated that she has known Respondent for nine years and described her as a dependable and supportive friend despite her conviction. She characterized Respondent as a good listener who supports friends and family and expressed confidence that Respondent would be a strong addition in any field, noting her enthusiasm for obtaining an insurance license.²³

²¹ Department Ex. 2 at 48-50.

²² Department Ex. 2 at 42.

²³ Department Ex. 2 at 43.

B. TESTIMONY OF LEWIS WRIGHT

Mr. Wright serves as the Administrative Review Liaison for the Department's Enforcement Division. In that role, he facilitates communication regarding reports of misconduct involving existing license holders and addresses concerns related to license applications that warrant additional scrutiny. Mr. Wright testified that all license applications are initially reviewed for completeness and, when concerns are identified, the application is referred to Administrative Review for further evaluation. That process results in a recommendation to management regarding whether licensure should be granted or denied. He explained that the Department's close scrutiny of applications is driven by its mission to protect Texas consumers from misconduct in the insurance industry, where licensees have access to sensitive personal and financial information and opportunities for financial harm exist if individuals act dishonestly or irresponsibly. Issuance of a license signifies that the Department has conducted due diligence and determined that the licensee can be trusted to act with honesty, reliability, and integrity.

Mr. Wright testified that Respondent's application was referred to Administrative Review based on information revealed in her background check, specifically her conviction for conspiracy to transport illegal aliens within the United States. He explained that certain offenses are designated as crimes of prime importance, which are specifically enumerated offenses that the Department must weigh heavily when making licensing decisions. When an offense is classified as one of prime importance, the Department must carefully evaluate whether evidence of rehabilitation outweighs the seriousness and nature of the offense. Mr. Wright stated that Respondent's offense was considered directly related to the duties of a limited

lines agent, because it is expressly identified as a crime of prime importance and involved elements of conspiracy, dishonesty, and financial gain. He further explained that a limited lines agent license authorizes an individual to solicit, market, and service insurance products within limited lines of business, including the solicitation of applications and collection of premiums.

Mr. Wright further testified that the Department considered Respondent's offense to be recent. Respondent completed community supervision in January 2024, and the Department received her application less than one year later, in December 2024. Mr. Wright stated that the Department considered mitigating evidence, including Respondent's completion of a marijuana education course, her employment history, character reference letters, and her written statements. He noted, however, that the Department could not establish a work history predating the offense because Respondent had recently graduated from high school at the time. Ultimately, Mr. Wright testified that, in the Department's view, the mitigating evidence did not outweigh the seriousness, nature, and recentness of Respondent's criminal history. He stated that the Department had not observed sufficient time outside of supervision to gain confidence that Respondent would consistently comply with the laws and rules governing the insurance industry. Based on the totality of the circumstances, the Department recommended denial of Respondent's application for a limited lines agent license at this time.

C. RESPONDENT'S TESTIMONY

Respondent testified about the circumstances surrounding her offense and her efforts to move forward since that time. She explained that she was 20 years old when

the offense occurred and was not in the right mental or emotional state, having recently lost her father and being involved in a toxic relationship. She stated that she was not thinking clearly at the time and emphasized that she is now 25 years old. She believes nearly five years have passed since the offense, during which she has changed significantly as a person.

Respondent testified that, while working in the insurance industry at Pronto Insurance and Alpa Insurance, she encountered coworkers and supervisors who had criminal histories involving fraud and financial crimes that were directly related to their positions, yet they were employed as insurance agents or managers. She stated that this led her to believe she deserves an opportunity as well.

Respondent testified that she does not want to be defined solely by her past conduct and explained that those who have worked with her and know her criminal history have consistently supported her. She stated that she has never had negative relationships with coworkers who were aware of her conviction and emphasized that her colleagues at Alpa Insurance were particularly supportive and actively tried to help her obtain a limited lines license. Respondent testified that she believes she is skilled at selling insurance and that, based on her work experience at Cricket Wireless, call centers, and insurance companies, selling insurance is the field in which she performs best.

Respondent acknowledged that she understands why her offense raises concerns for the Department and recognized the relationship between the crime and licensure issues. She testified, however, that she is no longer the same person and

wants to put the offense behind her so she can start over. She stated that, despite the passage of nearly five years, the felony conviction continues to make it difficult for her to secure stable employment and build a long-term career.

IV. ANALYSIS

There is no dispute that Respondent pleaded guilty to, and was convicted of, a felony. Because of that conviction, the Department is allowed to deny her application for a limited lines license pursuant to Texas Insurance Code section 4005.101(b)(8).

Moreover, Respondent was convicted under federal law for knowingly transporting undocumented individuals within the United States to help further their unlawful presence and for conspiring with others to do so. Under the Department's licensing rules, this type of conduct falls into several categories of crimes the Department considers especially serious when deciding whether someone is fit to hold an insurance license. First, the offense involves intentional unlawful conduct carried out knowingly and in coordination with others. That kind of conduct reflects dishonesty and a willingness to evade the law, which directly raises concerns about trustworthiness. For that reason, the offense fits within the rule that treats crimes involving dishonesty or deceit as particularly important in licensing decisions.²⁴

²⁴ 28 Tex. Admin. Code § 1.502(f)(1).

Second, the conduct itself, transporting people unlawfully to help them remain in the country, falls squarely within the category of offenses related to the smuggling of persons. Although the offense was prosecuted under federal law, the Department's rules focus on the nature of the conduct, not the jurisdiction in which it was prosecuted. From that perspective, Respondent's offense is the type of conduct the rules identify as directly related to licensing fitness.²⁵ Third, Respondent was convicted of conspiracy. The Department's rules treat attempts and conspiracies to commit serious offenses the same as completed offenses, because they show intentional and coordinated criminal behavior. That, alone, is enough to bring the offense within the category of crimes the Department must weigh heavily.²⁶

Finally, the rules expressly allow the Department to consider federal offenses when their elements closely match those of listed Texas offenses. Here, the elements of unlawful transportation of persons and conspiracy under federal law closely match Texas offenses involving smuggling of persons and criminal conspiracy.²⁷ For all of these reasons, Respondent's conviction is a crime of prime importance and the Department is permitted to deny her application under 28 Texas Administrative Code sections 1.502(f)(1), (4)(D), (7), and (8).

The next question is whether, despite the conviction, Respondent has shown she is currently fit to hold a license. The record shows that Respondent has a single felony conviction stemming from conduct in May 2021. She was 20 years old at the

²⁵ 28 Tex. Admin. Code § 1.502(f)(4)(D).

²⁶ 28 Tex. Admin. Code § 1.502(f)(7).

²⁷ 28 Tex. Admin. Code § 1.502(f)(8).

time, and credibly testified that she was struggling emotionally after the death of her father and while involved in a toxic relationship. Those circumstances provide some context and weigh slightly in her favor. Still, the offense was not minor. It resulted in a federal felony conviction, time in custody, and three years of supervised release with strict conditions.

Respondent completed her supervision in January 2024 and applied for licensure less than a year later. While over four years have passed since the offense itself, only a short period has passed since she exited court supervision. That short time frame makes it difficult to conclude that she has demonstrated a sustained pattern of lawful behavior without external oversight.

There is also meaningful mitigating evidence. Respondent successfully completed all conditions of supervision, complied with treatment and education requirements, and has maintained steady employment since the offense. She has accepted responsibility, expressed genuine remorse, and demonstrated insight into the poor decisions that led to her conviction. There is no evidence of any additional criminal conduct. Respondent also provided character letters describing her as hardworking, dependable, and trustworthy; and she testified credibly about her desire to move forward and build a stable career. These are positive signs and show that she has taken real steps toward rehabilitation.

Even so, when all factors are weighed together, the evidence does not yet outweigh the seriousness of the offense, its classification as a crime of prime importance, and the limited time since supervision ended. The Department's role is

to protect consumers and ensure that license holders can be relied upon to follow the law and act with integrity. At this point, there has not been enough time to establish that level of confidence. For these reasons, the ALJ concludes that Respondent has not met her burden to show she is presently fit for licensure, and the Department should not issue her a limited lines agent license at this time.

V. FINDINGS OF FACT

1. On December 12, 2024, Genesis Reyes (Respondent) applied to the Texas Department of Insurance (Department) for a limited lines agent license.
2. On January 14, 2025, the Department proposed to deny Respondent's application.
3. Respondent timely requested a hearing to challenge the proposed denial.
4. On August 26, 2025, the Department referred the matter to the State Office of Administrative Hearings (SOAH) for a contested case hearing.
5. On August 28, 2025, the Department issued a notice of hearing and original petition.
6. The notice of hearing, together with the original petition, contained a statement of the time, place, and nature of the hearing; a statement of the legal authority and jurisdiction under which the hearing was to be held; a reference to the particular sections of the statutes and rules involved; and either a short, plain statement of the factual matters asserted or an attachment that incorporated by reference the factual matters asserted in the complaint or petition filed with the state agency.
7. The hearing in this case was held by videoconference on November 17, 2025, before SOAH Administrative Law Judge Katerina DeAngelo. Attorney Whitney Fraser represented the Department, and Respondent appeared and represented herself. The evidentiary record closed on December 4, 2025, upon filing of the hearing transcript.

8. On October 15, 2021, Respondent pleaded guilty to and was adjudged guilty of the federal felony offense of conspiracy to transport an undocumented alien within the United States, in violation of 8 United States Code sections 1324(a)(1)(A)(ii) and (v)(I), in Case No. 5:21CR01054-002 in the United States District Court for the Southern District of Texas.
9. The offense occurred in May 2021, when Respondent was 20 years old.
10. The federal court sentenced Respondent to 32 days of imprisonment, followed by three years of supervised release with special conditions. The conditions included substance abuse treatment, testing, and abstinence; and mental health evaluation and treatment. The court also ordered Respondent to pay a \$100 assessment.
11. Respondent successfully completed all conditions of supervision and her term of supervised release expired on January 12, 2024.
12. Respondent completed a marijuana education course on August 3, 2021.
13. Since the offense, Respondent has maintained employment primarily in customer service roles, including positions at And X Agency, Cricket Wireless, Conduent, and Sea Island Shrimp House.
14. In November 2024, Respondent began working as a sales trainee at Alpa Insurance.
15. Respondent submitted to the Department written statements explaining the circumstances of her offense, expressing remorse, accepting responsibility, and describing her efforts toward rehabilitation.
16. The offense occurred shortly after the death of Respondent's father and while she was involved in a toxic relationship, and she has since attempted to make better decisions and avoid negative influences.
17. Respondent had no criminal history prior to or since the 2021 offense.
18. Respondent submitted to the Department two character reference letters from individuals who described her as honest, hardworking, dependable, and trustworthy, and who were aware of her criminal history.

19. Respondent's offense is one of such a serious nature that the Department considers it to be of prime importance in determining whether to issue a license.
20. It has been four and a half years since Respondent's offense and almost two years since she has been released from supervision.
21. Respondent has made significant efforts at rehabilitation.
22. Respondent takes responsibility for her offense.

VI. CONCLUSIONS OF LAW

1. The Department has jurisdiction over this matter. Tex. Ins. Code §§ 4001.002, .015, 4005.101.
2. SOAH has authority to hear this matter and issue a proposal for decision with findings of fact and conclusions of law. Tex. Gov't Code ch. 2003; Tex. Ins. Code § 4005.104.
3. Respondent received timely and sufficient notice of the hearing. Tex. Gov't Code §§ 2001.051-.052; Tex. Ins. Code § 4005.104(b).
4. The Department bears the burden of proving the grounds for denial of an application, while the applicant bears the burden of proving fitness for licensure despite criminal history. 1 Tex. Admin. Code § 155.427.
5. The standard of proof is by a preponderance of the evidence. *Granek v. Tex. State Bd. of Med. Exam'rs*, 172 S.W.3d 761, 777 (Tex. App.—Austin 2005, no pet.).
6. The Department may deny Respondent's license application because she has been convicted of a felony. Tex. Ins. Code § 4005.101(b)(8).
7. The Department has determined that certain crimes are of such a serious nature that they are of prime importance in determining fitness for licensure. These include any offense for which fraud, dishonesty, or deceit is an essential element; offenses involving the smuggling or trafficking of persons, as described in Texas Penal Code Chapters 20 or 20A; any criminal attempt or

conspiracy to commit an enumerated offense, as described in Texas Penal Code sections 15.01 or 15.02; and offenses under federal law that contain elements substantially similar to those of an enumerated offense. 28 Tex. Admin. Code § 1.502(f)(1), (4)(D), (7), (8).

8. Respondent's conviction under 8 United States Code sections 1324(a)(1)(A)(ii) and (v)(I) constitutes conduct involving dishonesty, conspiracy, and the smuggling of persons.
9. Respondent's offense falls within the crimes designated as being of prime importance under 28 Texas Administrative Code sections 1.502(f)(1), (4)(D), (7), and (8).
10. The Department may deny Respondent's license application because her felony offense directly relates to the duties and responsibilities of the licensed occupation. 28 Tex. Admin. Code § 1.502(f)(1), (4)(D), (7), (8).
11. For applicants with criminal convictions, the Department considers the factors specified in Texas Occupations Code sections 53.022 and .023 in determining whether to grant a license. 28 Tex. Admin. Code § 1.502(e).
12. Although Respondent presented mitigating evidence, including successful completion of supervision, steady employment, remorse, and character references, the mitigating evidence does not outweigh the seriousness, nature, and recentness of the felony offense.
13. Given the limited time that has elapsed since Respondent completed federal supervision, Respondent has not yet demonstrated sufficient present fitness to hold a limited lines agent license.
14. The Department met its burden of proving grounds for denial by a preponderance of the evidence.
15. Respondent did not meet her burden to prove that she is presently fit for licensure despite her felony conviction.
16. The Department should deny Respondent's application for a limited lines agent license at this time.

2026-9838

Signed December 29, 2025.

ALJ Signature:



Katerina DeAngelo

Presiding Administrative Law Judge