

No. **2026-9954**

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

Date: 06/02/2026

Subject Considered:

Jacqueline Palacios
San Antonio, Texas

TDI Enforcement File No. 37493

**Order on
Request to Extend the Deadline to File Motion for Rehearing,
Motion to Set Aside Default Order and Reopen the Record, and
Motion for Rehearing**

General Remarks and Official Action Taken:

The subjects of this order are (1) Jacqueline Palacios' request to extend the deadline to file a motion for rehearing, (2) her motion to set aside the default order and reopen the record, and (3) her motion for rehearing. This order denies Ms. Palacios' request to extend the deadline to file a motion for rehearing as moot and it grants her motion to set aside the default order and reopen the record and her motion for rehearing.

Background

On April 8, 2026, Commissioner's Order No. 2026-9878 was issued, revoking any licenses held by Ms. Palacios. The order was issued following the failure of Ms. Palacios to respond to a notice of allegations sent to her by Texas Department of Insurance (TDI) Enforcement staff under 28 Texas Administrative Code § 1.47.

On May 4, 2026, counsel for Ms. Palacios sent a letter of representation to TDI by email. The letter requested that the deadline to file a motion for rehearing be extended to Friday, May 29, 2026, to allow counsel time to consult with Ms. Palacios and prepare and submit motions to set aside the default order and reopen the record and for rehearing. Enforcement staff submitted a letter in response to the request to extend the timeframe, opposing it.

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Also on May 4, 2026, following Enforcement staff's letter opposing extension of the timeframe, counsel for Ms. Palacios submitted (1) a letter in response to Enforcement's opposition letter, (2) a motion to set aside the default order and reopen the record, and (3) a motion for rehearing. The motions were submitted before the commissioner had the opportunity to consider the request to extend the deadline to file a motion for rehearing.

Ms. Palacios' motion to set aside the default order and reopen the record asserted that she did not receive the notice of hearing by first class mail or by email. The motion also said that while Ms. Palacios received a notice to pick up a certified letter at the post office, she was unable to because of complications from a stroke she suffered on April 12, 2025, that limited her ability to drive.

In her motion for rehearing, Ms. Palacios reiterated her claim that she did not receive Enforcement's notice of allegations by first class mail or email. She also repeated the argument that her medical condition, resulting from complications of a stroke, limited her ability to drive and prevented her from retrieving TDI's certified letter from the post office. Ms. Palacios asserted that Finding of Fact No. 3, and Conclusions of Law Nos. 3–6 were erroneous because (1) the default order did not establish proper notice sufficient to support revocation by default; (2) Enforcement was not entitled to disposition by default under the record; (3) Ms. Palacios was denied a meaningful opportunity to show compliance with the law; and (4) the deemed admissions rest solely on default, rather than on evidence tested through a hearing.

Discussion

Under 28 Texas Administrative Code § 1.47(d)(2), a motion to set aside a default order and reopen the record will be granted if the requesting party establishes that the failure to file a written response to a notice of allegations was neither intentional nor the result of conscious indifference, and that such failure was due to a mistake or accident. Under 28 Texas Administrative Code § 1.47(d)(3), a motion to set aside a default order and reopen the record is not a motion for rehearing and is not a substitute for a motion for rehearing and it has no effect on the statutory deadline for the requesting party to file a motion for rehearing.

Under Government Code § 2001.146, a motion for rehearing must be filed no later than the 25th day after the date the order is signed unless an extension is granted. The

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motion must identify with particularity findings of fact or conclusions of law that are the subject of the complaint and any evidentiary or legal ruling claimed to be erroneous. The motion must also state the legal and factual basis for the claimed error.

Government Code § 311.014 provides that if the last day of a period of time is a Saturday, Sunday, or legal holiday, the period is extended to the next day that is not a Saturday, Sunday, or holiday. Also, under 28 Texas Administrative Code § 1.7, if the last day of a period of time is a Saturday, Sunday, or legal holiday, the period runs until the end of the next day that is not a Saturday, Sunday, or legal holiday.

Extension of the deadline

As addressed below, Ms. Palacios did submit a timely motion for rehearing. Because of this, Ms. Palacios's request to extend the deadline to file a motion for rehearing is moot and should be denied.

Motion to set aside the default order and reopen the record and motion for rehearing

Commissioner's Order No. 2026-9878 was issued on April 8, 2026. The 25th day following that date was May 3, 2026. However, May 3, 2026, was a Sunday. Therefore, under Government Code § 311.014 and 28 Texas Administrative Code § 1.7, the deadline to file a motion for rehearing was extended to the end of Monday, May 4, 2026. Because Ms. Palacios filed her motion for rehearing on May 4, 2026, the motion was timely.

Ms. Palacios has asserted a basis sufficient to warrant setting aside the default order and reopening the record, and she has satisfied the requirements for a motion for rehearing. Therefore, Ms. Palacios's motion to set aside the default order and reopen the record and her motion for rehearing should be granted.

Order

It is ordered that Jacqueline Palacios' request to extend the time to file a motion for rehearing is denied as moot.

It is further ordered that Jacqueline Palacios' motion to set aside the default order and reopen the record and her motion for rehearing are granted. Commissioner's Order

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No. 2026-9878 is set aside and the record is reopened for further proceedings by the parties.

Signed by:

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Amanda Crawford
Commissioner of Insurance

Recommended and reviewed by:

Signed by:

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Jessica Barta, General Counsel

Signed by:

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Justin Beam, Chief Clerk