



LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON
COMMISSIONER

CEASE AND DESIST ORDER,
SUMMARY SUSPENSION
NOTICE OF REVOCATION AND FINE
PRODUCER LICENSE #294410

June 2, 2021

Joel Stephen Martinsen
113 Lac Calcasieu
Luling, LA 70070

Article # **7020 2450 0002 2091 6738**

Via Email: brothermartin01@gmail.com

WHEREAS, IT HAS COME TO MY ATTENTION, as Commissioner of Insurance (Commissioner) of the Louisiana Department of Insurance (LDI), that Joel Stephen Martinsen has violated certain provisions of the Louisiana Insurance Code, Title 22, La. R. S. 22:1 *et. seq.* As used hereinafter, "you" and "your" refer to Joel Stephen Martinsen. Accordingly, pursuant to the power and authority vested in me as the Commissioner, issue this Order to Cease and Desist, Summary Suspension, Notice of Revocation and Notice of Fine based on the following, to wit:

Joel Stephen Martinsen is an individual producer (License #294410) with a license date of October 7, 2002. Your license is currently active.

In April 2021, Progressive Insurance identified suspicious behavior being exhibited by you in the rating of commercial policies. Progressive found seven instances of declaration (dec) pages which appeared to have been altered and submitted by you to confirm the applicant had prior commercial policies. The dec pages submitted by you purported the applicants had prior coverage with Liberty Mutual. The insured's name and the policy number were of a different font than used on the remainder of the dec page and the premium for all the policies was the same amount, thirty-two hundred and seventy-two dollars (\$3272.00).

The following list contains the dec pages you submitted to Progressive Insurance for verification of prior coverage for the applicants. The dec pages were verified by Liberty Mutual to contain fraudulent information and were not valid policies.

POLICY #	TO	DATES
1. BLS210405495	Vic 3 Enterprises, LLC	09/1/2020-09/1/2021
2. BLS60549586	BBS Construction Co	12/5/2020-12/5/2021
3. BLS0969584	Fred Logistics LLC	12/1/2020-12/1/2021
4. BLS0949900	Mike-Chele Trucking Inc	01/01/2021-01/01/2022
5. BLS10249586	R. Manuel Enterprises, LLC	01/1/2021-01/01/2022
6. BLS (21) 60 06 86 71	Sandmark Transportation, LLC	07/24/2020-07/24/2021
7. BLS30495987	TJR Solutions LLC	10/1/2020-10/1/2021

On or about April 13, 2021, Progressive Insurance notified your employers, Kelly Thibodeaux and Kitty Ford at Terrebonne Insurance Agency (TIA) of the findings of their audit. Progressive notified TIA that you would no longer be allowed to write any Progressive policies. On April 20, 2021, you were terminated from your employment at TIA. Upon separating from TIA you also admitted to manipulating the rating system and submitting the fraudulent documents in order to get a lower rate for customers.

Valerie Miller of Liberty Mutual verified to LDI that the submitted dec pages contained fraudulent information and invalid policy numbers.

The Louisiana Insurance Code, Title 22, R.S. 22:1 et seq. at §2. states:

§ 2. Insurance regulated in the public interest

- (1) Insurance is an industry affected with the public interest and it is the purpose of this Code to regulate that industry in all its phases. [I]t shall be the duty of the commissioner of insurance to administer the provisions of this Code.

La. R.S. 22:18 maintains in pertinent part:

§18. Suspension or revocation of insurer's licenses; fines; orders

- A. The commissioner of insurance may, as a penalty, in accordance with R.S. 49:961, refuse to renew, or may suspend, or revoke the certificate of authority or license of an insurer, person, or entity violating any of the provisions of this Code, or in lieu of suspension or revocation of a certificate or license duly issued, the commissioner may levy a fine not to exceed one thousand dollars for each violation per insurer, person, or entity, up to one hundred thousand dollars aggregate for all violations in a calendar year per insurer, person, or entity, when such violations warrant the refusal, suspension, or revocation of such certificate or license, or the imposition of the fine. The commissioner is also authorized to order any insurer, person, or entity to cease and desist any such action that violates any provision of this code.

Pursuant to La. R.S. 22:1554, the Commissioner is authorized to take certain regulatory actions against any person who is ...charged with a violation of this Part of Chapter 5, Producers and Other Regulated Entities Part I. Producers. These actions are designed to assist the Commissioner in administering the provisions of the Insurance Code.

La. R.S. 22:1554 maintains in pertinent part:

§ 1554. License denial, nonrenewal, or revocation

- A. The commissioner may place on probation, suspend, revoke, or refuse to issue, renew, or reinstate an insurance producer license, or may levy a fine not to exceed five hundred dollars for each violation occurring, up to ten thousand dollars for each violation aggregate

for all violations in a calendar year per applicant or licensee, or any combination of actions, for any one or more of the following causes:

(4) Using fraudulent, coercive, or dishonest practices or misrepresentation, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business such as might endanger the public.

(5) Misrepresenting the terms of an actual or proposed insurance contract, binder, rider, plan, or application for insurance, including all forms or documents that are attached, or will be attached, to an actual or proposed insurance contract, binder, rider, plan, or application for insurance.

(6) Having admitted or been found to have committed any insurance unfair trade practice under R.S. 22:1961 et seq. or fraud under R.S. 22:1964 et seq.

(14) The violation of any insurance laws of the United States, this state or any state, province, district, or territory, or violating any lawful rule, regulation, subpoena, or order of the commissioner of insurance or of the insurance officials of another state.

La. R.S. 22:1923 maintains in pertinent part:

§ 1923. Definitions

(2) "Fraudulent insurance act" shall include but not be limited to acts or omissions committed by any person who, knowingly and with intent to defraud:

(a) Presents, causes to be presented, or prepares with knowledge or belief that it will be presented to or by an insurer, reinsurer, purported insurer or reinsurer, producer, or any agent thereof, any oral or written statement which he knows to contain materially false information as part of, or in support of, or denial of, or concerning any fact material to or conceals any information concerning any fact material to the following:

(i) An application for the issuance of any insurance policy.

La. R.S. 22:1924 maintains in pertinent part:

§ 1924 Prohibited activities and sanctions

A. (1) Any person who, with the intent to injure, defraud, or deceive any insurance company, or the Department of Insurance, or any insured or other party in interest, or any third-party claimant commits any of the acts specified in Paragraph (2) or (3) of this Subsection is guilty of a felony and shall be subjected to a term of imprisonment, with or without hard labor, not to exceed five years, or a fine not to exceed five thousand dollars, or both, on each count and payment of restitution to the victim company of any insurance payments to the defendant that the court determines was not owed and the costs incurred by the victim company associated with the evaluation and defense of the fraudulent claim, including but not limited to the investigative costs, attorney fees, and court costs. However, if the benefit pursued does not exceed one thousand dollars,

the term of imprisonment shall not exceed six months, or the fine shall not exceed one thousand dollars, or both, on each count.

(2) The following acts shall be punishable as provided in Paragraph (1) of this Subsection:

(a) Committing any fraudulent insurance act as defined in R.S. 22:1923.

La. R.S. 22:1964 maintains in pertinent part:

§ 1964. Methods, acts, and practices which are defined as unfair or deceptive

The following are declared to be unfair methods of competition and unfair or deceptive acts or practices in the business of insurance:

(12) Any violation of any prohibitory law of this state.

(13) Fraudulent insurance act. A fraudulent insurance act is one committed by a person who knowingly and with intent to defraud presents, causes to be presented, or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, producer, or any agent thereof, any written statement as part of, or in support of, or in opposition to an application for the issuance of, or the rating of an insurance policy for commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which he knows to contain materially false information concerning any fact material thereto; or conceal for the purpose of misleading information concerning any fact material thereto.

(18) Misrepresentation in insurance application. Making false or fraudulent statements or representations on or relative to an application for a policy, for the purpose of obtaining a fee, commission, money, or other benefit from any provider or individual person.

The Louisiana Insurance Code, Title 22, La. RS. 22:1 et seq., authorizes the Commissioner to investigate the affairs and professional conduct of every person engaged in the business of insurance to determine whether such person has been or is engaged in any unfair or deceptive act or practice prohibited by the Louisiana Insurance Code. It is determined that Leslie Claire Trahan has committed the violations of the Louisiana Insurance Code as listed above.

VIOLATIONS:

In the course of conducting the business of insurance in the state of Louisiana the submission of fraudulent declaration pages or certificates of insurance violates La. R.S. 22:1554(A)(4),(5),(6), and (14); La. R.S. 22:1924(A)(1), (2)(a) as defined by La. R.S. 22:1923 (2)(a), and La. R.S. 22:1964 (12), (13), and (18).

BE ADVISED:

COMMISSIONER'S ACTION:

As a result of the investigation and documentation in possession of the LDI, and in accordance with La. R.S. 22:18, La. R.S. 22:1554(A), La. R.S.1969 and La. R.S. 49:961(C), determination has been rendered that you are in violation of the statutes listed above and the public health, safety, or welfare imperatively requires emergency action, therefore, you are a danger to the insurance buying public to such a degree that the Louisiana Commissioner of Insurance hereby orders you, **Joel Steven Martinsen**, to **CEASE AND DESIST** from conducting the business of insurance, and Louisiana Insurance Producer License Number **294410** is hereby **SUSPENDED** effective immediately.

The Louisiana Commissioner of Insurance hereby imposes a **FINE** upon **Joel Steven Martinsen** in the amount of **three thousand five hundred dollars (\$3,500.00)** payable immediately.

Additionally, your Louisiana Insurance Producer License Number **294410** issued to **Joel Steven Martinsen** is hereby **REVOKED** effective thirty (30) days from issuance of this Notice.

YOUR ACTION:

Be advised that this constitutes an administrative action and that it will be reported to the National Insurance Producer Registry. You may need to report this administrative action to other states in which you hold an active license. Contact that state's insurance department if you are unsure of the requirements.

Please remit your **\$3,500.00** fine payment and a copy of this notice to:

Louisiana Department of Insurance
Attention: Accounts Receivable
P.O. Box 94214
Baton Rouge, LA 70804-9214

Pursuant to La. R. S. 22:2191(A)(2), any person aggrieved by an act of the Commissioner may request a hearing. You must make a written demand for an appeal within thirty (30) days from the date of this notice. Failure to file a written demand for an appeal within thirty (30) days of this notice will preclude your right to an administrative hearing. Pursuant to La. R. S. 22:2191(B), your written demand for an appeal (1) shall reference the particular sections of the statutes and rules involved; (2) shall provide a short and plain statement of the matters asserted for review; and (3) shall attach a copy of the order or decision that you are appealing. Appealing this notice does not stay the action of the Commissioner of Insurance. Pursuant to La. R.S. 22:2204 you must

request and be granted a stay of this action by the Division of Administrative Law. You request for a stay may be included in your appeal. Your written demand for an appeal shall be filed with the Louisiana Department of Insurance at the addresses below:

Louisiana Department of Insurance
Attn: J. David Caldwell, Executive Counsel
P. O. Box 94214
Baton Rouge, LA 70804-9214

Telephone: (225) 342-4673
Fax: (225) 342-1632

File in Person at:

1702 N. Third Street
Baton Rouge, LA 70802

Signed in Baton Rouge, Louisiana this 2nd day of June 2021.

JAMES J. DONELON
COMMISSIONER OF INSURANCE
STATE OF LOUISIANA

BY:



Matthew Stewart
Deputy Commissioner
Divisions of Fraud & Enforcement
Louisiana Department of Insurance
Telephone: (225) 219-5819

CERTIFICATE OF SERVICE
Article # 7020 2450 0002 2091 6738

I hereby certify that I have this day served the foregoing document upon **Joel Steven Martinsen** by mailing a copy thereof properly addressed with postage prepaid, this 2nd day of June 2021.



Rudy Babin Fraud Investigator