



June 29, 2016

Violeta Lopez
Premier Insurance Group Agency LLC
4129 Highway 13 W
Savage, MN 55378

Re: Our File Number: REG. 1510-00057/KBU

Dear Ms. Lopez:

The Minnesota Department of Labor and Industry, Construction Codes and Licensing Division, has received evidence that your company has engaged in violations of Minn. Stat. § 181.723(2014) and Minn. Stat. §326B.081 to 326B.085 (2014).

Enclosed is an Administrative Order we issued today by which you are ordered to pay a monetary penalty of \$1,000. The \$1,000 penalty is assessed for providing false or misleading information to the state in connection with the application for registration in violation of Minnesota Statute §326B.082, subd. 11 (b)(2) (2014). The Administrative Order includes a cease and desist order from completing registration applications, as an agent of the applicant, for an individual, sole proprietor, or business entity performing public or private sector commercial or residential building construction or improvement services for which registration in the Registration Program is required. The penalty is due and payable when the Administrative Order becomes final.

You have the right to contest the Administrative Order by requesting a hearing within 30 days of the issuance of the Order. In the event a hearing is requested, the hearing would be held before an Administrative Law Judge ("ALJ") who, after hearing the evidence, would make a determination of whether or not violations have occurred.

The ALJ would then issue a recommendation to the Commissioner as to whether the violations were proven and the penalty reasonable. If the ALJ finds that the violation occurred and the penalty is reasonable, the Order will become final and the monetary penalty will become due and owing. Once the Order becomes final, the monetary penalty will be reduced to a judgment in Ramsey County District Court and any other appropriate district court, and collection procedures will commence. You would have the right to be represented by legal counsel throughout these proceedings, but you are not required to have one.

If you have any questions or concerns regarding this letter, or the enclosed Order, feel free to contact the undersigned investigator directly.

Sincerely,

Karen Bugar
Senior Investigator
Tel: 651-284-5374
Fax: 651-284-5749
E-mail: karen.bugar@state.mn.us

Enclosure: Administrative Order

STATE OF MINNESOTA
Department of Labor and Industry

In the Matter of Violeta Lopez

**ADMINISTRATIVE ORDER
WITH PENALTY**

I. ORDER

The Commissioner of the Minnesota Department of Labor and Industry (“Commissioner”) issues this Order against Violeta Lopez (“Respondent”).

Pursuant to Minn. Stat. §§ 181.723; 326B.082; and 326B.083 (2014), the Commissioner hereby assesses against Respondent a monetary penalty of \$1,000.

The Commissioner also hereby orders Respondent to cease and desist from violating the laws cited in the “Conclusions of Law” section of this Administrative Order. Specifically, the Commissioner orders Respondent to cease and desist from completing registration applications for an individual, sole proprietor, or business entity performing public or private sector commercial or residential building construction or improvement services for which registration in the Registration Program is required. The cease and desist order remains in effect until compliance with the registration requirements of Minn. Stat. § 326B.701, subd. 3(b)(8) (2014) is achieved and the monetary penalty assessed above is paid.

The Commissioner takes the above action based upon the following findings of fact and conclusions of law:

II. FINDINGS OF FACT

1. Respondent is a licensed insurance agent in the State of Minnesota.
2. Respondent is engaged in the business of offering insurance products through the Premier Insurance Group Agency LLC (“Premier”) and has provided services for Ramirez Drywall L.L.C. (“Ramirez”).
3. Ramirez is engaged in the business of providing building construction or improvement services and holds a construction contractor registration, No. IR690984, issued by the Commissioner on February 27, 2015.
4. The electronic application for Ramirez’s registration was submitted by an agent of Premier. The registration business address for Ramirez was reported as 6325 Douglas Drive N., Apt., 104, Brooklyn Park, MN 55429. The sole business owner was listed as

Veronica Ramirez and the application stated that Ramirez had no employees or independent contractors. The phone number provided in the application does not accept incoming calls.

5. On September 17, 2015, an email from Premier notified the Department electronically of a new business address for Ramirez of 17710 Evenfall Ave., Farmington, MN 55024. The Department updated the construction contractor registration to reflect the new address.
6. On October 20, 2015, the Minnesota Department of Labor and Industry ("Department") opened an investigation of Ramirez based on information that indicated Ramirez may have engaged in violations of the Minnesota statutes and rules governing worker classification in the construction industry.
7. As part of the Department's investigation, a subpoena duces tecum was mailed to Ramirez on October 28, 2015 at the Farmington address. When Respondent failed to comply with the subpoena, the Department issued an Order to Appear which required Veronica Ramirez to appear at the Department's offices on May 3, 2016. Ms. Ramirez failed to appear as ordered and made no effort to communicate with the Department regarding the subpoena or the Order to Appear.
8. On December 30, 2015, the Ramirez's contractor registration was renewed electronically by Premier. The electronic signature of Violeta Lopez certified the following statement: "I certify that I have reviewed the application and the information in the application is true, complete and accurate, and that I am authorized to complete, sign and submit the application as an individual applicant or as an agent of the applicant." In the renewal, there was no change to ownership or employee status.
9. Ramirez has maintained a workers' compensation insurance policy since February 6, 2015. Documents obtained from Minnesota Workers' Compensation Insurers Association, Inc. include the 2015 application, 2015 new policy and 2016 renewal. All documents show the agent as Premier Insurance Group. Veronica Ramirez is listed as the owner in the business of drywall installation. A question about using subcontractors is checked "no."
10. On February 8, 2016, the Department issued an Administrative Subpoena Duces Tecum to Premier Insurance Group Agency LLC to produce a list of all contractors who have requested a Certificate of Insurance for Ramirez Drywall L.L.C. since February 5, 2015.
11. Premier responded with the requested documents on February 10, 2016 indicating that eleven contractors received workers compensation and general liability certificates for the insured Ramirez Drywall L.L.C.
12. A search of an online investigative tool available to the Department revealed that the federal employer identification number provided in the registration application is false.

13. A search based on the Social Security number provided in Ramirez's application for contractor registration indicates a possible address for Veronica Ramirez in Texas. The Department could not establish a link between the information provided by Premier on behalf of Ramirez, and the identity of the true owner and worker(s) for Ramirez Drywall, L.L.C.

III. CONCLUSIONS OF LAW

1. Respondent committed a violation of applicable law. Minn. Stat. §§ 181.723, 326B.701, and 326B.082, subd. 7 (2014).
2. Respondent provided false or misleading information to the state in connection with the application for registration in violation of Minn. Stat. § 326B.082, subd. 11 (b)(2) (2014).

IV. DETERMINATION OF PENALTY AMOUNT

In determining the amount of the penalty, the Commissioner considered: the extent of deviation from compliance; whether the violations were willful; the gravity of the violations; the number of violations; whether there is a history of past violations; whether Respondents gained economic benefit in not complying with the law; and other factors as justice may require.

V. REQUEST FOR HEARING

Pursuant to Minn. Stat. § 326B.082, subd. 8 (2014), Respondent shall have 30 days after issuance of this Administrative Order to request a hearing. A request for hearing must be in writing and must be served on or faxed to the Commissioner at the following address or fax number by the deadline.

Minnesota Department of Labor and Industry
CCLD – Enforcement Services Unit
Attention: Charlie Durenberger
443 Lafayette Road North
St. Paul, MN 55155

Fax number: (651) 284-5746

The date on which a request for hearing is served by mail shall be the postmark date on the envelope in which the request for hearing is mailed. The request for hearing must specifically state the reasons for seeking review of the order. If the request for hearing is served by fax it cannot exceed 15 pages in length and must be received no later than 4:30 p.m. central time on the last day permitted for serving a request. Respondent's review rights are more thoroughly described in Minn. Stat. § 326B.082, subs. 4 and 8 (2014).

If Respondent submits to the Commissioner a timely request for hearing, the Administrative Order shall be stayed unless otherwise ordered by a judge, and a contested case hearing will be conducted. The contested case procedures are set out in chapter 14 of Minnesota Statutes, the Rules of the Office of Administrative Hearings, Minn. Rules 1400.5010 to 1400.8400 (2015), and Minn. Stat. § 326B.082, subd. 8 (2014). These materials may be purchased from the Minnesota Book Store, telephone (651) 297-3000, and are also available at www.revisor.mn.gov.

VI. EFFECT OF FINAL ORDER

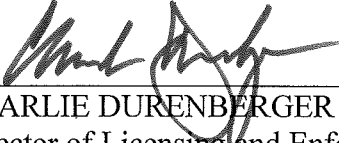
If Respondent does not request a hearing or Respondent's request for a hearing is not served on or faxed to the Commissioner by the deadline specified in the "Request for Hearing" section of this Administrative Order, this Administrative Order shall become a final order of the Commissioner and will not be subject to review by any court or agency. *See* Minn. Stat. § 326B.082, subd. 8 (2014).

The \$1,000 monetary penalty assessed upon Respondent by this Administrative Order is due and payable on the date the Administrative Order becomes final. *See* Minn. Stat. § 326B.083, subd. 3(a) (2014).

When this Administrative Order becomes final, the Commissioner may file and enforce any unpaid portion of the penalty as a judgment in district court without further notice or additional proceedings. *See* Minn. Stat. §§ 16D.17 and 326B.083, subd. 2 (2014). Failure to pay a monetary penalty owed may result in the agent, Violeta Lopez, and anyone on behalf of Premier Insurance Group Agency LLC from submitting registration applications for an individual, sole proprietor, or business entity performing public or private sector commercial or residential building construction or improvement services for which registration in the Registration Program is required. *See* Minn. Stat. § 326B.082, subd. 17 (2014). Also, pursuant to Minn. Stat. § 16D.13 (2014), Respondent is hereby notified that thirty (30) days after the date this Administrative Order becomes final, simple interest computed in accordance with Minn. Stat. § 16D.13, subd. 2 (2014) will begin to accrue on the unpaid portion of the penalty.

Dated: 6/29/16

KEN B. PETERSON
Commissioner

BY: 
CHARLIE DURENBERGER
Director of Licensing and Enforcement
Construction Codes and Licensing Division
Department of Labor and Industry