

OCT 16 2007

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

DEPT OF INSURANCE  
BY 

In the Matter of: )  
 )  
MICHELLE LYNN MANNING, )  
 )  
 )  
 )  
Respondent )  
\_\_\_\_\_ )

No. 07A-159-INS

CONSENT ORDER

Hearing 10/29/07, 9:00 a.m.

ALJ Lewis Kowal

The State of Arizona Department of Insurance ("Department") has received evidence that **Michelle Lynn Manning** ("Manning" or "Respondent") has violated provisions of Title 20, Arizona Revised Statutes ("A.R.S."). Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consents to entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. On or about June 10, 2004, Michelle Lynn Manning ("Manning") filed an application for, and was granted, a resident individual life and accident/health producer's license with the Arizona Department of Insurance (the "Department"), license number 178143. This license expired on June 30, 2006.
2. On or about July 2, 2007, Manning late-filed an Insurance License Renewal Application ("Renewal") for license number 178143. Manning listed her residential and mailing address as: 2251 North Recker Road, Mesa, Arizona 85215.
3. Part II, section A of the Renewal asks, "Have you been convicted of a felony that has not previously been disclosed by you to this agency in a license application?" Manning

1 answered "Yes" to section A of the application and included with her renewal court documents  
2 and a letter of explanation regarding the felony.

3 4. On or about August 9, 2007, the Department denied Manning's application.

4 5. On August 28, 2007, Manning timely filed a Notice of Appeal and included with  
5 the appeal an unidentified transcript of court proceedings regarding her felony conviction.

6 2005 Felony Conviction

7 6. On or about March 7, 2005, a United States Magistrate Judge in the Northern  
8 District of Ohio, Eastern Division, *United States of America v. Michelle Manning*, Case Number  
9 1:05 MJ 2013, issued a warrant for Manning's arrest. Manning was charged with knowingly,  
10 intentionally, willfully, and unlawfully distributing cocaine and conspiring to distribute and  
11 possess with the intent to distribute cocaine, a schedule II controlled substance. The arrest  
12 warrant followed an incident which occurred on March 5, 2005, in which the Federal Bureau of  
13 Investigation seized \$174,885.00.

14 7. On or about October 5, 2005, Manning pled guilty to: Count 1, Conspiracy to  
15 possess with intent to distribute and distribution of cocaine and marijuana, in violation of 21  
16 U.S.C. §§ 841(a)(1) and 846; and, Count 11, Money laundering, in violation of 18 U.S.C. §  
17 1956(a)(1)(B)(ii), United States District Court, Northern District of Ohio, *United States of*  
18 *America v Michelle Manning*, Case Number 1:05CR 168-006.

19 8. Manning was assessed a penalty of \$200 and sentenced to 37 months  
20 imprisonment on counts 1 and 11 to run concurrently, with credit for time served, and ordered  
21 to attend a program of intensive substance abuse for a total of 500 hours. Upon release from  
22 prison, Manning was placed on 3 years of supervised release, and ordered to refrain from  
23

1 possessing or using a controlled substance, and to submit to drug testing as determined by  
2 the court.

3 9. Manning was also ordered to forfeit any interest in the \$174,885.00 which had  
4 been seized by the Federal Bureau of Investigation on March 5, 2005.

5 10. On or about June 1, 2007, Manning successfully completed the 500 hour drug  
6 abuse program at the Federal Prison Camp, Phoenix, Arizona.

7 **CONCLUSIONS OF LAW**

8 1. The Director has jurisdiction over this matter.

9 2. Manning's conduct, as alleged above, constitutes failing to report to the director,  
10 within 30 days after the initial pretrial hearing date, any criminal prosecution of the producer  
11 taken in any jurisdiction, a violation of A.R.S. § 20-301(B).

12 3. Manning's conduct as described above constitutes the violation of any provision  
13 of A.R.S. Title 20 or any rule, subpoena or order of the director within the meaning of  
14 A.R.S. §20-295(A)(2).

15 4. Grounds exist for the Director to suspend, revoke, or refuse to renew  
16 Respondent's insurance license, impose a civil penalty and/or order restitution pursuant to  
17 A.R.S. §§20-295(A) and (F).

18 **ORDER**

19 IT IS HEREBY ORDERED THAT:

20 1. Manning shall pay a \$100 civil penalty to the Department.

21 2. The Department withdraws its denial of Manning's license.

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1           6.       Respondent acknowledges that this Consent Order is an administrative action  
2 that the Department will report to the National Association of Insurance Commissioners  
3 (NAIC). Respondent further acknowledges that she must report this administrative action to  
4 any and all states in which she holds an insurance license and must disclose this  
5 administrative action on any license application.

6 10-11-07  
7       Date

Michelle Lynn Manning  
Michelle Lynn Manning

8 COPIES of the foregoing mailed/delivered  
9 this 16th day of October, 2007, to:

10 Michelle Lynn Manning  
11 2251 N. Recker Rd.  
12 Mesa, Arizona 85215  
Respondent

13 Mary E. Kosinski, Exec. Assistant for Regulatory Affairs  
14 Mary Butterfield, Assistant Director  
15 Catherine M. O'Neil, Consumer Legal Affairs Officer  
16 Steven Fromholtz, Licensing Supervisor  
17 Department of Insurance  
18 2910 North 44<sup>th</sup> Street, Suite 210  
Phoenix, Arizona 85018

19 Lewis D. Kowal, Administrative Law Judge  
20 Office of Administrative Hearings  
21 1400 West Washington, Suite 101  
22 Phoenix, AZ 85007

23 Kelly LaPrade  
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Consumer Protection & Advocacy Section  
1275 West Washington  
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Attorney for the Department

Curvey Burton  
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