

AUG 20 2014

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

DEPT OF INSURANCE
BY 

In the Matter of:

BAUER, KRISTIE ALMLIE
(Arizona License No. 1027521)

No. 13A-134-INS

Respondent.

ORDER

On August 13, 2014, the Office of Administrative Hearings, through Administrative Law Judge Sondra J. Vanella, issued an Administrative Law Judge Decision ("Recommended Decision"), received by the Director of the Department of Insurance ("Director") also on August 13, 2014, a copy of which is attached and incorporated by this reference. The Director of the Department of Insurance has reviewed the Recommended Decision and enters the following Order:

1. The Director adopts the Recommended Findings of Fact and Conclusions of Law.
2. The Director revokes the Arizona life and accident/health producer license, No. 1027521, held by **Kristie Almlie Bauer**, effective immediately.

NOTIFICATION OF RIGHTS

Pursuant to Arizona Revised Statutes ("A.R.S.") § 41-1092.09, Respondents may request a rehearing with respect to this order by filing a written motion with the Director within 30 days of the date of this Order, setting forth the basis for relief under A.A.C. R20-6-114(B). Pursuant to A.R.S. § 41-1092.09, it is not necessary to request a rehearing before filing an appeal to Superior Court.

Respondent may appeal the final decision of the Director to the Superior Court of Maricopa County for judicial review pursuant to A.R.S. § 20-166. A party filing an appeal

1 must notify the Office of Administrative Hearings of the appeal within ten days after filing
2 the complaint commencing the appeal, pursuant to A.R.S. § 12-904(B).

3 DATED this 20th day of August, 2014.

4 
5 GERMAINE L. MARKS, Director
6 Arizona Department of Insurance

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8 **COPY** of the foregoing delivered this
9 20th day of August, 2014 to:

10 Darren Ellingson, Deputy Director
11 Mary Kosinski, Executive Assistant for Regulatory Affairs
12 Steve Fromholtz, Licensing Supervisor
13 Arizona Department of Insurance
14 2910 North 44th Street, Suite 210
15 Phoenix, Arizona 85018

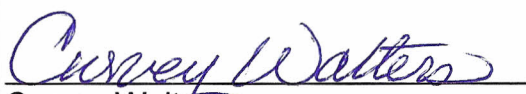
16 **COPY** mailed same date by Regular Mail
17 and Certified Mail, Return Receipt Requested, to:

18 Kristie A. Bauer
19 5020 W. Desert Cove Avenue
20 Glendale, Arizona 85304
21 Respondent

22 Kristie A. Bauer
23 P O Box 6284,
24 Glendale, AZ 85312
25 Respondent

26 **COPY** sent same date via electronic mail to:

Liane Kido
Assistant Attorney General
Liane.Kido@azag.gov and Teresa.Carranza@azag.gov
Attorney for the Department of Insurance


Curvey Walters

1 **IN THE OFFICE OF ADMINISTRATIVE HEARINGS**

2
3 **In the Matter of the Insurance License
4 of:**

No. 13A-134-INS

5 **BAUER, KRISTIE ALMLIE**
6 **(Arizona License No. 1027521),**

ADMINISTRATIVE LAW JUDGE
DECISION

7
8 **Respondent.**
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12 **HEARING:** July 29, 2014

13 **APPEARANCES:** Assistant Attorney General Liane Kido represented the Arizona
14 Department of Insurance. Respondent Kristie Almlie Bauer did not appear.

15 **ADMINISTRATIVE LAW JUDGE:** Sondra J. Vanella
16

17 **Procedural History**

18 The hearing of this matter was scheduled to convene on March 12, 2014, at 8:00 a.m.
19 On the date and at the time set for hearing, Assistant Attorney General Liane Kido
20 represented the Arizona Department of Insurance (“Department”). Respondent Kristie
21 Almlie Bauer did not appear. However, her significant other, Glen McTavish, appeared to
22 advise that Ms. Bauer is suffering from stage 4 lung cancer and could not attend the
23 hearing but wishes to become compliant. Ms. Kido offered the option of setting the matter
24 for status in order to give Ms. Bauer the opportunity to submit a legible set of fingerprints to
25 the Department. The Administrative Law Judge found good cause to continue the matter
26 and set a date by which the Department would inform the Tribunal as to whether a hearing
27 was necessary. The hearing was continued and the Department was requested to file a
28 written status report by May 14, 2014.

29 On May 14, 2014, the Department filed a status report stating that the parties were
30 unable to resolve the matter and requesting that a hearing date be set. On May 19,
 2014, a Minute Entry Granting Continuance was issued to the parties advising of the

1 continued hearing date and time of July 29, 2014, at 8:00 a.m., at the Office of
2 Administrative Hearings located at 1400 West Washington, Suite 101, Phoenix, Arizona.
3 On the date and at the time set for continued hearing, Assistant Attorney General Liane
4 Kido represented the Department. Ms. Bauer did not appear. The Tribunal waited 15
5 minutes to convene the hearing in order to afford additional time for Ms. Bauer to appear.
6 Ms. Bauer did not contact the Office of Administrative Hearings to advise of any reason for
7 her absence or delay, nor did she request to appear telephonically or that the hearing be
8 continued further. The hearing proceeded in Ms. Bauer's absence.

9 **FINDINGS OF FACT**

10 1. At all times material to this matter, Ms. Bauer was, and currently is, licensed by
11 the Arizona Department of Insurance ("Department").

12 2. On September 10, 2012, the Department issued to Ms. Bauer a life and
13 accident/health producer license, license number 1027521 ("License"), which expires
14 on May 31, 2016. See Exhibit 1.

15 3. Steven Fromholtz ("Mr. Fromholtz"), Producer Licensing Administrator of the
16 Licensing Section of the Department, testified that when an application for a producer's
17 license is received and processed, it is forwarded to the Arizona Department of Public
18 Safety ("DPS") for processing, which includes processing by the Federal Bureau of
19 Investigation ("FBI") for a criminal history background check to be conducted. The
20 Department submits the completed fingerprint forms supplied by the applicant to DPS
21 and DPS submits the fingerprint forms to the FBI for national processing.

22 4. On December 24, 2012, the Department issued a letter to Ms. Bauer by mail,
23 informing her that her fingerprint card that was submitted during the application process
24 for the License could not be processed and was returned by DPS as illegible. See
25 Exhibit 3. In that letter, the Department requested that Ms. Bauer submit a replacement
26 set of fingerprints and enclosed a blank Illegible Fingerprint Replacement Form. *Id.*
27 The Department provided a deadline of January 31, 2013, for the return of the
28 completed replacement fingerprint form. *Id.*

29 5. Because the Department did not receive the requested replacement fingerprint
30 form from Ms. Bauer as requested, the Department sent another letter to Ms. Bauer

1 dated May 2, 2013, giving Ms. Bauer a deadline of May 15, 2013, to file with the
2 Department an Illegible Fingerprint Replacement Form with a new set of fingerprints or
3 submit a Voluntary Surrender of Insurance License Form. See Exhibit 4. The
4 Department indicated that the failure to respond to the letter would result in the
5 initiation of disciplinary action being taken against the License. *Id.*

6 6. Mr. Fromholtz testified that to date, Ms. Bauer has not responded to the
7 Department's letters, nor has she submitted to the Department a new set of fingerprints,
8 and as such, her application is considered incomplete.

9 7. Ms. Bauer did not present any evidence to refute or rebut the evidence
10 presented by the Department.

11 **CONCLUSIONS OF LAW**

12 1. This matter is a disciplinary proceeding wherein the Department must prove by a
13 preponderance of the evidence that Ms. Bauer violated the State's Insurance Laws.
14 See A.A.C. R2-19-119.

15 2. During the application process, the Director of the Department required Ms.
16 Bauer to submit a full set of fingerprints and Ms. Bauer's illegible fingerprint submission
17 did not satisfy that requirement. See A.R.S. § 20-285(E)(2).

18 3. Ms. Bauer's conduct, as set forth above, constitutes a violation of A.R.S. § 20-
19 295(A)(1) by having failed to provide complete information in the license application.

20 4. Ms. Bauer's conduct, as set forth above, constitutes the violation of any
21 provision of A.R.S., Title 20, within the meaning of A.R.S. § 20-295(A)(2).

22 5. Grounds exist for the Director of the Department to suspend, revoke, or refuse to
23 renew the License pursuant to A.R.S. § 20-295(A).

24 **ORDER**

25 Based upon the above, Ms. Bauer's License shall be revoked on the effective
26 date of the Order entered in this matter.

27 *In the event of certification of the Administrative Law Judge Decision by the*
28 *Director of the Office of Administrative Hearings, the effective date of the Order will be*
29 *five (5) days from the date of that certification.*

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Done this day, August 13, 2014.

/s/ Sondra J. Vanella
Administrative Law Judge

Transmitted electronically to:
Darren Ellingson, Deputy Director
Arizona Department of Insurance