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STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:

No. 14A-044-INS

MEYERS, JAMES WILLIAM
(Arizona License No. 926591),
Petitioner.

ORDER

On May 12, 2014, the Office of Administrative Hearings, through Administrative Law Judge M. Douglas, issued an Administrative Law Judge Decision ("Recommended Decision"), received by the Director of the Department of Insurance ("Director") on May 21, 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:

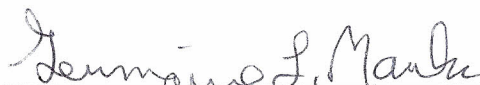
1. The Director adopts the Recommended Findings of Fact and Conclusions of Law.
2. The Director denies James William Meyers's application for an Arizona Individual Insurance Producer's license.

NOTIFICATION OF RIGHTS

Pursuant to Arizona Revised Statutes ("A.R.S.") § 41-1092.09, Petitioner may request a rehearing with respect to this order by filling a written motion with the Director of the Department of Insurance 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.

1 Petitioner may appeal the final decision of the Director to the Superior Court of
2 Maricopa County for judicial review pursuant to A.R.S. § 20-166. A party filing an appeal
3 must notify the Office of Administrative Hearings of the appeal within ten days after filing
4 the complaint commencing the appeal, pursuant to A.R.S. § 12-904(B).

5 DATED this 22nd day of May, 2014.

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7 
8 GERMAINE L. MARKS, Director
9 Arizona Department of Insurance

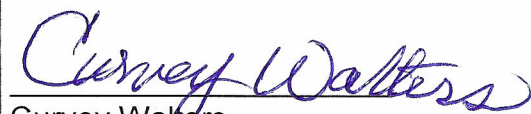
10 COPY of the foregoing mailed this
11 23rd day of May, 2014 to:

12 James William Meyers
13 17493 N. Costa Brava Avenue
14 Maricopa, Arizona 85139
15 Petitioner

16 Mary Kosinski, Executive Assistant for Regulatory Affairs
17 Darren Ellingson, Deputy Director
18 Maria Ailor, Acting Consumer Affairs Assistant Director
19 Catherine O'Neil, Consumer Legal Affairs Officer
20 Steven Fromholtz, Licensing Director
21 Arizona Department of Insurance
22 2910 North 44th Street, Suite 210
23 Phoenix, Arizona 85018

24 Liane Kido
25 Assistant Attorney General
26 1275 West Washington Street
Phoenix, Arizona 85007-2926

Office of Administrative Hearings
1400 West Washington, Suite 101
Phoenix, Arizona 85007

23 
24 Curvey Walters
25 Curvey Walters
26

1 **IN THE OFFICE OF ADMINISTRATIVE HEARINGS**

2
3 In the Matter of the Insurance License of:

No. 14A-044-INS

4 MEYERS, JAMES WILLIAM
5 (Arizona License No. 926591),

**ADMINISTRATIVE
LAW JUDGE DECISION**

6 Petitioner.
7

8 **HEARING:** May 12, 2014, at 1:00 p.m.

9 **APPEARANCES:** Petitioner James William Meyers (hereinafter "Mr. Meyers")
10 appeared on his own behalf. Assistant Attorney General Liane C. Kido represented the
11 Arizona Department of Insurance.
12

13 **ADMINISTRATIVE LAW JUDGE:** M. Douglas
14

15 **FINDINGS OF FACT**

16 1. On or about January 10, 2014, Mr. Meyers submitted an Application for an
17 Individual Insurance License ("Application") with the Arizona Department of Insurance
18 ("Department").

19 2. Mr. Meyers answered "Yes" to Question A in Section V, Additional Information
20 on the Application.¹

21 3. Question A asked: "Have you EVER had any professional, vocational, business
22 license or certification refused, denied, suspended, revoked or restricted, OR been
23 issued a consent order, an administrative action OR a fine imposed by any public
24 authority?"²

25 4. Mr. Meyers included with the Application a letter of explanation regarding his
26 affirmative answer.³ Mr. Meyers explained that on March 9, 2010, his insurance license
27 was revoked via Consent Order.⁴

28 5. On February 26, 2014, the Department denied the Application.⁵
29

30 ¹ See Exhibit 3.

² See Exhibit 3.

³ See Exhibit 3.

⁴ See Exhibit 3.

1 6. By letter dated March 26, 2014, Mr. Meyers timely appealed the Department's
2 denial of the Application, resulting in the instant matter being brought to hearing before
3 the Office of Administrative Hearings.⁶

4 7. On March 9, 2010, Mr. Meyers signed a Consent Order with the Department.⁷

5 8. In the Consent Order, Mr. Meyers admitted that between November and
6 December, 2009, he created, forged signatures of applicants on, and submitted nine
7 fictitious insurance policy applications to American Family Mutual Insurance Company
8 (hereinafter "AFMIC") for which he received commissions.⁸

9 9. On March 9, 2010, the Consent Order took effect, revoking Mr. Meyers' Arizona
10 Insurance License No. 926591 (National Producer Number 11518538).⁹

11 **TESTIMONY**

12 **Testimony of Steven Fromholtz**

13 9. Steven Fromholtz (hereinafter "Mr. Fromholtz"), the Producing Licensing
14 Administrator for the Department, testified that Mr. Meyers' 2010 license revocation
15 occurred after the Department investigated him and discovered the business practices
16 as described above. Mr. Fromholtz stated that Mr. Meyers admitted to the findings
17 contained in the Consent Order and that the Department has continuing concerns about
18 Mr. Meyers because of the revocation of Mr. Meyer's previous license and his prior
19 admitted violations relating to forgery and misrepresentation. Mr. Fromholtz further
20 testified that Mr. Meyers' representations as to the cause of the forgeries and
21 misrepresentations was concerning because Mr. Meyers had acknowledged that he had
22 forged the signatures on the insurance policies because he was "too lazy" to obtain the
23 signatures.

24 **Testimony of James William Meyers**

25 10. Mr. Meyers expressed shame over the Consent Order. However, he
26 acknowledged that he consented to the findings contained therein. Mr. Meyers testified

27 ⁵ See Exhibit 4.

28 ⁶ See Exhibit 5.

29 ⁷ See Exhibit 2.

30 ⁸ See Exhibit 2.

⁹ See Exhibit 2.

1 that the insurance applications were for friends and relatives. Mr. Meyers stated that it
2 really did come down to laziness. Mr. Meyers testified that he did not want to drive
3 around and obtain the electronic signatures.

4 11. Mr. Meyers testified that he felt that he had paid his dues. Mr. Meyers stated that
5 he was now very stable. Mr. Meyers stated that he was not trying to be deceitful; it was
6 simply laziness and an error in judgment that led to the misconduct that he admitted in
7 the Consent Order. Mr. Meyers acknowledged that he made a major error. Mr. Meyers
8 testified that all of the commissions were paid back to the insurance company.

9 12. Mr. Meyers testified that insurance policies were all minor whole life policies.
10 Mr. Meyers stated that he wanted to "show numbers." Mr. Meyers stated that he was
11 trying to meet the "numbers" that the insurance company expected of him. Mr. Meyers
12 stated that he was advised by an experienced insurance agent that he could enter into
13 the Consent Order, then "walk away" and re-apply for an insurance license in a year.

14 13. Mr. Meyers asserted that he is now in a completely different position in his life
15 and that he was now better prepared to handle the type of pressure that he would be
16 under as an insurance producer. Mr. Meyers stated that he really wanted a second
17 chance to work as an insurance producer again.

18 14. Mr. Meyers did not bring any character witnesses or letters of reference to the
19 hearing.

20 CONCLUSIONS OF LAW

21 1. Mr. Meyers bears the burden of proof and the standard of proof on all issues is
22 by a preponderance of the evidence. A.A.C. R2-19-119.

23 2. A preponderance of the evidence is "evidence of greater weight or more
24 convincing than the evidence which is offered in opposition to it; that is, evidence which
25 as a whole shows that the fact sought to be proved is more probable than not."
26 BLACK'S LAW DICTIONARY at 1182 (6th ed. 1990).

27 3. A.R.S. § 20-295(A) and (F) provide the Director of the Department with the
28 discretion to deny, suspend, or revoke an insurance producer's license, and/or impose
29 a civil penalty, and/or order restitution on a licensee.
30

1 4. The weight of the evidence of record established that in the Consent Order, Mr.
2 Meyers admitted to creating, forging signatures on, and submitting nine fictitious
3 insurance policy applications to AFMIC for which he received commissions.¹⁰

4 5. The conduct underlying the Consent Order constitutes forgery within the
5 meaning of A.R.S. § 20-295(A)(10).

6 6. Mr. Meyers' conduct, as set forth above in the Findings of Fact, constitutes
7 having an insurance producer license, or its equivalent, denied, suspended, or revoked
8 in any state, province, district, or territory, within the meaning of A.R.S. § 20-295(A)(9).

9 7. Mr. Meyers testified that he was quite young in 2010, and that he was under a lot
10 of pressure. Mr. Meyers stated that he has now obtained a college degree and is far
11 more mature. Mr. Meyers asserted that he should be given a second chance and that
12 he would comply with all rules and regulations in the future.

13 8. Under the circumstances presented herein, Mr. Meyers failed to establish that he
14 has the requisite qualifications to hold an insurance producer's license.

15 9. The weight of the evidence of record established that the Department had
16 sufficient grounds to deny the Application pursuant to A.R.S. §§ 20-295(A)(4), (A)(5),
17 (A)(8), and (A)(9).

18 10. Mr. Meyers failed to prove by a preponderance of the evidence that the
19 Department's denial of the Application should be reversed.

20 **ORDER**

21 Based on the above, the determination made by the Department to deny the
22 Application is affirmed.

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

26 Done this day, May 20, 2014.

27
28 /s/ M. Douglas
29 Administrative Law Judge

30 ¹⁰ See Exhibit 2.

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