

OCT 30 2015

DEPT OF INSURANCE  
BY ms

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

In the Matter of:

**LOCAL ENROLLMENT SERVICES, LLC**  
(Arizona License No. 1094592)

**No. 15A-075-INS**

**ORDER**

Respondent.

On October 28, 2015, the Office of Administrative Hearings, through Administrative Law Judge Dorinda M. Lang, issued an Administrative Law Judge Decision ("Recommended Decision"), received by the Director of the Department of Insurance ("Director") on October 29, 2015, 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:

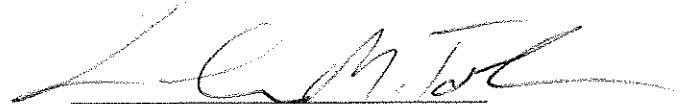
1. The Director adopts the Recommended Findings of Fact and Conclusions of Law.
2. The Director revokes the Arizona resident insurance producer license, No. 1094592, of **Local Enrollment Services, LLC** effective immediately.

**NOTIFICATION OF RIGHTS**

Pursuant to Arizona Revised Statutes ("A.R.S.") § 41-1092.09, Respondent 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 Respondent 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 30 day of October, 2015.

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8 Andy Tobin, Director  
9 Arizona Department of Insurance

10 COPY of the foregoing mailed this  
11 30<sup>th</sup> day of October, 2015 to:

12 Local Enrollment Services, LLC  
13 Nathan Plett  
14 1824 E. Maryland Avenue  
15 Phoenix, Arizona 85016  
16 Statutory Agent for Respondent

17 Mary Kosinski, Executive Assistant for Regulatory Affairs  
18 Catherine O'Neil, Consumer Legal Affairs Officer  
19 Yvonne Hunter, Consumer Affairs Assistant Director  
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

24   
25 Maidene Scheiner

RECEIVED

OCT 29 2015

AZ DEPT. OF INSURANCE  
ADMINISTRATIVE SERVICES

IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of the Insurance License of:

No. 15A-075-INS

LOCAL ENROLLMENT SERVICES, LLC  
(Arizona License #1094592)

ADMINISTRATIVE  
LAW JUDGE DECISION

Respondent

**HEARING:** October 28, 2015

**APPEARANCES:** Liane Kido, Attorney for the Arizona Department of Insurance;  
Steven Fromholtz, Department witness

**ADMINISTRATIVE LAW JUDGE:** Dorinda M. Lang

In a hearing set to consider the proposed revocation of a license to sell insurance in the State of Arizona, The Arizona Department of Insurance established by the greater weight of the evidence that it is appropriate to revoke Respondent's license.

**FINDINGS OF FACT**

1. At all times material to this matter, Local Enrollment Services, LLC, ("Respondent") was and currently is licensed by the Arizona Department of Insurance ("Department").

2. On October 30, 2014, the Department issued Respondent a life and accident/health producer license, license number 1094592 ("License"), which expires on October 31, 2018. See Exhibit 1.

3. According to testimony adduced at the hearing in this matter, when an application for a license is received and processed, it is forwarded to the Arizona Department of Public Safety ("DPS") for processing, which includes processing by the Federal Bureau of Investigation ("FBI") for a criminal history background check to be conducted. The Department submits the completed fingerprint forms supplied by the applicant to DPS and DPS submits the fingerprint forms to the FBI for national

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Phoenix, Arizona 85007  
(602) 542-9826

1 processing. In the meantime, the Department issues the license assuming that the  
2 fingerprints will be valid.

3 4. On February 9, 2015, the Department issued a letter to Respondent's  
4 member, Ryan Sharrah, informing him that his fingerprint card was returned by DPS as  
5 illegible. See Exhibit 2. In that letter, the Department requested that Respondent  
6 submit a replacement set of fingerprints. *Id.*

7 5. When the Respondent failed to respond to the notice, the Department  
8 sent a final notice to Respondent dated June 9, 2015, giving Respondent a deadline to  
9 submit a new set of fingerprints or submit a Voluntary Surrender of Insurance License  
10 Form. See Exhibit 3. The Department indicated that the failure to respond to the letter  
11 would result in the initiation of disciplinary action being taken against the License. *Id.*

12 6. According to the testimony at hearing, Respondent had not responded to  
13 the above-mentioned letters and had not submitted to the Department a new set of  
14 fingerprints.

15 7. Respondent failed to appear at the hearing and did not present any  
16 evidence to refute or rebut the evidence presented by the Department.

### 17 CONCLUSIONS OF LAW

18 1. This matter is a disciplinary proceeding wherein the Department must  
19 prove by a preponderance of the evidence that Respondent violated the State's  
20 Insurance Laws. See A.A.C. R2-19-119.

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

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

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

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

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**ORDER**

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

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

Done this day, October 28, 2015.

/s/ Dorinda M. Lang  
Administrative Law Judge

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