

JUL 7 2014

DEPT OF INSURANCE  
BY MS

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

In the Matter of:

**WILLIAMS, STACEY ANN,**  
(Arizona License No. 1043349)  
(National Producer No. 16931154)

Respondent.

**No. 14A-049-INS**

**ORDER**

On July 2, 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") on July 2, 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:

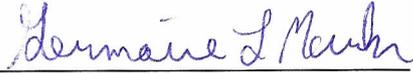
1. The Director adopts the Recommended Findings of Fact and Conclusions of Law.
2. The Director revokes the Arizona resident producer license, No. 1043349, of **Stacey Ann Williams** effective immediately.

**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 7<sup>th</sup> day of July, 2014.

6  
7   
8 GERMAINE L. MARKS, Director  
9 Arizona Department of Insurance

10  
11 COPY of the foregoing mailed this  
12 7<sup>th</sup> day of July, 2014 to:

13 Stacey Ann Williams  
14 7135 N. 45<sup>th</sup> Avenue  
15 Glendale, Arizona 85301  
16 Respondent

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

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

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

Curvey Walters



RECEIVED

JUL 02 2014

AZ DEPT. OF INSURANCE  
ADMINISTRATIVE SERVICES

IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of:

No. 14A-049-INS

**WILLIAMS, STACEY ANN,**  
**(Arizona License Number 1043349)**  
**(National Producer Number 16931154)**

**ADMINISTRATIVE LAW JUDGE**  
**DECISION**

**Respondent.**

**HEARING:** June 23, 2014

**APPEARANCES:** Assistant Attorney General Liane C. Kido represented the Arizona Department of Insurance. Respondent Stacey Ann Williams failed to appear.

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

**FINDINGS OF FACT**

1. On May 9, 2014, the Arizona Department of Insurance ("Department") issued a Notice of Hearing and Complaint regarding this matter and set an administrative hearing to be held with the Office of Administrative Hearings on June 23, 2014, at 1:00 p.m. On the date of the hearing, the Administrative Law Judge convened the hearing at 1:15 p.m., which provided additional time for Respondent Stacey Ann Williams to appear. After expiration of the additional time, Respondent failed to appear and the hearing proceeded.

2. At all times material to this matter, Respondent was licensed by the Department as a resident accident/health insurance producer, Arizona license number 1043349.<sup>1</sup> That license will expire on September 30, 2016.<sup>2</sup>

3. On April 5, 2013, Respondent submitted to the Department an Application for an Individual Insurance License ("Application").<sup>3</sup>

<sup>1</sup> See Exhibit 1.

<sup>2</sup> *Id.*

<sup>3</sup> See Exhibit 2.

1 4. Respondent answered "Yes" to Question C(1) in Section V, Additional  
2 Information on the Application.<sup>4</sup> Question C asked: "Have you EVER been found guilty  
3 of, have you had a judgment made against you for, or have you admitted to, any of the  
4 following: (1) A felony (of any kind)?"<sup>5</sup>

5 5. Section VII of the Application states: "By signing and submitting this application,  
6 you agree to the following: You authorize the [Department] to conduct a background  
7 investigation to determine your fitness for an insurance license. You agree to promptly  
8 respond to questions that may arise from the investigation."<sup>6</sup> Respondent signed the  
9 Application.<sup>7</sup>

10 6. On April 5, 2013, the Department inadvertently issued to Respondent an  
11 insurance license as a resident accident/health insurance producer, Arizona license  
12 number 1043349.<sup>8</sup>

13 7. Steven Fromholtz, the Producer Licensing Administrator for the Department,  
14 testified that the Department should not have issued the license to Respondent  
15 because Respondent's Application was considered incomplete because Respondent  
16 did not submit documentation pertaining to her felony conviction with the Application.  
17 Mr. Fromholtz testified that when the Department realized that the required  
18 documentation had not been submitted with the Application, the Department attempted  
19 to contact Respondent on December 10, 2013, and left a voicemail message for  
20 Respondent to provide the documentation related to her felony conviction to the  
21 Department by December 17, 2013.<sup>9</sup>

22 8. The Department did not receive a response from Respondent and made follow-  
23 up phone calls to Respondent on December 17, 2013, and December 31, 2013.<sup>10</sup> Mr.  
24 Fromholtz testified that Respondent did not respond to the Department's phone calls  
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26  
27 <sup>4</sup> *Id.*

28 <sup>5</sup> *Id.*

29 <sup>6</sup> *Id.*

30 <sup>7</sup> *Id.*

<sup>8</sup> See Exhibit 1.

<sup>9</sup> See Exhibit 3.

<sup>10</sup> *Id.*

1 and requests for documentation, and to date, Respondent has not responded and has  
2 not provided the requested documentation relating to her felony conviction.

3 **CONCLUSIONS OF LAW**

4 1. The Department bears the burden to establish by a preponderance of the  
5 evidence that Respondent's license should be disciplined.<sup>11</sup> "A preponderance of the  
6 evidence is such proof as convinces the trier of fact that the contention is more  
7 probably true than not."<sup>12</sup> A preponderance of the evidence is "[t]he greater weight of  
8 the evidence, not necessarily established by the greater number of witnesses testifying  
9 to a fact but by evidence that has the most convincing force; superior evidentiary weight  
10 that, though not sufficient to free the mind wholly from all reasonable doubt, is still  
11 sufficient to incline a fair and impartial mind to one side of the issue rather than the  
12 other."<sup>13</sup>

13 2. A.R.S. § 20-295(A) and (F) provide the Director of the Department with the  
14 discretion to deny, suspend, or revoke an insurance producer's license, and/or impose  
15 a civil penalty, and/or order restitution.

16 3. Pursuant to A.R.S. § 20-295(A) "[t]he director may deny, suspend for not more  
17 than twelve months, revoke or refuse to renew an insurance producer's license or may  
18 impose a civil penalty in accordance with subsection F of this section or any  
19 combination of actions for any one or more of the following causes:

20 1. Providing incorrect, misleading, incomplete or materially untrue  
21 information in the license application.

22 . . .

23 6. Having been convicted of a felony.

24 4. Respondent's Application was incomplete due to her failure to provide the  
25 required and requested documentation relating to her admitted felony conviction.  
26 Therefore, Respondent provided cause under A.R.S. § 20-295(A)(1) and (6) for the  
27 Director of the Department to revoke her accident/health insurance producer's license.

28 <sup>11</sup> See A.R.S. § 41-1092.07(G)(2); A.A.C. R2-19-119; see also *Vazanno v. Superior Court*, 74 Ariz. 369,  
372, 249 P.2d 837 (1952).

29 <sup>12</sup> MORRIS K. UDALL, ARIZONA LAW OF EVIDENCE § 5 (1960).

30 <sup>13</sup> BLACK'S LAW DICTIONARY at 1220 (8<sup>th</sup> ed. 1999).

1 5. The Department proved by a preponderance of the evidence that pursuant to  
2 A.R.S. § 20-295(A)(1) and (6), grounds exist for the Director of the Department to  
3 revoke Respondent's accident/health insurance producer's license.

4 **RECOMMENDED ORDER**

5 Based on the foregoing, it is ordered revoking Respondent's accident/health  
6 insurance producer's license number 1043349.

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

10  
11  
12 Done this day, July 2, 2014.

13  
14 /s/ Sondra J. Vanella  
15 Administrative Law Judge  
16

17 Transmitted electronically to:

18  
19 Darren Ellingson, Deputy Director  
20 Arizona Department of Insurance  
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