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NATURE OF PROCEEDING

The purpose of the hearing was to take testimony and evidence and hear arguments as to whether the Insurance Commissioner's Order Revoking License, No. 12-0030, entered February 7, 2012, revoking the Washington resident insurance producer's license of Alton B. Butler ("Licensee") should be confirmed, set aside or modified. Said Order Revoking License is based on the Commissioner's allegations that the Licensee violated RCW 48.17.597 and 48.17.090 when he failed to disclose on his application for a resident producer's license that he had been involved in an administrative proceeding that resulted in the revocation of his Washington State registered nurse license. On February 21, 2012, the Licensee filed a Demand for Hearing to contest the Commissioner's order.

FINDINGS OF FACT

Having considered the evidence and arguments presented at the hearing, and the documents on file herein, the undersigned presiding officer designated to hear and determine this matter finds as follows:

1. The hearing was duly and properly convened and all substantive and procedural requirements under the laws of the state of Washington have been satisfied. This Order is entered pursuant to Title 48 RCW and specifically RCW 48.04; Title 34 RCW; and regulations pursuant thereto.
2. Alton Butler (Licensee) is a 58 year old individual who is a resident of Washington. On August 25, 2008, he submitted an Application for a Washington resident life and disability insurance producer license to the Washington State Office of the Insurance Commissioner (OIC), which granted his license on September 5, 2008.
3. Question No. 2 on the OIC's Application asks:

Have you or any business in which you are or were an owner, partner, officer or director ever been involved in an administrative proceeding regarding any professional or occupational license?

The Licensee first checked the answer "yes" to this question, and then crossed his check out, wrote in the word "error" and initialed it, and then checked "no" to this question. [OIC Ex. 2, Application.]

4. In fact, the Licensee was first issued a Washington State Registered Nurse License by the State of Washington Department of Health on September 14, 1992, and effective July 31, 2008, the Washington State Department of Health Nursing Care Quality Assurance Commission revoked this license with no right to seek reinstatement for at

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least 20 years. [OIC Ex. 4, Statement of Charges, Ex-Parte Summary Suspension and Stipulated Findings of Fact, Conclusions of Law, and Agreed Order.] As shown in the Stipulated Findings, Conclusions and Agreed Order, on June 26, 2008 the Licensee signed an Acceptance of the Agreed Order, agreeing that his Registered Nurse license should be revoked with no right to seek reinstatement for at least 20 years.

5. The Licensee submitted his Application to the OIC less than two months after he signed the Agreed Order terminating the administrative proceeding taken against him by the Washington State Department of Health and less than one month after the effective date of revocation of his Registered Nurse license. The proceeding conducted by the Washington State Department of Health was an administrative proceeding which the Licensee was required to disclose in Question No. 2 of his Application for a Washington insurance producer's license. In failing to disclose this action against him, the Licensee provided materially untrue information in his Application and demonstrated dishonesty.
6. Jeff Baughman, Licensing Manager with the OIC, testified on behalf of the OIC. Mr. Baughman presented his testimony in a detailed and credible manner and exhibited no apparent biases.
7. Pastor Jay Coon, Pastor of the Licensee's church and an individual for whom the Licensee has volunteered, testified on behalf of the Licensee, by telephone. Pastor Coon presented his testimony in a detailed and credible manner and exhibited no apparent biases.
8. Alton B. Butler, the Licensee, testified as a witness called by the OIC. Mr. Butler presented his testimony in a detailed and fairly credible manner.
9. James Dunn testified on behalf of the Licensee, by telephone. Mr. Dunn presented his testimony in a detailed and credible manner and exhibited no apparent biases.
10. Randy Hyatt, a former employer of the Licensee, testified on behalf of the Licensee, by telephone. Mr. Hyatt presented his testimony in a detailed and credible manner and exhibited no apparent biases.
11. Doug Dickson testified on behalf of the Licensee, by telephone. Mr. Dickson presented his testimony in a detailed and credible manner and exhibited no apparent biases.
12. Based upon the above, it is reasonable that the OIC's Order Revoking License, No. 731408, should be upheld.

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CONCLUSIONS OF LAW

Based upon the above Findings of Facts, it is hereby concluded,

1. The hearing was duly and properly convened and all substantive and procedural requirements under the laws of the state of Washington have been satisfied. This Order is entered pursuant to Title 48 RCW and specifically RCW 48.04; Title 34 RCW; and regulations pursuant thereto.
2. By failing to disclose that he had been involved in an administrative proceeding involving a professional or occupational license and that said administrative proceeding resulted in the revocation of his Washington State Registered Nurse License, the Licensee violated RCW 48.17.090, which requires an individual applying for a resident producer license to declare under penalty of refusal, suspension, or revocation of his producer's license that the statements made in the application are true, correct, and complete to the best of the applicant's knowledge and belief.
3. Pursuant to RCW 48.17.530(1)(a), the OIC may revoke the license of any insurance producer for providing incorrect, misleading, incomplete, or materially untrue information in the license application. In failing to disclose that he had been the subject of an administrative proceeding taken against him by the Washington State Department of Health, the Licensee provided materially untrue information in his license application as contemplated by RCW 48.17.530(1)(a).
4. Pursuant to RCW 48.17.530(1)(c), the OIC may revoke the license of any insurance producer for obtaining a license through misrepresentation or fraud. In failing to disclose that he had been the subject of an administrative proceeding taken against him by the Washington State Department of Health and that said administrative proceeding resulted in the revocation of his Washington State Registered Nurse License, the Licensee provided materially untrue information in his license application as contemplated by RCW 48.17.530(1)(c).
5. Pursuant to RCW 48.17.530(1)(h), the OIC may revoke the license of any insurance producer for using fraudulent or dishonest practices, or demonstrating untrustworthiness. In failing to disclose that he had been the subject of an administrative proceeding taken against him by the Washington State Department of Health and that said administrative proceeding resulted in the revocation of his Washington State Registered Nurse License, the Licensee provided materially untrue information in his license application as contemplated by RCW 48.17.530(1)(h).
6. The OIC's Order Revoking License, revoking the Washington State insurance producer's license of Alton B. Butler, should be upheld pursuant to RCW 48.17.090 and RCW 48.17.530(1)(a), (c) and (h).

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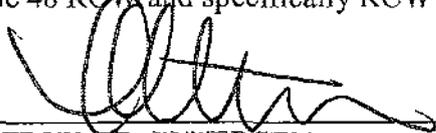
ORDER

On the basis of the foregoing Findings of Facts and Conclusions of Law,

IT IS HEREBY ORDERED that the Washington State Insurance Commissioner's Order Revoking License, No. 12-0030, is upheld.

The Licensee shall turn his Washington State Insurance Producer's License in to the Insurance Commissioner within 15 days of the date of service (mailing) of this Order.

ENTERED AT TUMWATER, WASHINGTON, this 19th day of July, 2012, pursuant to Title 48 RCW and specifically RCW 48.04, Title 34 RCW, and regulations applicable thereto.



PATRICIA D. PETERSEN
Chief Hearing Officer
Presiding Officer

Pursuant to RCW 34.05.461(3), the parties are advised that they may seek reconsideration of this order by filing a request for reconsideration under RCW 34.05.470 with the undersigned within 10 days of the date of service (date of mailing) of this order. Further, the parties are advised that, pursuant to RCW 34.05.514 and 34.05.542, this order may be appealed to Superior Court by, within 30 days after date of service (date of mailing) of this order, 1) filing a petition in the Superior Court, at the petitioner's option, for (a) Thurston County or (b) the county of the petitioner's residence or principal place of business; and 2) delivery of a copy of the petition to the Office of the Insurance Commissioner; and 3) depositing copies of the petition upon all other parties of record and the Office of the Attorney General.

Declaration of Mailing

I declare under penalty of perjury under the laws of the State of Washington that on the date listed below, I mailed or caused delivery through normal office mailing custom, a true copy of this document to the following people at their addresses listed above: Alton B. Butler, Mike Kreidler, Michael G. Watson, John F. Hamje, Esq., Jeff Baughman, Robin Aronson, Esq., and Carol Sureau, Esq.,

DATED this 23rd day of July 2012.



KELLY A. CAIRNS