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OFFICE OF
INSURANCE COMMISSIONER
HEARINGS UNIT
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Patricia D. Petersen
Chief Hearing Officer
(360) 725-7105

Kelly A. Cairns
Paralegal
(360) 725-7002
KellyC@oic.wa.gov

BEFORE THE STATE OF WASHINGTON
OFFICE OF INSURANCE COMMISSIONER

In the Matter of)	Docket No. 12-0150
)	
KERRY LYNNE HAUF,)	NOTICE OF HEARING
)	
Licensee.)	
_____)	

TO: Kerry Lynne Hauf
529 E. Frisbie Way
Rockford, WA 99030

COPY TO: Mike Kreidler, Insurance Commissioner
Michael G. Watson, Chief Deputy Insurance Commissioner
John F. Hamje, Deputy Commissioner, Consumer Protection Division
Jeff Baughman, Licensing Manager, Consumer Protection Division
Charles Brown, Sr. Staff Attorney, Legal Affairs Division
Carol Sureau, Deputy Commissioner, Legal Affairs Division
Office of the Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

On May 21, 2012, the Insurance Commissioner (OIC) issued an Order Revoking License No. 12-0150, ordering that the Washington insurance producer's license issued to Kerry Lynne Hauf ("Licensee") be revoked, effective June 11, 2012. The OIC's Order is based upon the OIC's assertion that the Licensee failed to respond to numerous attempts by the OIC to communicate with her in its efforts to obtain a replacement fingerprint card which is more legible than the one she had submitted with her application for a producer's license. Specifically, the OIC asserts that the Washington State Patrol (WSP) performs background checks on all applicants for insurance producer licenses in Washington and the WSP rejected the Licensee's fingerprint card because the WSP determined her prints were not legible enough to allow the WSP to perform this routine background check. Therefore, the OIC asserts that the Licensee (1) violated RCW

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48.17.090 by not providing a legible fingerprint card for the purposes of a background check; and (2) violated RCW 48.17.475 for each of the three times she failed to respond to the OIC's letters requesting a new fingerprint card. On June 7, 2012, the Licensee filed a Demand for Hearing to contest the OIC's Order Revoking License. In her Demand, the Licensee explains that she has had several traumatic illnesses and deaths in her family, and she has not been able to take time off from work to get her fingerprint card redone and resubmitted to the OIC.

On July 19, 2012, the undersigned held a first prehearing conference in this matter, which included all parties. The OIC was represented by Andrea Philhower, Esq., Staff Attorney in the OIC's Legal Affairs Division. Licensee appeared pro se. The undersigned reviewed procedure to be expected at hearing and answered all questions and concerns of the parties. Of significance, the undersigned advised the parties that, pursuant to RCW 48.04, the OIC's Order Revoking License is automatically stayed pending issuance of the Final Order after hearing herein. Further, the OIC indicated that it no longer seeks to revoke the Licensee's insurance producer's license but instead seeks an order requiring the Licensee to submit a legible fingerprint card and levying a fine of \$500 upon the Licensee. The Licensee stated she would submit a new fingerprint card but objected to imposition of a \$500 fine. Subsequently, in an effort to document its decision to no longer seek revocation of the Licensee's producer's license, the OIC filed a Proposed Order for the undersigned's consideration which rescinds its Order Revoking License at issue herein and instead requires the Licensee to submit a new fingerprint card and imposes a \$500 fine. The parties have agreed that the hearing to contest the OIC's proposed imposition of a \$500 fine upon the Licensee should be held on September 12, 2012. The Licensee requested to appear by telephone, and the OIC advised that it does not object to this request; therefore, pursuant to the advice from the OIC that it did not object, and pursuant to RCW 34.05.449(3), the hearing herein shall be held with both parties appearing by telephone. Therefore, the undersigned having determined that it will not prejudice a party and that each party will have the opportunity to participate effectively in the proceeding, the hearing will be held by telephone as permitted under RCW 34.05.449(3) and WAC 10-08-180(1).

Accordingly, **YOU ARE HEREBY NOTIFIED that a hearing will be held commencing on Wednesday, September 12, 2012, at 10:00 a.m., Pacific Standard Time, by telephone.** The purpose of this hearing, which will include all parties, is to consider whether the OIC's Proposed Order Rescinding Previous Revocation Order and Levying a Fine should be upheld, should be set aside, or should be otherwise modified in some way, the sole remaining issue being whether the \$500 fine sought by the OIC should be imposed.

The OIC will appear by and through Andrea Philhower, Staff Attorney in the Legal Affairs Division. Ms. Philhower's address is Office of the Insurance Commissioner, Legal Affairs Division, P.O. Box 40255, Olympia, WA 98504-0255 and her telephone number is (360) 725-7063. The Licensee will appear pro se, although she is advised that she may retain an attorney to represent her at any time. Her address is 529 E. Frisbie Way, Rockford, WA 99030 and her telephone number is (509) 230-5840.

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Patricia D. Petersen, Esq., Presiding Officer, who serves as Chief Hearing Officer for the Office of the Insurance Commissioner, has been designated to hear and determine this matter. Her address is Office of Insurance Commissioner, P.O. Box 40255, Olympia, Washington 98504-0255. Her telephone number is (360) 725-7105. All interested individuals and entities who have questions or concerns concerning this proceeding should direct them to her paralegal, Kelly Cairns, at the same address. Ms. Cairns' telephone number is (360) 725-7002.

The hearing will be held under the authority granted by the Insurance Commissioner under Chapter 48.04 RCW. The basic facts relied upon are those set forth above, which are more specifically included in the OIC's above referenced Order Revoking License and its subsequently filed Proposed Order Rescinding Previous Revocation Order and Levying a Fine, and in the Licensee's above-referenced Demand for Hearing.

The hearing will be governed by the Administrative Procedure Act, Chapter 34.05 RCW, and the model rules of procedure contained in Chapter 10-08 WAC. All parties may be represented at the hearing. They may examine witnesses and fully respond and present evidence and argument on all issues involved.

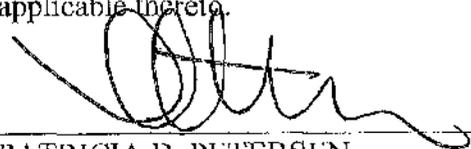
As required by RCW 34.05.434(2)(i), you are advised that a party who fails to attend or participate in any stage of the proceeding may be held in default in accordance with Chapter 34.05 RCW.

Pursuant to WAC 10-08-040(2) and in accordance with ch. 2.42 RCW, if a limited English speaking or hearing impaired or speech impaired party or witness needs an interpreter, a qualified interpreter will be appointed. There will be no cost to the party or witness therefore, except as may be provided by ch. 2.42 RCW. A Request for Interpreter form is attached to the original of this Notice, with instructions thereon.

Based upon the above activity,

IT IS HEREBY ORDERED that the adjudicative proceeding in this matter shall commence on September 12, 2012, at 10:00 a.m., Pacific Standard Time, continuing on each successive day until terminated, by telephone, in the Office of the Insurance Commissioner, 5000 Capitol Blvd., Tumwater, WA.

ENTERED AT TUMWATER, WASHINGTON, this 9th day of August 2012, pursuant to Title 48 RCW and Title 34 RCW, specifically RCW 48.04.010 and RCW 34.05.434, and regulations applicable thereto.



PATRICIA D. PETERSEN
Presiding Officer

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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: Kerry Lynne Hauf, Mike Kreidler, Michael G. Watson, John F. Hamje, Esq., Jeff Baughman, Andrea Philhower, Esq., and Carol Surcau, Esq.,

DATED this 9th day of August 2012.



KELLY A. CAIRNS

HEARINGS UNIT

Fax: (360) 664-2782

Patricia D. Petersen
Chief Hearing Officer
(360) 725-7105

Hearings Unit
Paralegal
(360) 725-7002
Hearings@oic.wa.gov

To request an interpreter, complete and mail this form to:

Chief Hearing Officer
Office of Insurance Commissioner
P.O. Box 40255
Olympia, WA 98504-0255

REQUEST FOR INTERPRETER

I am a party or witness in Matter No. 12-0150, before the Insurance Commissioner. I NEED AN INTERPRETER and request that one be furnished.

Please check the statements that apply to you:

I am a non-English-speaking person. I cannot readily speak or understand the English language. My primary language is _____ (insert your primary language). I need an interpreter who can translate to and from the primary language and English.

I am unable to readily understand or communicate the spoken English language because:

- I am deaf.
- I have an impairment of hearing.
- I have an impairment of speech.

[Please state below or on the reverse side any details which would assist the Commissioner or Presiding Officer in arranging for a suitable interpreter or in providing appropriate mechanical or electronic amplification, viewing, or communication equipment.]

Date: _____ Signed: _____

Please print or type your name: _____

Address: _____

Telephone: _____