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OFFICE OF
INSURANCE COMMISSIONER
HEARINGS UNIT

2013 SEP 25 A 10:29

Fax: (360) 664-2782

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

Hearings Unit, DIC
Principal Examiner
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. 13-0075
)	
PRISCILLA G. JOHNSON,)	ORDER TERMINATING
)	PROCEEDINGS
Licensee.)	
_____)	

TO: Priscilla G. Johnson
5395 N. Entrada De Sabino
Tucson, AZ 85750

Priscilla G. Johnson
Farmers District Office 88-33
6340 N. Campbell Avenue, Suite 140
Tucson, AZ 85718

Jason W. Anderson, Esq.
Carney Badley Spellman
701 Fifth Avenue, Suite 3600
Seattle, WA 98104-7010

COPY TO: Mike Kreidler, Insurance Commissioner
James T. Odiorne, J.D., CPA, Chief Deputy Insurance Commissioner
John F. Hamje, Deputy Commissioner, Consumer Protection Division
Marcia Stickler, Staff Attorney, Legal Affairs Division
AnnaLisa Gellermann, Esq., Deputy Commissioner, Legal Affairs Division
Office of the Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

On February 28, 2013, the Insurance Commissioner ("OIC") entered an Order Revoking License, No. 13-0075, to Priscilla G. Johnson ("Licensee"), revoking her Washington insurance producer's license effective March 18, 2013, based upon the OIC's allegations that the Licensee allowed or directed an employee to work as an insurance producer before he was properly



ORDER TERMINATING PROCEEDINGS

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licensed, in violation of RCW 48.17.530(1)(l). On April 16, 2013, the undersigned received and filed a Demand for Hearing from the Licensee requesting a hearing to contest the OIC's Order, and on May 13, 2013, the undersigned received and filed a Notice of Appearance from the Licensee's attorney, Jason W. Anderson, Esq., who requested that this matter be presided over by an administrative law judge pursuant to RCW 48.04.010(5). Accordingly, on May 15, 2013 the undersigned transferred this matter and all contents of the hearing file to the Office of Administrative Hearings (OAH) for hearing and the entry of an Initial Order.

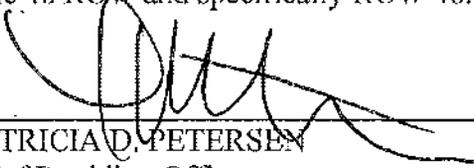
On September 11, 2013, the OIC filed a letter notifying the undersigned that the OIC had reached a settlement with the Licensee. Accompanying the letter was a copy of the Consent Order Rescinding Revocation Order 13-0075, Suspending License, and Levying a Fine, No. 13-0249, executed by the Licensee on September 9 and the OIC on September 11. A copy of the OIC's September 11 letter and the Consent Order are attached hereto and are by this reference made a part hereof. The OAH administrative law judge entered a notice of case closure on September 6, 2013 and subsequently returned the case file to the undersigned on September 9.

Relative to Consent Order Rescinding Revocation Order 13-0075, Suspending License, and Levying a Fine, No. 13-0249, it is noted that this case was settled prior to the commencement of an adjudicative proceeding. Therefore, for purposes of clarification, while this Consent Order includes statements identified as "Findings of Facts" and "Conclusions of Law," these are not Findings of Fact or Conclusions of Law which were made by an adjudicator after an adjudicative proceeding; rather, the statements contained in the referenced Consent Order which are entitled "Findings of Fact" and "Conclusions of Law" are only statements that are agreed upon between the parties.

Based upon the above activity,

IT IS HEREBY ORDERED that, by the Licensee's and the OIC's execution of the Consent Order on September 9, 2013 and September 11, 2013, respectively, the parties have fully settled this matter and the proceeding herein, Docket No. 13-0075, is dismissed with prejudice. For purposes of clarification, while the referenced Consent Order includes statements identified as "Findings of Fact" and "Conclusions of Law," these are not Findings of Fact or Conclusions of Law which were made by an adjudicator after an adjudicative proceeding; rather, the statements contained in the attached Consent Order entitled "Findings of Fact" and "Conclusions of Law" are only statements agreed upon between the parties themselves.

ENTERED AT TUMWATER, WASHINGTON, this ^{25th} day of September, 2013, pursuant to Title 48 RCW and specifically RCW 48.04 and Title 34 RCW and regulations applicable thereto.



PATRICIA D. PETERSEN
Chief Presiding Officer

ORDER TERMINATING PROCEEDINGS

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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: Priscilla G. Johnson, Jason W. Anderson, Esq., Mike Kreidler, James T. Odiorne, John F. Hamje, Esq., Marcia Stickler, Esq., and AnnaLisa Gellermann, Esq.

DATED this 25th day of September, 2013.


KELLY A. CAIRNS

MIKE KREIDLER
STATE INSURANCE COMMISSIONER

STATE OF WASHINGTON



Phone: (360) 725-7000
www.insurance.wa.gov

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OFFICE OF
INSURANCE COMMISSIONER

2013 SEP 12 A 9:06

Hearings Unit, DIC
Patricia D. Petersen
Chief Hearing Officer

September 11, 2013

Chief Hearings Officer Patricia D. Petersen
Office of the Insurance Commissioner
5000 Capitol Boulevard, S.E.
Tumwater, WA 98501

HAND DELIVERED TO HEARINGS UNIT

RE: *In the Matter of: Priscilla Johnson*

Dear Judge Petersen:

Please find enclosed a copy of the Consent Order to resolve the above-referenced matter and a Notice of Case Closure signed by the ALJ Robert Krabill. Based on the Consent Order and the closure of the hearing, the parties request an order terminating proceedings.

Please feel free to contact Mr. Anderson or myself should you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Marcia G. Stickler".

Marcia G. Stickler
Staff Attorney, Legal Affairs
(360) 725-7048

cc: Jason Anderson, Attorney for Respondent



OFFICE OF
INSURANCE COMMISSIONER

IN THE MATTER OF

PRISCILLA G. JOHNSON,

Respondent.

ORDER NO. 13-0249

CONSENT ORDER RESCINDING
REVOCATION ORDER 13-0075,
SUSPENDING LICENSE, AND
LEVYING A FINE

The Insurance Commissioner of the State of Washington, pursuant to the authority set forth in RCW 48.17.530, having reviewed the official records and files of the Office of the Insurance Commissioner ("OIC"), makes the following:

FINDINGS OF FACT:

1. Priscilla G. Johnson ("Johnson") was licensed in Washington as a resident agent and producer from 1999 until she cancelled her producer license on December 5, 2012. She was appointed by Farmers Insurance in 2007.
2. EH worked in Johnson's insurance office from early September 2011 until December 5, 2012. Immediately after EH passed the Washington State insurance examination on September 23, 2011, but before he had completed the licensure process, Johnson provided EH with Farmers Insurance business cards that identified him as an "agency producer," and put him to work. Johnson confirmed to EH that as soon as he passed his exam, he could begin working as a producer. According to Johnson, she was unaware that EH had not taken the additional steps required to obtain his license and assumed that he had done so.
3. A real estate agent referred a prospective insured to EH. The prospective insured became concerned due to EH's hesitancy and inability to answer questions, even though EH told her that he was in fact licensed. The prospective insured checked EH's licensure status with the Office of the Insurance Commissioner and found that he was not licensed, and so informed EH. EH took immediate steps and was licensed on November 18, 2011. EH gave multiple quotes and sold three insurance policies while working without a license for Johnson, although Johnson signed the paperwork and did not share any commissions with him. He left Johnson's agency on December 5, 2011.

CONCLUSIONS OF LAW:

1. By knowingly accepting insurance business from a person who is required to be licensed and is not so licensed, Johnson violated RCW 48.17.530(1)(l);

2. RCW 48.17.560 provides that in addition to or in lieu of the suspension, revocation, or refusal to renew any such license, the Commissioner may levy a fine upon the licensee in an amount of not more than \$1,000 per violation.

CONSENT TO ORDER:

Respondent, acknowledging her duty to comply fully with the applicable laws of the State of Washington, consents to the following in consideration of her desire to resolve this matter without further administrative or judicial proceedings. The Insurance Commissioner consents to settle the matter in consideration of her payment of a fine and on such terms and conditions as are set forth below.

1. Johnson consents to the entry of this Order, waives any and all hearing rights, and further administrative or judicial challenges to this Order.

2. By agreement of the parties, Johnson agrees to have her license suspended for three consecutive terms of twelve months each, beginning March 18, 2013.

3. By agreement of the parties, the Insurance Commissioner will impose a fine of \$1,000.00 (One Thousand Dollars) to be paid within thirty days of the entry of this Order.

4. Johnson understands and agrees that any future failure to comply with the statute that is the subject of this Order constitutes grounds for further penalties, which may be imposed in response to further violations.

5. Johnson's failure to timely pay this fine and to adhere to the conditions shall constitute grounds for revocation of her license as an insurance producer, and shall result in the recovery of the fine through a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington.

EXECUTED this 9 day of September, 2013.

PRISCILLA G. JOHNSON

Signature: Priscilla G. Johnson

ORDER

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner hereby Orders as follows:

1. Johnson shall pay a fine in the amount of \$1,000.00 (One Thousand Dollars) to be paid within thirty days of the entry of this Order.

2. Johnson's producer license is suspended for three consecutive terms of twelve months each, beginning on March 18, 2013.

3. Johnson's failure to pay the fine within the time limit set forth above shall result in the revocation of her license as an insurance producer and in the recovery of the fine through a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington.

ENTERED AT TUMWATER, WASHINGTON, this ^{11th} ~~9~~ day of September, 2013.

MIKE KREIDLER
Insurance Commissioner

By

Marcia G. Stickler
Marcia G. Stickler
Legal Affairs Division

STATE OF WASHINGTON
OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE OFFICE OF THE INSURANCE COMMISSIONER

In The Matter Of:

Priscilla G. Johnson,

Licensee.

OAH Docket No. 2013-INS-0003

Agency No. 13-0075

Notice of Case Closure

RECEIVED

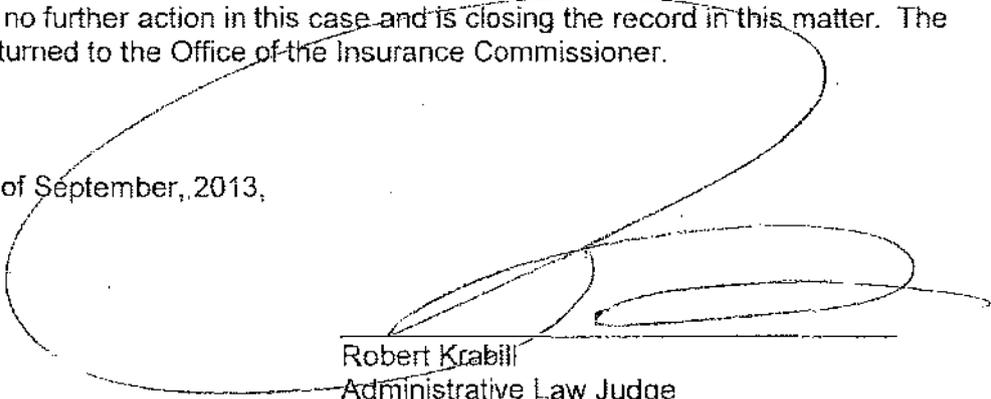
SEP 09 2013

OIC - LEGAL AFFAIRS

Ms. Johnson requested a hearing in this matter. On September 4, 2013, the parties notified the Office of Administrative Hearings that they have resolved all issues covered by the hearing request.

The hearing scheduled in this matter has been cancelled. The Office of Administrative Hearings will take no further action in this case and is closing the record in this matter. The case file will be returned to the Office of the Insurance Commissioner.

Dated this 6th day of September, 2013,



Robert Krabill
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that copies of this notice were sent by US First Class Mail, postage prepaid, to the parties listed below, this 6th day of Sept., 2013, at Tacoma, Washington.

