

BEFORE THE STATE OF WASHINGTON
OFFICE OF INSURANCE COMMISSIONER

FILED

In the Matter of:)
)
RENT-A-CENTER, INC.)
RENT-A-CENTER WEST, INC.)
)
Unlicensed Entities,)
)
and)
)
BENEFIT MARKETING SOLUTIONS,)
LLC, and BENEFIT SERVICES)
ASSOCIATION,)
)
Unregistered and Unauthorized Entities.)
_____)

No. 14-0082 - 2014 JUL -7 P 12:21
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ORDER ON MOTION FOR STAY
OF PROCEEDINGS

TO: Dwight D. Dumler, Senior Vice President
Rent-A-Center, Inc.
5501 Headquarters Drive
Plano, TX 75024

Gulliver A. Swenson, Esq.
Ryan Swanson & Cleveland, PLLC
1201 Third Avenue, Suite 3400
Seattle, WA 98101-3034

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

1. On May 1, 2014, the Office of Insurance Commissioner ("OIC") filed a Notice of Request for Hearing for Imposition of Fines against Respondents Rent-a-Center, Inc., Rent-a-Center West, Inc., Benefit Marketing Solutions, LLC ("BMS") and Benefit Services Association ("BSA"). On May 2, 2014, the Hearings Unit filed a Notice of Receipt of OIC Notice of Request for Hearing. On May 7, 2014, the OIC filed an Amended Notice of Request for Hearing.

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2. On June 18, 2014, BMS and BSA filed a Motion for Stay of Proceedings, requesting a stay of the present proceedings until the Thurston County Superior Court rules on BMS and BSA's Complaint for Declaratory Relief, Thurston County Cause No. 14 2 01156-1 (the "Declaratory Judgment Action"). On June 24, 2014, OIC filed a Response to Motion for Stay. On July 1, 2014, BMS and BSA filed a Reply to OIC's Response.

3. In their Complaint for Declaratory Relief, BMS and BSA ask the Superior Court to declare that the OIC lacks jurisdiction in the present proceeding, asserting: 1) they are not service contract providers and are not engaged in the solicitation or sale of service contracts as defined by RCW 48.110.020; and 2) they are not insurance providers as defined by RCW 48.17.060.

4. As OIC's attorney, Ms. Stickler had the authority to agree to make a joint request for a stay of the present proceeding pending judicial determination of the Declaratory Judgment Action. However, until my review and approval of the parties' agreement, the OIC could change its position, absent detrimental reliance by BMS and BSA, which they have not demonstrated. I therefore consider the Motion for Stay on its merits.

5. I believe a stay of the present proceeding would: 1) conserve judicial resources in both the Superior Court and the OIC; and 2) avoid the risk of inconsistent determinations of the dispositive issues in the Declaratory Judgment Action.

6. The OIC requests in the present proceeding that fines be imposed on BMS and BSA. I do not find that the importance of speedy adjudication of such request for fines outweighs the factors supporting the grant of a stay. (My ruling might be different if, e.g., Washington State policyholders were subjected to continuing risk.)

7. The present proceeding is stayed until the Thurston County Superior Court resolves the Declaratory Judgment Action.

Dated: July 2, 2014



George A. Finkle, Superior Court Judge (Ret.)
Presiding Hearing 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: Dwight Dumler, Gulliver Swenson, Esq., James T. Odiorne, John F. Hamje, AnnaLisa Gellermann, Esq. and Marcia Stickler, Esq.

DATED this 7th day of July, 2014.


KELLY A. CAIRNS