

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
OFFICE OF FINANCIAL AND INSURANCE REGULATION  
Before the Commissioner of Financial and Insurance Regulation

Julia Ranier  
f/k/a Julia Scott,  
Petitioner

v

Office of Financial and Insurance Regulation,  
Respondent

Case No. 11-818-L  
Docket No. 2011-518

For the Petitioner:

Julia Ranier  


For the Respondent:

William Peattie  
Office of General Counsel  
Office of Financial and Insurance Regulation  
P.O. Box 30220  
Lansing, MI 48909

Issued and entered  
this *22nd* day of August 2011  
by R. Kevin Clinton  
Commissioner

FINAL DECISION

I. BACKGROUND

This case concerns the application of Julia Ranier (Petitioner) for a nonresident insurance producer license. Petitioner filed her application with the Office of Financial and Insurance Regulation (OFIR) in September 2010. On the application, Petitioner failed to disclose that she had been denied a producer license in Wisconsin and had her insurance license revoked in South Dakota. OFIR staff discovered these omissions when the Petitioner's application was reviewed. Petitioner's application was denied based on her failure to disclose those administrative actions.

Petitioner challenged the license denial. A hearing was scheduled for June 6, 2011. Petitioner failed to appear for the hearing. At the hearing, OFIR staff requested a default judgment be entered. The administrative law judge granted the motion and issued a proposal for decision on June 21, 2011 recommending that the license denial be affirmed.

## II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

The factual findings in the PFD are in accordance with the preponderance of the evidence and the conclusions of law are supported by reasoned opinion. Those findings and conclusions are adopted. The PFD is attached and made part of this final decision.

Subsections 1239(1)(a) and (i) of the Michigan Insurance Code (Code), MCL 500.1239(1)(a) and (i), provide:

(1) In addition to any other powers under this act, the commissioner may place on probation, suspend, or revoke an insurance producer's license or may levy a civil fine under section 1244 or any combination of actions, and the commissioner shall refuse to issue a license under section 1205 or 1206a, for any 1 or more of the following causes:

(a) Providing incorrect, misleading, incomplete, or materially untrue information in the license application.

\* \* \*

(i) Having an insurance producer license or its equivalent denied, suspended, or revoked in any other state, province, district, or territory.

The Commissioner finds that the Petitioner failed to disclose administrative actions taken against her insurance licenses in other states. By failing to disclose those actions, Petitioner provided misleading and incomplete information on her application for a Michigan license in violation of section 1239(1)(a) of the Code. In addition, Petitioner's insurance license was revoked in South Dakota in violation of section 1239(1)(i) of the Code. These actions require that her Michigan license application be denied.

## III. ORDER

It is ordered that the refusal to issue an insurance producer license to Petitioner Julia Ranier is upheld.



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R. Kevin Clinton  
Commissioner

STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

In the matter of	Docket No.	2011-518
Julia E. Rainier f/k/a Julia E. Scott, Petitioner	Agency No.	11-818-L
v	Agency:	Office of Financial and Insurance Regulation
Office of Financial and Insurance Regulation, Respondent	Case Type:	Intent to Deny Refusal to License

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Issued and entered  
this 21<sup>st</sup> day of June, 2011  
by C. David Jones  
Administrative Law Judge

PROPOSAL FOR DECISION

PROCEDURAL HISTORY

On or about September 1, 2010, Petitioner applied for a Non-Resident Insurance Producer License. On or about October 14, 2010, Respondent sent Petitioner Notice of License Denial. On or about October 25, 2010, Petitioner filed her Petition for Hearing.

On April 22, 2011, this office sent the parties Notice of Hearing to commence on June 6, 2011, at 9:00 a.m., at 611 W. Ottawa St., Lansing, Michigan. Petitioner's notice was sent to her last known address by certified mail, return receipt requested. On May 25, 2011, Petitioner's Notice was returned by the Post Office, marked "Unclaimed". On May 26, 2011, another Notice of Hearing was mailed to Petitioner, this time by regular mail. That Notice was not returned by the Post Office.

On June 6, 2011, the hearing convened as scheduled. Petitioner did not appear in person or by authorized representative. Respondent appeared by Attorney

William Peattie. A default was issued and no evidence was taken.

### ISSUES AND APPLICABLE LAW

The applicable law in this case is the Insurance Code of 1956; 1956 PA 218, as amended; MCL 500.100 *et seq.*

The issues are as follows:

Did Respondent properly refuse to issue Petitioner a license because Petitioner provided untrue information on her application, in violation of MCL 500.1239(l)(a), and had a license denied, suspended, or revoked in another state, in violation of MCL 500.1239(l)(i)?

### FINDINGS OF FACT

1. Petitioner responded "no" on the September 1, 2010 (approximate date) application for the question asking "Have you ever been involved in an administrative proceeding regarding any professional or occupational license or registration?"

2. On July 3, 2009, the State of Wisconsin denied the applicant's license due to failure to respond.

3. On May 24, 2010, the State of South Dakota revoked the applicant's license for failure to report other state action and failure to respond.

### CONCLUSIONS OF LAW

#### A. Default

At the outset of the contested case hearing, the Respondent's Attorney requested that the respondent be allowed to proceed in the Petitioner's absence pursuant to Section 72 of the Administrative Procedures Act. In addition, the attorney requested that a default be granted on behalf of the State pursuant to Section 78 of the

requested that a default be granted on behalf of the State pursuant to Section 78 of the APA.

Section 72 of the APA, MCL 24.272(1) states, in pertinent part:

(1) If a party fails to appear in a contested case, after proper service of notice, the agency, if no adjournment is granted, may proceed with the hearing and make its decision in the absence of the party.

Furthermore, Section 78 of the APA states in pertinent part:

(2) Except as otherwise provided by law, disposition may be made of a contested case by . . . default.

The Judge determined that the Respondent should be allowed to proceed in Petitioner's absence and granted the Respondent's motion for default. Petitioner is an applicant and had the burden of proof. 1983 AACRS, R 500.2127(2) provides that the party having the burden of proof first present evidence. Since Petitioner presented no evidence, there was no need for Respondent to present evidence, and the record closed. Petitioner has not established her eligibility.

**B. Alleged Violations**

Respondent accused Petitioner of violating the following:

Sec. 1239. (1) In addition to any other powers under this act, the commissioner may place on probation, suspend, or revoke an insurance producer's license or may levy a civil fine under section 1244 or any combination of actions, and the commissioner shall refuse to issue a license under section 1205 or 1206a, for any 1 or more of the following causes:

(a) Providing incorrect, misleading, incomplete, or materially untrue information in the license application.

\* \* \*

(i) Having an insurance producer license or its equivalent denied, suspended, or revoked in any other state, province, district, or territory.

MCL 500.1239(1)(a and i)

Respondent found that Petitioner violated MCL 500.1239(1)(a and i). Petitioner presented no evidence at hearing and has not established her compliance with MCL 500.1239(1)(a and i).

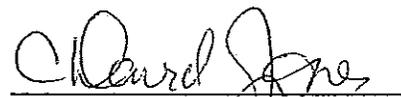
**PROPOSED DECISION**

Based on the above Findings of Fact and Conclusions of Law, I recommend the following decision:

1. Petitioner has not established compliance with MCL 500.1239(1)(a and i).
2. On or about October 14, 2010, Respondent properly refused to issue Petitioner a Non-Resident Insurance Producer License.

**EXCEPTIONS**

Any Exceptions to this Proposal for Decision should be filed in writing with the Office of Financial and Insurance Regulation, Division of Insurance, Attention: Dawn Kobus, P. O. Box 30220, Lansing, Michigan 48909, within twenty (20) days of issuance of this Proposal for Decision. An opposing party may file a response within ten (10) days after exceptions are filed.



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C. David Jones  
Administrative Law Judge