

LAWRENCE G. WASDEN
Attorney General

MICHAEL WITRY – I.S.B. No. 7960
Deputy Attorney General
Idaho Department of Insurance
700 W. State Street, 3rd Floor
PO Box 83720
Boise, Idaho 83720-0043
Telephone No. (208) 334-4219
Facsimile No. (208) 334-4298
michael.witry@doi.idaho.gov

FILED
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Department of Insurance
State of Idaho

Attorneys for the Department of Insurance

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

IDAHO DEPARTMENT OF INSURANCE,

Complainant,

vs.

SCOTT A. BLANTON, an individual holding
Idaho Resident Producer License No. 551060,

Respondent.

Docket No. 18-3769-20

**STIPULATION AND
FINAL ORDER**

COME NOW the staff of the Idaho Department of Insurance (“Department”) and SCOTT A. BLANTON (“BLANTON”), resident producer under title 41 of the Idaho Code, holding Resident Producer License No. 551060, and do hereby agree and stipulate as follows:

FINDINGS OF FACT

1. BLANTON is a licensed insurance producer in the state of Idaho, holding Resident Producer License No. 551060, which license is due to expire on May 31, 2022. BLANTON is subject to the provisions of title 41, Idaho Code, and to the rules of the Idaho Department of Insurance promulgated thereunder.

2. The Director of the Department (“Director”) has jurisdiction over BLANTON and the subject matter herein pursuant to provisions of the Idaho Insurance Code, Idaho Code §§ 41-101 *et seq.*

3. On March 27, 2020, the Department filed a Verified Complaint and Notice of Right to Hearing (hereinafter “Verified Complaint”), seeking revocation of BLANTON’s producer license and imposition of administrative penalties.

4. Among the allegations in the Verified Complaint were that BLANTON failed to conduct timely reconciliations of his bank accounts and failed to pay withholding tax.

CONCLUSIONS OF LAW

5. Idaho Code § 41-1016(1) provides that the Director of the Department may impose an administrative penalty of up to \$1,000, and suspend, revoke, or refuse to issue a producer license for certain enumerated violations.

6. Idaho Code § 41-1016(1)(b) gives cause for the imposition of a penalty and action against a producer for “[v]iolating any provision of title 41, Idaho Code, department rule, subpoena or order of the director or of another state’s insurance director.”

7. Idaho Code § 41-1016(1)(h) gives cause for the imposition of a penalty and action against a producer for “[u]sing fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility, or being a source of injury and loss to the public or others, in the conduct of business in this state or elsewhere.”

8. Idaho Code § 41-1016(1)(n) gives cause for the imposition of a penalty and action against a producer for “[f]ailing to pay state income tax or to comply with any administrative or court order directing payment of state income tax.”

9. IDAPA 18.06.02.014.01 provides that fiduciary funds that are in the form of a

check that is made payable to an insurer shall be remitted to the insurer within the time period as set forth in the terms and conditions as required by the insurer, or, if not specified, then within twenty-one (21) days of receipt.

10. By engaging in the actions described in the Verified Complaint, BLANTON violated IDAPA 18.06.02.014.01, thereby justifying discipline pursuant to Idaho Code § 41-1016(1)(b); violated Idaho Code § 41-1016(1)(h); and violated Idaho Code § 41-1016(1)(n).

11. The parties agree that this matter may be brought to a close by a negotiated and stipulated settlement and entry of this Stipulation and Final Order.

AGREEMENT

12. Based upon the foregoing, BLANTON and the Department stipulate and agree as follows:

- a. BLANTON admits to two violations of Idaho Code § 41-1016(1)(b) by failing to make prompt deposit of premium funds in violation of IDAPA 18.06.02.014.01.
- b. BLANTON admits to one violation of Idaho Code § 41-1016(1)(h) by demonstrating financial irresponsibility by failing to conduct timely reconciliations of his premium account.
- c. BLANTON admits to two violations of Idaho Code § 41-1016(1)(n) by failing to pay state income tax.
- d. As sanction for the violations referenced above, BLANTON and the Department agree to the penalties set forth below and agree that the Director of the Department may enter the Final Order attached hereto, which provides as follows:
 - i. That the Stipulation be adopted in full and incorporated into the Final Order;

- ii. That BLANTON's Idaho Resident Producer License No. 551060 shall be placed in probationary status for a period of one (1) year from the issuance of the Final Order;
- iii. That during the probationary period, BLANTON shall commit no further violations of title 41, Idaho Code;
- iv. That during the probationary period, BLANTON shall comply with all federal and state tax obligations;
- v. That, six (6) months from the issuance of the Final Order, and again one (1) year from the issuance of the Final Order, BLANTON shall provide to the Department:
 - a. Proof that there are no outstanding liens against his business bank accounts;
 - b. Copies of his business bank account statements for the previous six (6) months; and
 - c. Proof that he has attended six (6) hours of Department-approved continuing education for ethics during the previous six (6) months;
- vi. That, upon BLANTON's demonstration of compliance with paragraph 12 of the Stipulation, Idaho Resident Producer License No. 551060 shall be removed from probationary status; and
- vii. That, in the event BLANTON fails to comply with any term of this Stipulation and Final Order, the Department may take appropriate action at its sole discretion, including, but not limited to,

immediately issuing a notice to show cause why BLANTON's license shall not be revoked.

- e. BLANTON further expressly agrees that, in the event he submits to the Department an application for any Idaho license provided for and authorized under title 41, Idaho Code, the Department may consider the facts and allegations in the Verified Complaint in this action as true for the limited purpose of evaluating his character and fitness for licensure.

13. By entering into this Stipulation, BLANTON knowingly and voluntarily waives any rights he would otherwise have to notice and a hearing at which he may be represented by counsel, present evidence, and examine witnesses. The parties hereto further waive their right of reconsideration, appeal, and other rights as set forth in title 67, chapter 52, Idaho Code, including the right to submit this matter for review by a court of competent jurisdiction.

14. The parties agree that the terms of this Stipulation and Final Order are appropriate and proper under the circumstances referenced herein.

15. BLANTON acknowledges that he has read this Stipulation and Final Order and understands its contents; that he has been given the opportunity to discuss this Stipulation and Final Order with independent legal counsel of his choosing; and that he has entered into this Stipulation knowingly, voluntarily, and with full knowledge of any rights he may be waiving thereby.

16. BLANTON acknowledges that this is an administrative action that may be required to be reported on license applications and license renewal forms and disclosed to other agencies through which BLANTON holds a license.

17. This Stipulation is subject to approval by the Director or the Director's designee,

and shall become effective and binding upon the Department and BLANTON upon such approval. Should the Director decline to approve this Stipulation and Final Order, the Department and BLANTON shall retain all of their rights, claims and/or defenses, and any factual and/or legal admissions made by BLANTON herein shall be withdrawn.

18. This Stipulation constitutes the full and final resolution of all matters addressed herein, and the Department agrees that, subject to the Director's approval described above, the Department shall seek no further civil or administrative sanctions for the violations alleged in the Verified Complaint, Docket No. 18-3769-20, subject to the agreement set forth in Paragraph 12 above.

19. BLANTON agrees that, upon execution of this Stipulation and Final Order, no subsequent action or assertion shall be maintained or pursued in any manner asserting the invalidity of this Stipulation and Final Order and its provisions.

20. This Stipulation and Final Order embodies the entire agreement between the Department and BLANTON and there are no agreements, understandings, representations, or warranties that are not expressly set forth herein.

21. Upon the Director's entry of the Final Order approving this stipulation, this Stipulation and Final Order shall be a public record under the Idaho Public Records Act.

AGREED this 13 day of January, 2020.¹

SAB

By:


SCOTT A. BLANTON

AGREED this 19th day of JANUARY, ~~2020~~ ²⁰²¹

STATE OF IDAHO
DEPARTMENT OF INSURANCE

By: 

Randall M. Pipal
Bureau Chief, Consumer Affairs

Approved as to Form:

STATE OF IDAHO
OFFICE OF THE ATTORNEY GENERAL

By: Michael Witry

Michael Witry
Deputy Attorney General
Attorney for the Department of Insurance

FINAL ORDER

The parties hereto, namely the Idaho Department of Insurance and SCOTT A. BLANTON, having entered into the foregoing Stipulation, and the form of the order having been approved, the Director, having reviewed the same, does hereby find that there is a factual basis for entry of a Final Order herein and does hereby conclude that BLANTON did violate title 41, Idaho Code, as stated in the Stipulation.

NOW, THEREFORE, based on the foregoing and in consideration of the premises,

IT IS HEREBY ORDERED that the foregoing Stipulation is approved and is incorporated herein as if set forth in full and made a part hereof; and,

IT IS FURTHER ORDERED that Idaho Resident Producer License No. 551060 issued to BLANTON is hereby placed in probationary status for a period of one (1) year, effective immediately;

IT IS FURTHER ORDERED that during the probationary period, BLANTON shall commit no further violations of title 41, Idaho Code;

IT IS FURTHER ORDERED that during the probationary period, BLANTON shall comply with all federal and state tax obligations;

IT IS FURTHER ORDERED that, six (6) months from the issuance of the Final Order, and again one (1) year from the issuance of the Final Order, BLANTON shall provide to the Department:

1. Proof that there are no outstanding liens against his business bank accounts;
2. Copies of his business bank account statements for the previous six (6) months; and
3. Proof that he has attended six (6) hours of Department-approved continuing education for ethics during the previous six (6) months;

IT IS FURTHER ORDERED that, upon BLANTON's demonstration of compliance with paragraph 12 of the Stipulation, Idaho Resident Producer License No. 551060 shall be removed from probationary status;

IT IS FURTHER ORDERED that in the event BLANTON fails to comply with any term of this Stipulation and Final Order, the Department may take appropriate action at its sole discretion, including, but not limited to, immediately issuing a notice to show cause why BLANTON's license shall not be revoked;

DATED this 25th day of January, 2021.

STATE OF IDAHO
DEPARTMENT OF INSURANCE

A handwritten signature in black ink, appearing to read "Dean L. Cameron", written over a horizontal line.

DEAN L. CAMERON
Director

NOTICE REGARDING REPORTABLE PROCEEDINGS

The foregoing is considered a reportable administrative proceeding. As such, it is a public record and is public information that may be disclosed to other states and reported to companies for which you are actively appointed. This information will be reported to the National Association of Insurance Commissioners (NAIC) and will appear in the online searchable database of the Idaho Department of Insurance. You should be aware that this proceeding must be disclosed on any insurance license application and must be reported to any and all states in which you hold an insurance license.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 26th day of January, 2021, I caused a true and correct copy of the foregoing, fully-executed STIPULATION AND FINAL ORDER to be served upon the following by the designated means:

Michael Witry
Deputy Attorney General
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

- ☐ first class mail
☐ certified mail
☒ hand delivery

Scott A. Blanton
680 N 4th St Suite 2A
Montpelier, ID 83254
scott.blanton.f0sg@statefarm.com

- ☒ first class mail
☐ certified mail
☐ hand delivery
☒ email

Regence BlueShield of Idaho, Inc.
1602 21st Avenue
Lewiston, ID 83501-4061

- ☒ first class mail
☐ certified mail
☐ hand delivery

State Farm Fire & Casualty Company
One State Farm Plaza
Bloomington, IL 61710


- ☒ first class mail
☐ certified mail
☐ hand delivery

State Farm Life Insurance Company
One State Farm Plaza
Bloomington, IL 61710

- ☒ first class mail
☐ certified mail
☐ hand delivery

State Farm Mutual Automobile Insurance Company
One State Farm Plaza
Bloomington, IL 61710

- ☒ first class mail
☐ certified mail
☐ hand delivery


Pamela Murray