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**FILED** *AM*  
**FEB 22 2018**  
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.

SHELLEY RIGGS, an individual holding  
inactive Idaho Resident Producer License No.  
517276;

Respondent.

Docket No. 18-3381-17

**STIPULATION AND  
FINAL ORDER**

COMES NOW the staff of the Idaho Department of Insurance (Department), and SHELLEY RIGGS (RIGGS), resident producer under title 41 of the Idaho Code, holding inactive Resident Producer License No. 517276, and do hereby agree and stipulate as follows:

**FINDINGS OF FACT**

1. Since its original issuance date of January 30, 2015, until its expiration on November 30, 2016, RIGGS was a licensed insurance producer in the state of Idaho, holding

Residence Producer License No. 517276. RIGGS is therefore 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 Idaho Department of Insurance (the “Director”) has jurisdiction over RIGGS and the subject matter herein pursuant to provisions of Idaho’s Producer Licensing Act, Idaho Code §§ 41-1001 through 41-1045, as well as the Idaho Insurance Code, Idaho Code §§ 41-101 *et. seq.*

3. Effective February 24, 2015, RIGGS was an appointed agency customer service representative for the following companies: Farmers Insurance Company of Idaho, Farmers Insurance Exchange, Mid Century Insurance Exchange, Truck Insurance Exchange, Foremost Insurance Company Grand Rapids, Michigan, Bristol West Insurance Company (collectively, referred to hereinafter as the “Farmers Insurance Group”).

4. RIGGS began working for the Farmers Insurance – Julie Burton Agency in Gooding, Idaho, in September of 2013 as a customer service representative.

5. By letter dated August 17, 2016, Farmers Insurance Group notified the Department that RIGGS’ employer, Julie Burton, was no longer appointed with Farmers Insurance Group and that her appointment had been terminated for cause. Farmers Insurance Group stated in its letter to the Department that the reason for terminating Burton for cause was due to Burton and RIGGS submitting falsified prior insurance documents and falsified diplomas in order to provide better premium rates for insureds.

6. Upon investigation of the Farmers Insurance Group allegations included in its notice, the Department determined that twenty-five falsified proof of insurance documents and a Microsoft Word document template for a University of Idaho engineering diploma were discovered on the agency computer that RIGGS used.

7. On December 8, 2017, the Department filed a Verified Complaint and Notice of Hearing against RIGGS. In the Verified Complaint, the Department alleged that RIGGS created and submitted falsified prior insurance documents in order to provide better premium rates for insureds at the direction of her supervisor and employer, Julie Burton.

### **CONCLUSIONS OF LAW**

8. 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 an insurance license for certain enumerated violations.

9. 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.”

10. By creating and submitting twenty-five (25) falsified documents at the request of her supervisor/employer, RIGGS demonstrated incompetence and untrustworthiness in the conduct of business in this state in violation of Idaho Code § 41-1016(1)(h).

11. Idaho Code § 41-117 makes clear that each instance of violation may be treated as a separate offense.

12. 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**

13. Based upon the foregoing, RIGGS and the Department stipulate and agree as follows:

- a. RIGGS admits to demonstrating incompetence and untrustworthiness in the conduct of business in this state in violation of Idaho Code § 41-1016(1)(h).

b. As sanction for the violations referenced above, RIGGS and the Department 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 RIGGS's Idaho Resident Producer License No. 517276 shall be revoked, and that RIGGS shall be barred from submitting an application to the Department of Insurance for a new license for a period of five (5) years from the date of entry of the Final Order herein;
- iii. That an administrative penalty shall be imposed against RIGGS in the amount of Ten Thousand Dollars (\$10,000);
- iv. That all of the administrative penalty except for One Thousand Dollars (\$1,000) shall be suspended;
- v. That the total sum not suspended in the amount of One Thousand Dollars (\$1,000) shall be due and payable within thirty (30) days from the execution of this Final Order;
- vi. That, in the event RIGGS in the future submits an application for an Idaho insurance license to the Idaho Department of Insurance, the total suspended amount of Nine Thousand Dollars (\$9,000) shall be immediately due and payable; and,
- vii. Before the Department shall consider any such application from RIGGS, the balance of the administrative penalty in the amount of Nine Thousand Dollars (\$9,000) shall be paid in full.

c. RIGGS further expressly agrees that, in the event she submits an application for an Idaho insurance license to the Idaho Department of Insurance, the Department may consider the facts and allegations in the Verified Complaint in Docket No. 18-3381-17 as true for the limited purpose of evaluating RIGGS's character and fitness for relicensure.

14. By entering into this Stipulation, RIGGS knowingly and voluntarily waives any rights she would otherwise have to notice and a hearing at which she 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.

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

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

17. RIGGS 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 RIGGS holds a license.

18. This Stipulation is subject to approval by the Director or the Director's designee, and shall become effective and binding upon the Department and RIGGS upon such approval. Should the Director decline to approve this Stipulation and Final Order, the Department and

RIGGS shall retain all of their rights, claims and/or defenses, and any factual and/or legal admissions made by RIGGS herein shall be withdrawn.

19. 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 in Paragraph 18, above, the Department shall seek no further sanctions for the violations alleged in the Verified Complaint, Docket No. 18-3381-17, subject to the agreement set forth in Paragraph 13(c) above.

20. This Stipulation and the Final Order entered herein, and the admissions of RIGGS as stated herein, shall not be used in any criminal proceeding.

21. RIGGS 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.

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

23. 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.


[Signatures on following pages.]

AGREED THIS 16<sup>th</sup> day of February, 2018.

By: Shelley Riggs  
SHELLEY RIGGS

Approved as to Form:

HALL, FRIEDLY & WARD

By:   
Brian B. Peterson, Of the Firm  
Attorney for the Respondent

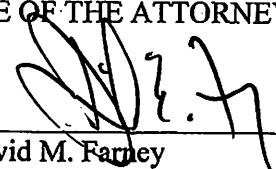
AGREED THIS 20 day of Feb, 2018.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE

By: Elaine Mellon  
Elaine Mellon, CLU, ChFC  
Bureau Chief, Consumer Services

Approved as to Form:

STATE OF IDAHO  
OFFICE OF THE ATTORNEY GENERAL

By:   
David M. Farney  
Deputy Attorney General  
Attorney for the Department of Insurance

## **FINAL ORDER**

The parties hereto, namely the Idaho Department of Insurance and SHELLEY RIGGS, 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 SHELLEY RIGGS 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;

IT IS FURTHER ORDERED that Idaho Resident Insurance Producer License No. 517276 issued to SHELLEY RIGGS is hereby REVOKED and that SHELLEY RIGGS shall be barred from submitting an application to the Department of Insurance for a new license for a period of five (5) years from the date of entry of the Final Order herein;

IT IS FURTHER ORDERED that an administrative penalty in the amount of Ten Thousand Dollars (\$10,000) is hereby imposed on SHELLEY RIGGS;

IT IS FURTHER ORDERED that Nine Thousand Dollars (\$9,000) of said administrative penalty is suspended;

IT IS FURTHER ORDERED that the total sum of One Thousand Dollars (\$1,000) of said administrative penalty is due and payable within thirty (30) days from the execution of this Final Order;

IT IS FURTHER ORDERED that, if at any time in the future SHELLEY RIGGS submits an application for an Idaho insurance license to the Idaho Department of Insurance, the suspended sum of Nine Thousand Dollars (\$9,000) shall be immediately due and payable; and,



IT IS FURTHER ORDERED that the Idaho Department of Insurance shall not consider any application from SHELLEY RIGGS for an Idaho insurance license until such time that the total administrative penalty has been paid in full.

DATED this 21 day of February, 2018.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE



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 22<sup>nd</sup> day of February, 2018, 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:

Brian B. Peterson  
Hall, Friedly & Ward  
340 East 2<sup>nd</sup> North Street  
Mountain Home, ID 83647

- first class mail
- certified mail
- hand delivery
- via facsimile

David M. Farney  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0043

- first class mail
- certified mail
- hand delivery
- via facsimile

  
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Pamela Murray