



## State of Missouri

### DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

IN RE:

CARLOS R. MCLAURIN,

Applicant.

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Case No. 199577

#### **ORDER REFUSING TO ISSUE MOTOR VEHICLE EXTENDED SERVICE CONTRACT PRODUCER LICENSE**

On December 23, 2013, the Consumer Affairs Division submitted a Petition to the Director alleging cause for refusing to issue a motor vehicle extended service contract (MVESC) producer license to Carlos R. McLaurin. After reviewing the Petition and the Investigative Report, the Director issues the following findings of fact, conclusions of law, and order:

#### **FINDINGS OF FACT**

1. Carlos R. McLaurin ("McLaurin") is a Missouri resident with a residential address of record of 4229 Cypress Town Court, St. Ann, Missouri, 63074.
2. On June 10, 2013, the Department of Insurance, Financial Institutions and Professional Registration ("Department") received McLaurin's Application for Motor Vehicle Extended Service Contract Producer License ("Application").
3. By signing the Application, McLaurin attested and certified that "all of the information submitted in this application and attachments is true and complete."
4. Background Question No. 1 of the Application asks the following:

Have you ever been convicted of a crime, had a judgement withheld or deferred, or are you currently charged with committing a crime?

"Crime" includes a misdemeanor, felony or a military offense. You may exclude misdemeanor traffic citations or convictions involving driving under the influence (DUI) or driving while intoxicated (DWI), driving without a license, reckless driving, or driving with a suspended or revoked license or juvenile offenses. "Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, or having been

given probation, a suspended sentence or a fine.

“Had a judgement withheld or deferred” includes circumstances in which a guilty plea was entered and/or a finding of guilt is made, but imposition or execution of the sentence was suspended (for instance, the defendant was given a suspended imposition of sentence or a suspended execution of sentence—sometimes called an “SIS” or “SES”).

If you answer yes, you must attach to this application:

- a) a written statement explaining the circumstances of each incident,
- b) a copy of the charging document, and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgement[.]

5. McLaurin answered “No” to Question No. 1.
6. Contrary to McLaurin’s “No” answer to Question No. 1, investigation by the Consumer Affairs Division, revealed that McLaurin had been convicted of a misdemeanor and a felony:
  - a. On November 7, 2005, McLaurin pleaded guilty in the St. Louis County Circuit Court to the Class A Misdemeanor of Criminal Non-Support, in violation of § 568.040.<sup>1</sup> The court suspended the imposition of sentence and placed McLaurin on two years’ probation. On May 1, 2008, the court revoked McLaurin’s probation, sentenced McLaurin to one year’s confinement in county jail, suspended execution of that sentence, placed McLaurin on another two years’ probation, and ordered McLaurin to pay child support and arrearages consistent with No. 07SL-CR03252;<sup>2</sup> and
  - b. On May 1, 2008, McLaurin pleaded guilty in the St. Louis County Circuit Court to the Class D Felony of Criminal Non-Support, in violation of § 568.040. The court suspended the imposition of sentence and placed McLaurin on five years’ probation. In a Supplemental Sentence, the court also ordered McLaurin to pay a total of \$425.00 per month for the support of his child, R.B. (\$224.00 per month for current support and \$201.00 per month towards the arrearage) beginning June 15, 2008. On October 20, 2011, the court revoked McLaurin’s probation and sentenced him to one year’s confinement in county jail, suspended execution of that sentence, and placed McLaurin on another five years’ probation. In a Supplemental Sentence, the court also ordered McLaurin to pay \$325.00 per month for the support of R.B. beginning December 7, 2011.<sup>3</sup>

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<sup>1</sup> All references to criminal statutes are to those contained in the version of the Revised Statutes of Missouri under which each judgment was rendered.

<sup>2</sup> *State of Missouri v. Carlos R. McLaurin*, St. Louis Co. Cir. Ct., No. 2101R-01296.

<sup>3</sup> *State of Missouri v. Carlos R. McLaurin*, St. Louis Co. Cir. Ct., No. 07SL-CR03252.

7. Background Question No. 7 of the Application asks the following:

7. Do you have a child support obligation in arrearage?

If you answer yes:

- a) by how many months are you in arrearage? \_\_\_\_\_ months
- b) are you currently subject to and in compliance with any repayment agreement?
- c) are you the subject of a child support related subpoena/warrant? (If you answer yes, provide documentation showing proof of current payments or an approved repayment plan from the appropriate state child support agency.)

8. McLaurin answered "No" to Background Question No. 7.

9. Contrary to McLaurin's answer to Question No. 7, as of the date of the Application McLaurin owed a total of \$48,869.65 in arrearages on four separate child support obligations.

10. On June 1, 2000, the St. Louis County Circuit Court, in a paternity action, entered an order directing McLaurin to pay \$224.00 per month for the support of his child, R.B.

11. As of the date of the Application, McLaurin was \$20,468.37 in arrearage on his child support obligation for the support of his child, R.B. As of December 10, 2013, McLaurin was \$21,790.99 in arrearage on his child support obligation for the support of his child, R.B.<sup>4</sup>

12. On January 27, 2011, the Director of the Division of Child Support Enforcement filed an administrative order in the St. Louis County Circuit Court, imposing a child support obligation on McLaurin of \$287.00 per month for the support of his child, C.B. On the same day, that order was then issued as the court's judgment. The judgment has not been satisfied.<sup>5</sup>

13. As of the date of the Application, McLaurin was \$7,393.69 in arrearage on his child support obligation for the support of his child, C.B. As of December 10, 2013, McLaurin was \$8,801.61 in arrearage on his child support obligation for the support of his child, C.B.

14. As of December 10, 2013, McLaurin owed a total of \$52,946.69 in arrearages on his child support obligations.

15. It is inferable, and hereby found as fact, that McLaurin falsely answered "No" to Question No. 7 and failed to disclose his \$48,869.65 in child support arrearages in order to falsely represent to the Director that he had no child support arrearages and, accordingly, to improve the chances that the Director would approve his Application and

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<sup>4</sup> *Id.*

<sup>5</sup> *State of Missouri v. McLaurin*, St. Louis Co. Cir. Ct., No. 11SL-DR00448.

issue him an MVESC producer license.

16. It is inferable, and hereby found as fact, that McLaurin falsely answered "No" to Question No. 1 and failed to disclose his convictions of the Class D Felony of Criminal Non-Support and the Class A Misdemeanor of Criminal Non-Support in order to falsely represent to the Director that he had no criminal history, and to support his misrepresentation in response to Question No. 7 that he had no child support arrearages and, accordingly, to improve the chances that the Director would approve his Application and issue him an MVESC producer license.

### CONCLUSIONS OF LAW

17. Section 385.209 RSMo, Supp. 2012, provides, in part:

1. The director may suspend, revoke, refuse to issue, or refuse to renew a registration or license under sections 385.200 to 385.220 for any of the following causes, if the applicant or licensee or the applicant's or licensee's subsidiaries or affiliated entities acting on behalf of the applicant or licensee in connection with the applicant's or licensee's motor vehicle extended service contract program has:

\* \* \*

(3) Obtained or attempted to obtain a license through material misrepresentation or fraud;

\* \* \*

(5) Been convicted of any felony;

\* \* \*

(12) Failed to comply with an administrative or court order imposing a child support obligation[.]

18. Just as the principal purpose of § 375.141, the insurance producer disciplinary statute, is not to punish licensees or applicants, but to protect the public, *Ballew v. Ainsworth*, 670 S.W.2d 94, 100 (Mo. App. E.D. 1984), the purpose of § 385.209 is not to punish applicants for a motor vehicle extended service contract producer license, but to protect the public.

19. The Director may refuse to issue an MVESC producer license to McLaurin under § 385.209.1(5) because McLaurin has been convicted of a felony:

a. The Class D Felony of Criminal Non-Support, in violation of § 568.040.<sup>6</sup>

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<sup>6</sup> *State of Missouri v. Carlos R. McLaurin*, St. Louis Co. Cir. Ct., No. 07SL-CR03252.

20. The Director may refuse to issue an MVESC producer license to McLaurin under § 385.209.1(3) because McLaurin attempted to obtain an MVESC producer license through material misrepresentation or fraud when he falsely answered “No” to Question No. 7 and failed to disclose his \$48,869.65 in child support arrearages in order to falsely represent to the Director that he had no child support arrearages and, accordingly, to improve the chances that the Director would approve his Application and issue him an MVESC producer license.
21. The Director may refuse to issue an MVESC producer license to McLaurin under § 385.209.1(3) because McLaurin attempted to obtain an MVESC producer license through material misrepresentation or fraud when he falsely answered “No” to Question No. 1 and failed to disclose his convictions of the Class D Felony of Criminal Non-Support and the Class A Misdemeanor of Criminal Non-Support in order to falsely represent to the Director that he had no criminal history, and to support his misrepresentation in response to Question No. 7 that he had no child support arrearages and, accordingly, to improve the chances that the Director would approve his Application and issue him an MVESC producer license.
22. The Director also may refuse to issue McLaurin an MVESC producer license under § 385.209.1(12) because McLaurin has failed to comply with administrative and court orders imposing child support obligations:
  - a. On June 1, 2000, the St. Louis County Circuit Court, in a paternity action, entered an order directing McLaurin to pay \$224.00 per month for the support of his child, R.B.<sup>7</sup>
  - b. On November 7, 2005, McLaurin pleaded guilty in the St. Louis County Circuit Court to the Class A Misdemeanor of Criminal Non-Support, in violation of § 568.040, thereby admitting that he knowingly failed to provide the adequate support that he was legally obligated by the St. Louis County Circuit Court’s June 1, 2000 order to provide for his child, R.B.<sup>8</sup>
  - c. On May 1, 2008, McLaurin pleaded guilty in the St. Louis County Circuit Court to the Class D Felony of Criminal Non-Support, in violation of § 568.040, thereby admitting that he again knowingly failed to provide the adequate support that he was legally obligated by the St. Louis County Circuit Court’s June 1, 2000 order to provide for his child, R.B.<sup>9</sup>
  - d. Also on May 1, 2008, in No. 07SL-CR03252, in a Supplemental Sentence, the St. Louis County Circuit Court ordered McLaurin to pay a total of \$425.00 per month for the support of his child, R.B. (\$224.00 per month for current support and

<sup>7</sup> *State of Missouri v. McLaurin*, St. Louis Co. Cir. Ct., No. 11SL-DR00448.

<sup>8</sup> *State of Missouri v. Carlos R. McLaurin*, St. Louis Co. Cir. Ct., No. 2101R-01296.

<sup>9</sup> *State of Missouri v. Carlos R. McLaurin*, St. Louis Co. Cir. Ct., No. 07SL-CR03252.

\$201.00 per month towards the arrearage) beginning June 15, 2008.<sup>10</sup>

- e. Also on May 1, 2008, in No. 2101R-01296 the St. Louis County Circuit Court ordered McLaurin to pay child support and arrearages consistent with No. 07SL-CR03252;<sup>11</sup>
  - f. On October 20, 2011, in a Supplemental Sentence, the St. Louis County Circuit Court ordered McLaurin to pay a total of \$325.00 per month for the support of his child, R.B. beginning December 7, 2011;<sup>12</sup>
  - g. As of the date of the Application, McLaurin was \$20,468.37 in arrearage on his child support obligation for the support of his child, R.B.
  - h. As of December 10, 2013, McLaurin was \$21,790.99 in arrearage on his child support obligation for the support of his child, R.B.
  - i. On January 27, 2011, the Director of the Division of Child Support Enforcement filed an administrative order in the St. Louis County Circuit Court, imposing a child support obligation on McLaurin of \$287.00 per month for the support of his child, C.B. On the same day, that order was then issued as the court's judgment. The judgment has not been satisfied.<sup>13</sup>
  - j. As of the date of the Application, McLaurin was \$7,393.69 in arrearage on his child support obligation for the support of his child, C.B. As of December 10, 2013, McLaurin was \$8,801.61 in arrearage on his child support obligation for the support of his child, C.B.
  - k. As of the date of the Application McLaurin owed a total of \$48,869.65 in arrearages on his child support obligations. As of December 10, 2013, McLaurin owed a total of \$52,946.69 in arrearages on his child support obligations.
23. The Director has considered McLaurin's history and all of the circumstances surrounding McLaurin's Application. Granting McLaurin an MVESC producer license would not be in the interest of the public. Accordingly, the Director exercises his discretion and refuses to issue a MVESC producer license to McLaurin.

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<sup>10</sup> *Id.*

<sup>11</sup> *State of Missouri v. Carlos R. McLaurin*, St. Louis Co. Cir. Ct., No. 2101R-01296.

<sup>12</sup> *Id.*

<sup>13</sup> *State of Missouri v. McLaurin*, St. Louis Co. Cir. Ct., No. 11SL-DR00448.

24. This order is in the public interest.

**ORDER**

**IT IS THEREFORE ORDERED** that the motor vehicle extended service contract producer license application of **Carlos R. McLaurin** is hereby **REFUSED**.

**SO ORDERED.**

WITNESS MY HAND THIS 27<sup>th</sup> DAY OF DECEMBER, 2013.

  
**JOHN M. HUFF**  
**DIRECTOR**



NOTICE

**TO: Applicant and any unnamed persons aggrieved by this Order:**

You may request a hearing in this matter. You may do so by filing a complaint with the Administrative Hearing Commission of Missouri, P.O. Box 1557, Jefferson City, Missouri, within 30 days after the mailing of this notice pursuant to Section 621.120, RSMo. Pursuant to 1 CSR 15-3.290, unless you send your complaint by registered or certified mail, it will not be considered filed until the Administrative Hearing Commission receives it.

CERTIFICATE OF SERVICE

I hereby certify that on this 30<sup>th</sup> day of December, 2013, a copy of the foregoing Order and Notice was served upon the Applicant in this matter by regular and certified mail at the following addresses:

Carlos R. McLaurin  
4229 Cypress Town Court  
St. Ann, Missouri 63074

Certified No. 7009 3410 0001 9254 6755



Angie Gross  
Senior Office Support Assistant  
Investigations Section  
Missouri Department of Insurance, Financial  
Institutions and Professional Registration  
301 West High Street, Room 530  
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