STATE OF MISSOURI
DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS & PROFESSIONAL REGISTRATION

IN THE MATTER OF:	)	
	)	
Lori Harris,	)	Case No. 08A000263
	)	0902061165
Applicant.	)	
	)	
Serve at:	)	
	)	
2080 4th Avenue #3	)	
Marion, IA 52302	)	
	)	

REFUSAL TO ISSUE INSURANCE PRODUCER LICENSE

On March 11, 2009, Elfin L. Noce, as Legal Counsel for the Investigations Section of the Division of Consumer Affairs, submitted a Petition to the Director alleging cause for refusing to issue the insurance producer license application of Lori Harris ("Applicant"). After reviewing the Petition, and the investigative report, the Director issues the following findings of fact, conclusions of law and summary order:

FINDINGS OF FACT

1. Lori Harris ("Applicant") is an Iowa resident with an address of 2080 4th Avenue #3, Marion, IA 52302.

2. On March 19, 2008, the Department of Insurance, Financial Institutions & Professional Registration ("Department") received the electronic Non-Resident Individual Producer License Application ("Application") from Applicant.

3. Under "Background Questions," question #1 of the Application asks: "Have you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime?"

4. Applicant answered "Yes" to this question.

5. Submitted with the Application was a written statement regarding question #1, dated March 3, 2008, to explain her "Yes" response to question #1. With her

written statement, Applicant submitted documentation of her past crimes.

6. Applicant submitted documentation showing that, on August 7, 2001, Applicant pleaded guilty to Criminal Mischief in the Fifth Degree, §§ 716.1 and 716.6, Code of Iowa. Applicant was ordered to pay a $50.00 fine and restitution.

7. Applicant submitted documentation showing that, on September 13, 2002, Applicant pleaded guilty to felony Possession With Intent to Deliver a Schedule I Controlled Substance, Marijuana, §§ 124.401(1)(d) and 124.204(4)(m), Code of Iowa. Applicant was placed on probation for three (3) years.

8. Applicant submitted documentation showing that, on January 7, 2004, Applicant pleaded guilty to Interference with Official Acts, § 719.1, Code of Iowa. Applicant was ordered to pay a fine of $250.00.

9. Applicant submitted documentation showing that, on December 29, 2005, Applicant pleaded guilty to Gathering Where a Controlled Substance is Available, § 124.412, Code of Iowa. Applicant was ordered to pay a fine of $250.

10. On April 14, 2008, Special Investigator Carrie Couch mailed a letter to Applicant requesting more information regarding Applicant's felony convictions. In her letter, Special Investigator Couch requested the following information from Applicant: an explanation of the convictions, whether Applicant had any probation violations, whether Applicant completed probation, and a statement from Probation and Parole indicating whether or not Applicant completed probation successfully. Special Investigator Couch requested this information by no later than May 5, 2008.

11. On May 5, 2008, Applicant mailed a letter to Special Investigator Couch in reply to Special Investigator Couch's April 14, 2008 letter.

12. In the May 5, 2008 letter, Applicant stated that on September 13, 2002, she pleaded guilty to Possession With Intent to Deliver a Controlled Substance and was placed on probation for three years. Applicant stated that her probation was discharged in March 2007. Applicant attached a copy of the orders, restoration of her voting rights and the financial statement with regard to this conviction.

13. In the May 5, 2008 letter, Applicant stated that on December 29, 2005, she was convicted of misdemeanor Gathering Where A Controlled Substance is Available. Applicant stated a $250.00 fine was imposed and attached a copy of the plea/sentence and financial statement.

14. On May 12, 2008, Special Investigator Couch mailed a letter to Applicant stating that Applicant failed to provide information on probation violations, to provide a statement from probation and parole indicating that Applicant has completed

probation, or to explain why probation was revoked. In the May 12, 2008 letter, Special Investigator Couch requested documentation that Applicant had been discharged from probation and an explanation of why Applicant's probation was revoked. Special Investigator Couch requested a response by June 2, 2008.

15. On June 2, 2008, Junoa Thomas, Applicant's employer, emailed Special Investigator Couch a letter from Applicant's probation/parole officer, which stated that Applicant was discharged from probation effective April 11, 2006 and that Applicant's probation was not revoked in this matter.

16. On June 10, 2008, Special Investigator Couch emailed Ms. Thomas requesting information regarding an order dated February 28, 2006, that indicated Applicant admitted to violating her probation and was sentenced to 12 days in jail for the violation.

17. On July 1, 2008, Special Investigator Couch mailed a letter to Applicant requesting a written explanation of Applicant's probation violation in 2006. Special Investigator Couch requested a response by July 21, 2008.

18. On July 8, 2008, Ms. Thomas emailed Special Investigator Couch Applicant's explanation for the probation violation in 2006, in which Applicant stated "This was due to me refusing to leave work in order to unlock my house so that the policy [*sic*] could attain my boyfriend (now husband) who had ran from the Larry Nelson center. This did not revoke my probation...it simply required me to stay 10 days in jail for contempt. When I was released, my probation was finished."

19. On July 9, 2008, Special Investigator Couch emailed Ms. Thomas regarding the $685.61 court costs that Applicant still owed and requested proof that those court costs had been paid.

20. On July 9, 2008, Ms. Thomas stated that Applicant pays $20 per month for the court costs and Applicant would get copies of those payments.

21. On August 5, 2008, Sheila Dietel, Applicant's employer, submitted documentation of Applicant making payments on the court costs she owes; however, the last payment listed in the documentation was February 25, 2008.

22. On October 21, 2008, a Subpoena Duces Tecum, ordering Applicant's presence at the Department on November 6, 2008 at 9:00 a.m., was personally served on Applicant.

23. On November 6, 2008, Applicant failed to appear for the Subpoena Conference scheduled for 9:00 a.m.

CONCLUSIONS OF LAW

24. Section 374.210.2, RSMo (Supp. 2008) provides, in part:

. . .

The director may also suspend, revoke or refuse any license or certificate of authority issued by the director to any person who does not appear or refuses to testify, file a statement, produce records, or does not obey a subpoena.

25. Section 375.141, RSMo (Supp. 2008) provides, in part:

1. The director may suspend, revoke, refuse to issue or refuse to renew an insurance producer license for any one or more of the following causes:

. . .

(6) Having been convicted of a felony or crime involving moral turpitude;

. . .

26. The principal purpose of § 375.141, RSMo 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).

27. Moral turpitude has been defined as "an act of baseness, vileness, or depravity in the private and social duties which a man owes to his fellowman or to society in general, contrary to the accepted and customary rule of right and duty between man and man; everything 'done contrary to justice, honesty, modesty, and good morals'." *In Re Frick*, 694 S.W.2d 473, 479 (Mo. 1985). Crimes which involve moral turpitude include crimes involving violations of narcotics laws, fraud, false pretenses, and theft. *Id.*

28. Applicant may be refused an insurance producer license based upon § 375.141.1(6), RSMo (Supp. 2008), for pleading guilty to Possession With Intent to Deliver a Schedule I Controlled Substance, Marijuana, a felony and a crime of moral turpitude.

29. Applicant may be refused an insurance producer license based upon § 374.210.2, RSMo (Supp. 2008), for failure to obey a subpoena.

30. The Director has considered the history of Applicant and all of the circumstances surrounding Applicant's Application including her felony, her failure to respond to inquiries from the Department, and her failure to obey a subpoena. Applicant's history raises questions of Applicant's ability to comply with Missouri law and whether she has demonstrated that she can meet the significant responsibilities of a licensed insurance producer. For these reasons, the Director exercises his

discretion in refusing to issue an insurance producer license to Applicant.

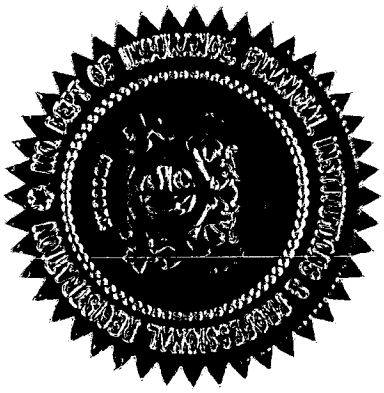
31. This order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that issuance of the insurance producer license of Applicant Lori Harris is hereby REFUSED.

SO ORDERED.

WITNESS MY HAND THIS 12th DAY OF MARCH, 2009.



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 thirty (30) days after the mailing of this notice pursuant to Section 621.120, RSMo.

CERTIFICATE OF SERVICE

I hereby certify that on this 16th day of March, 2009, a copy of the foregoing notice and order was served upon the Applicant in this matter by certified mail.

Karen Crutchfield
Karen Crutchfield
Senior Office Support Staff