



State of Missouri

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND
PROFESSIONAL REGISTRATION

IN RE:

DONNA M. HALL,

Applicant.

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Case No. 207097

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

On April 16, 2014, 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 Donna M. Hall. 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. Donna M. Hall ("Hall") is a Missouri resident with a residential address of record of 2034 East Harris Avenue, St. Louis, Missouri, 63107.
2. On August 7, 2013, the Department of Insurance, Financial Institutions and Professional Registration ("Department") received Hall's Application for Motor Vehicle Extended Service Contract Producer License ("Application").
3. By signing the Application, Hall attested and certified that "all of the information submitted in this application and attachments is true and complete."
4. Background Question No. 4 of the Application asked the following:

Have you been notified by any jurisdiction to which you are applying of any delinquent tax obligation that is not the subject of a repayment agreement?

If you answer yes, identify the jurisdiction(s): _____
5. Hall marked "No" to Background Question No. 4.
6. Hall did not disclose any delinquent tax obligation in her Application.

7. Contrary to Hall's "No" answer to Question No. 4, the Consumer Affairs Division's investigation revealed information indicating that Hall owed delinquent tax obligations, of which she had been notified:
 - a. On May 21, 2012, the Director of the Missouri Department of Revenue filed a Certificate of Tax Lien – Individual Income Tax in the St. Louis County Circuit Court, certifying that Hall owed a total of \$2,055.83 in delinquent taxes from tax years 2008 and 2010, including interest and penalties, which, upon filing, became the judgment of the court under § 143.902. The judgment remains unsatisfied.¹
8. In a phone call with Consumer Affairs Division investigator Andrew Engler, Hall claimed that she had paid her taxes and would provide proof to Engler.
9. On August 21, 2013, Engler mailed an inquiry letter to Hall requesting information on the status of her tax lien and evidence of any repayment arrangement and repayment history.
10. Engler mailed the August 21, 2013 letter by first class mail to Hall's address of record, with sufficient postage attached.
11. The August 21, 2013 letter was not returned as undeliverable.
12. Hall never responded to the August 21, 2013 letter and has not demonstrated any justification for her failure to respond.
13. On September 12, 2013, Engler mailed a second inquiry letter to Hall, again requesting information on the status of her tax lien and evidence of any repayment arrangement and repayment history.
14. Engler mailed the September 12, 2013 letter by first class mail to Hall's address of record, with sufficient postage attached.
15. The September 12, 2013 letter was not returned as undeliverable.
16. Hall never responded to the September 12, 2013 letter and has not demonstrated any justification for her failure to respond.
17. As of December 5, 2013, Hall owed a total of \$4,591.59 in delinquent Missouri state taxes for tax years 2004, 2005, 2006, 2007, 2008, and 2010.
18. It is inferable, and is hereby found as fact, that Hall falsely answered "No" to Question No. 4 and failed to disclose her delinquent tax obligations in her Application in order to misrepresent to the Director that she had no delinquent tax obligations, and, accordingly, in order to improve the chances that the Director would approve her Application and

¹ *Department of Revenue v. Donna M. Hall*, St. Louis Co. Cir. Ct., No. 12SL-MC10174.

issue her an MVESC producer license.

CONCLUSIONS OF LAW

19. 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:

* * *

(2) Violated any provision in sections 385.200 to 385.220, or violated any rule, subpoena, or order of the director;

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

* * *

(13) Failed to comply with any administrative or court order directing payment of state or federal income tax[.]

20. Regulation 20 CSR 100-4.100(2) states:

(2) Except as required under subsection (2)(B)—

(A) Upon receipt of any inquiry from the division, every person shall mail to the division an adequate response to the inquiry within twenty (20) days from the date the division mails the inquiry. An envelope's postmark shall determine the date of mailing. When the requested response is not produced by the person within twenty (20) days, this nonproduction shall be deemed a violation of this rule, unless the person can demonstrate that there is reasonable justification for that delay.

(B) This rule shall not apply to any other statute or regulation which requires a different time period for a person to respond to an inquiry by the department. If another statute or regulation requires a shorter response time, the shorter response time shall be met. This regulation operates only in the absence of any other applicable laws.

21. 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.
22. The Director may refuse to issue Hall an MVESC producer license pursuant to § 385.209.1(13) because Hall failed to comply with an administrative and court order directing payment of state income tax. The Certificate of Tax Lien – Individual Income Tax, filed on May 21, 2012, by the Director of Revenue in *Department of Revenue v. Donna M. Hall, St. Louis Co. Cir. Ct., No. 12SL-MC10174*, which became the judgment of the court upon its filing, remains unsatisfied.
23. The Director also may refuse to issue Hall an MVESC producer license under § 385.209.1(3) because Hall attempted to obtain a license through material misrepresentation or fraud when she falsely answered “No” to Question No. 4 and failed to disclose her delinquent tax obligations in her Application in order to misrepresent to the Director that she had no delinquent tax obligations, and, accordingly, in order to improve the chances that the Director would approve her Application and issue her an MVESC producer license.
24. The Director also may refuse to issue Hall an MVESC producer license under § 385.209.1(2) because Hall violated a rule of the Director, in that Hall failed to respond to two written inquiries from the Consumer Affairs Division—on August 21, 2013, and September 12, 2013—without demonstrating reasonable justification for either of her failures to respond, each time thereby violating regulation 20 CSR 100-4.100(2), which is a rule of the Director.
25. The Director has considered Hall’s history and all of the circumstances surrounding Hall’s Application. Granting Hall an MVESC producer license would not be in the interest of the public. Accordingly, the Director exercises his discretion and refuses to issue an MVESC producer license to Hall.

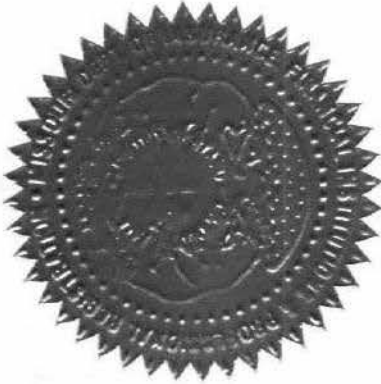
26. This order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the motor vehicle extended service contract producer license application of **Donna M. Hall** is hereby **REFUSED**.

SO ORDERED.

WITNESS MY HAND THIS 28th DAY OF APRIL, 2014.




JOHN M. HUFF
DIRECTOR

NOTICE

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

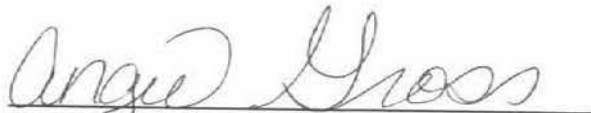
You may request a hearing in this matter. You may do so by filing a complaint with the Administrative Hearing Commission of Missouri, P.O. Box 1557, Jefferson City, Missouri, within 30 days after the mailing of this notice pursuant to Section 621.120, RSMo. Pursuant to 1 CSR 15-3.290, unless you send 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 29th day of April, 2014, a copy of the foregoing Order and Notice was served upon the applicant in this matter by certified mail at the following address:

Donna M. Hall
2034 East Harris Avenue
St. Louis, Missouri 63107

Certified No. 7009 3410 0001 9254 7677



Angie Gross

Investigations Section

Missouri Department of Insurance, Financial

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