State of Missouri

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS & PROFESSIONAL REGISTRATION

IN THE MATTER OF:	)		
	)		
Michael I. Lawrence, Sr.,	)	**Case No.**	**100617489C**
	)		
Applicant.	)		

REFUSAL TO ISSUE A BAIL BOND AGENT LICENSE

On November 30, 2010, Ross A. Kaplan, Enforcement Counsel and Counsel to the Consumer Affairs Division, submitted a Petition to the Director alleging cause for refusing to issue a bail bond agent license to Michael I. Lawrence, Sr. After reviewing the Petition, the Investigative Report, and the entirety of the file, the Director issues the following findings of fact, conclusions of law, and summary order:

FINDINGS OF FACT

1. Michael I. Lawrence, Sr. ("Lawrence") is a Missouri resident with an address of 5949 Enright Ave., St. Louis, Missouri 63112.

2. On or about January 04, 2010, the Department of Insurance, Financial Institutions, and Professional Registration ("Department") received Lawrence's Missouri Uniform Application for Bail Bond or Surety License ("Application").

3. On the Application, in Part III - "Background Information," Question B asks:

   > Have you ever been adjudicated, convicted, pled or found guilty of any misdemeanor or felony or currently have pending misdemeanor or felony charges filed against you? Applicants are required to report all criminal cases whether or not a sentence has been imposed, a suspended imposition of sentence has been entered or the applicant has pled nolo contendere (no contest).

4. Lawrence answered "Yes" to Background Question B.

5. In regards to Lawrence's "Yes" answer to Background Question B of the Application, Lawrence stated:

   a. "Plead guilty to a charge of theft over $500.00 March 5, 1980; Fifteenth Judicial District Court, Parish of Lafayette, State of Louisiana; Docket No. 43896;

sentenced to serve one (1) [year] in the Parish Jail, which imposition of sentence was suspended; Conviction was set aside March 4, 1988."

b. "Plead guilty to possession of controlled substance 8-21-80; Court Clerk unable to locate file, Twenty-First Judicial Circuit Court, St Louis (County), Missouri; Disposition: Suspended imposition of sentence, 3 yrs probation."

c. "Plead guilty to possession of a controlled substance on 8-25-95; Case No. 931-2946; Twenty-Second Judicial Circuit Court, St. Louis (City), Missouri; Disposition: Suspended imposition of sentence, 2 yrs unsupervised probation."

d. "Plead guilty to passing bad checks on 11-15-94; Case No. 93CR-6309, Twenty-First Judicial Circuit Court, St. Louis County, Missouri; Disposition: Suspended imposition of sentence, 2 years probation"

6. On March 05, 1980, in *State of Louisiana v. Michael I. Lawrence*, Docket No. 43896, in the Fifteenth Judicial District Court, Lafayette Parish, Louisiana, Lawrence pleaded guilty to theft of property valued at more than $500.00 in violation of La. Stat. Ann §14:67 (1972), after which the court suspended imposition of sentence and Lawrence was placed on probation for one year.

7. On August 25, 1994, in *State of Missouri v. Michael Ira Lawrence*, Case Number 931-02946-01, in the Circuit Court of City of St. Louis, Missouri, Lawrence pleaded guilty to class C Felony Possession of a Controlled Substance in violation of §195.202 RSMo (Supp. 1989), after which the court suspended imposition of sentence and Lawrence was placed on probation for two years.

8. On November 15, 1994, in *State of Missouri v. Michael I. Lawrence*, Case Number 93R-06309-01, in the Circuit Court of St. Louis County, Missouri, Lawrence pleaded guilty to class D Felony Passing a Bad Check in violation of §570.120 RSMo (Supp. 1993). In the Information for the case, the facts stated: "...Michael I. Lawrence, with the purpose to defraud, issued and/or passed a check in the amount of $600.00... payable to cash ... knowing that it would not be paid." After the plea, the court suspended imposition of sentence and Lawrence was placed on probation for two years.

9. On the Application, in Part III "Background Information," Question C asks:

> Has any professional license other than bail bond related licenses held or applied for by you (or any renewal of the same), or any business of which you have been directly connected, been subject to disciplinary action, including but not limited to refusal, suspension, revocation, and/or denial by a regulatory body or official of this or any state district, territory or providence of Canada?

10. Lawrence answered "Yes" to Background Question C.

11. In regards to Lawrence's "Yes" answer to Background Question C of the Application, Lawrence stated:

> "Yes my license to practice law in Missouri was subjected to disciplinary action for neglect of cases, failure to maintain communication, and substance abuse. By reciprocity, the State of Illinois initiated similar disciplinary action. I successfully completed long-term treatment at the Veterans Administration Medical Center in Leavenworth, Kansas, in 2006."

12. On January 24, 1995, in *In re Michael Lawrence*, No. 77576, the Missouri Supreme Court disbarred Lawrence for professional misconduct and failure to timely file an answer or other response within 30 days of being served with the proposed Information pursuant to Missouri Supreme Court Rules 5.11 and 5.09.

13. On January 30, 1997, in *In re Michael Ira Lawrence*, M.R. 13026, the Illinois Supreme Court imposed reciprocal discipline and suspended Lawrence pursuant to Illinois Supreme Court Rule 763 for one year and until he was reinstated to the practice of law in the State of Missouri.

14. On April 01, 2003, in *In re Michael I. Lawrence, Sr.*, No. SC84815, the Missouri Supreme Court reinstated Lawrence to practice law in the State of Missouri.

15. On July 14, 2006, in *In re Michael Ira Lawrence, Sr.*, No. SC 87843, the Missouri Supreme Court ordered an interim suspension from the practice of law, finding there was probable cause to believe that Lawrence was guilty of professional misconduct or was unable to competently represent the interests of his clients and finding there was evidence that Lawrence posed a substantial threat of irreparable harm to the public.

16. On October 30, 2007, in *In re Michael Ira Lawrence, Sr.*, No. SC88707, the Missouri Supreme Court disbarred Lawrence for violating Missouri Rules of Professional Conduct: 4-1.1, 4-1.3, 4-1.4, 1-1.15, 4-3.2, and 4-8.4(d).

17. The relevant parts of the Missouri Rules of Professional Conduct (2007) provide:

    a. 4-1.1: "A lawyer shall provide competent representation to a client;"
    b. 4-1.3: "A lawyer shall act with reasonable diligence and promptness in representing a client;"
    c. 4-1.4: "(a) A lawyer shall: (1) keep the client reasonably informed about the status of the matter; (2) promptly comply with reasonable requests for information; and (3) consult with the client about any relevant limitation on the lawyer's conduct when the lawyer knows the client expects assistance not permitted by the Rules of Professional Conduct or other law. (b) A lawyer shall explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation;"
    d. 4-1.15: A lawyer is required to safely keep client property and not

abandon his client's files and other property to which clients are entitled;

e. 4-3.2: "A lawyer shall make reasonable efforts to expedite litigation consistent with the interests of the client;" and,

f. 4-8.4(d), "It is professional misconduct for a lawyer to engage in conduct that is prejudicial to the administration of justice."

18. On November 18, 2008 in *In re Michael Ira Lawrence*, M.R. 22682, the Illinois Supreme Court imposed reciprocal discipline and disbarred Lawrence pursuant to Illinois Supreme Court Rule 763.

19. On May 11, 2007, the Disciplinary Panel for the Supreme Court of Missouri had held a disciplinary hearing that was the subject of Lawrence's October 30, 2007 disbarment.

20. Carl Schaeperkoetter ("Schaeperkoetter") of Office of Chief Disciplinary Counsel ("OCDC") acted as Representative of Informant and Richard Steele ("Steele") acted as Presiding Officer.

21. During the disciplinary hearing, Schaeperkoetter provided affidavits from many of the judges Lawrence failed to appear before in court to represent his clients. Those affidavits provided to the disciplinary panel by OCDC included those of:

a. William L. Syler, Circuit Judge for the 32nd Judicial Circuit;
b. William Camm Seay, Circuit Judge for the 42nd Judicial Circuit;
c. Benjamin F. Lewis, Circuit Judge for the 32nd Judicial Circuit;
d. David A. Dolan, Circuit Judge for the 33rd Judicial Circuit;
e. T. Lynn Brown, Associate Circuit Judge for the 33rd Judicial Circuit; and,
f. Teresa Bright-Pearson, Municipal Court Judge for the City of Cape Girardeau.

22. During the disciplinary hearing, Lawrence made several statements under oath indicating that, while he had not pled guilty to drug use since 1994, Lawrence has used drugs and missed court dates. Those statements sworn under oath during the hearing include:

a. An unprompted statement from Lawrence:

> "I think what my main problem is – and even my friends and family members will agree to this – is that when I am in an environment, or at least the last two times this has happened, I have been in an environment where I had no accountability for my time. Too much time on my hands allowed me to go in a direction that I didn't need to go in." App. 1, p. 16-17.

b. A cross-examination of Lawrence by Schaeperkoetter:

> Q: "Okay. Now you were licensed in 1990?" *Id* at 22.
> A: "That is correct." *Id.*
> Q: "And you started doing cocaine shortly after that time?" *Id.*
> A: "I started doing cocaine in '93." *Id.*

Q: "And you were arrested on September 23 of 1993 for possession of cocaine?" *Id.*
A: "That is correct." *Id.*
Q: "Was this powder?" *Id.*

* * *

Q: "Was this powder?" *Id.*
A: "Initially I started doing powder." *Id.*
Q: "Okay. And when did you start doing crack?" *Id.*
A: "Shortly thereafter." *Id.*

* * *

Q: "And then, you went to a four-month treatment program." *Id* at 23.
A: "Exactly. That is correct." *Id.*
Q: And you were discharged from the Iowa full-length treatment program in June of '95?" *Id.*
A: "That is correct." *Id.*
Q: "And then, you did have a few relapses after that between '95 and '96?" *Id.*
A: "That is correct." *Id* at24.
Q: "And then, you went to Saint Anthony's Health Care Center in Saint Louis in '96 for further treatment?" *Id.*
A: "That is correct." *Id.*
Q: "And so then when you say you have been clean for about ten years was after that?" *Id.*
A: "Exactly. Exactly." *Id.*

* * *

Q: "So by January, 2006, you had started using again?" *Id* at 29-30.
A: "Actually, I started using April – no – the end of March, March of 2006." *Id* at 30.
Q: "Now, you understand our first report is a letter from Benjamin Gray, an assistant prosecutor, marked as Exhibit H?" *Id.*
A: "Yes." *Id.*
Q: "And that is in January of 2006." *Id.*
A: "Yes." *Id.*

* * *

Q: "You are saying your problems started in March with Judge Dolan, March or April, not showing up in court?" *Id* at 32.
A: "No. No. I am saying that my problems not showing up in court did start in 2005, but my drug use started again in 2006. Yeah; that is what I am saying." *Id.*
Q: "But you were not notifying the courts ahead of time when you were not showing up in January and February of 2006?" *Id.*
A: "That is correct. That is correct. That is correct." *Id.*
Q: "And you were not notifying your clients ahead of time when you didn't show up in January and February of 2006." *Id.*
A: "Okay." *Id.*

* * *

Q: "Now you are still saying that you weren't using cocaine in January or February of 2006?" *Id* at 35.
A: "I am trying to find that Carl [Schaeperkoetter]. January 19 was the first time I used again." *Id.*
Q: "January 19?" *Id.*
A: "Uh-huh, because I noted in my book, 'What a mess.'" *Id.*
Q: "So by February, you were using at that time?" *Id.*
A: "Yes, sir." *Id.*
Q: "In your letter to me, what has been marked as Exhibit V, the one dated March 16 or so, you are still saying, "I just had a cold." *Id.*
A: "That is correct, Carl [Schaeperkoetter]. That is correct." *Id.*

c. An examination of Lawrence by Steele:

Q: "I think in your initial testimony here today, you said that you started back on drugs in March of '06. And then following some cross-examination by Mr. Schaeperkoetter, you then changed that to January 19 of '06. Is that right?" *Id* at 44.
A: "That is correct." *Id.*
Q: "So, that is the correct date; January 19 of '06 is when you got back on drugs. Is that right?" *Id.*
A: "That is correct." *Id.*
Q: "And what drug was that?" *Id.*
A: "Cocaine." *Id.*

* * *

Q: "Were there occasions where you had requested a continuance because you had not been paid a retainer, and a motion for a continuance was denied?" *Id* at 48.
A: "Never. And I would never enter in on a case and not send a motion for a continuance. I have never done that, never done that." *Id.*
Q: "Okay." *Id.*
A: "I have always notified the court that I needed a continuance. Even if I was out of my gourd, I made certain that someone sent a notice, faxed something to the office saying, 'I need a continuance.' I mean, I would try to do it the day before or two days before. Now, I may not have gotten a hold of my clients. They may have shown up in court. But I always at least tried to notify the court that I needed a continuance." *Id.*

d. A cross-examination of Lawrence by Schaeperkoetter:

Q: "Just so I understand what you just said, [transcript unintelligible] you would always try to notify the court. This [transcript unintelligible] was before you were doing cocaine?" *Id* at 49.
A: "Before I was doing, right." *Id.*
Q: "Yes, because all these affidavits talk about how you did not contact the court." *Id.*

A: "Right. Right." *Id.*

23. After receiving the Application, Investigator Les Hogue ("Hogue") sent a letter dated February 02, 2010 to Lawrence requesting additional explanation of facts, including: "Explain the circumstances of your disbarment."

24. The Department received a response from Lawrence regarding Hogue's February 02, 2010 letter on or about February 22, 2010. Within the response Lawrence stated: "In March of 2006, after 10 years of sobriety I relapsed. At this time I was fully aware that I needed assistance to regain my sobriety." Lawrence made a similar statement to the Disciplinary Panel for the Supreme Court of Missouri. However, he was then corrected and agreed that he had actually begun using drugs again in January 2006 (see paragraphs 26b and c).

CONCLUSIONS OF LAW

25. Section 374.715.1, RSMo (Supp. 2009), states:

> Applications for examination and licensure as a bail bond agent or general bail bond agent shall be in writing and on forms prescribed and furnished by the department, and shall contain such information as the department requires. Each application shall be accompanied by proof satisfactory to the department that the applicant is a citizen of the United States, is a least twenty-one years of age, has a high school diploma or general education development certificate (GED), is of good moral character, and meets the qualifications for surety on bail bonds as provided by supreme court rule. Each application shall be accompanied by the examination and application fee set by the department. Individuals currently employed as bail bond agents and general bail bond agents shall not be required to meet the education requirements needed for licensure pursuant to this section.

26. Section 374.750, RSMo (2009), states:

> The department may refuse to issue or renew any license required pursuant to sections 374.700 to 374.775 for any one or any combination of causes stated in section 374.755. The department shall notify the applicant in writing of the reasons for the refusal and shall advise the applicant of his right to file a complaint with the administrative hearing commission as provided by chapter 621.

27. Section 374.755, RSMo (Supp. 2009), provides, in part:

> 1. The department may cause a complaint to be filed with the administrative hearing commission as provided by chapter 621, RSMo, against any holder of any license required by sections 374.695 to 374.775

> or any person who has failed to renew or has surrendered his or her license for any one or any combination of the following causes:
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> * * *
>
> (3) Use of fraud, deception, misrepresentation or bribery in securing any license or in obtaining permission to take any examination required pursuant to sections 374.695 to 374.75;
>
> * * *
>
> (6) Violation of any provision of or any obligation imposed by the laws of this state, department of insurance, financial institutions and professional registration rules and regulations, or aiding or abetting other persons to violate such laws, orders, rules or regulations, or subpoenas[.]

28. Section 374.715.1, RSMo (Supp. 2009) requires "each application shall be accompanied by proof satisfactory to the department that the applicant…is of good moral character." The Missouri Supreme Court has stated "[G]eneral bad moral character is broad enough to include every trait which can be drawn in question in prosecutions for any offense involving moral turpitude[.]" *State v. Edmundson*, 218 S.W. 864, 865 (Mo. 1920). In *Missouri Real Estate Commission v. Damons*, the Administrative Hearing Commission cited to the Missouri Supreme Court stating: "The court defined moral turpitude as the opposite of good moral character." 03-0347 RE, (Mo. Admin. Hrg. Comm'n, August 21, 2003) citing *In re McNeNeese*, 142 S.W.2d 33, 34 (Mo. Banc 1940).

> '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'.' The moral delinquency may refer to nonprofessional conduct as well as conduct committed while acting in one's capacity as a lawyer. Courts invariably find moral turpitude in the violation of narcotic laws. Moral turpitude has also been found in crimes involving fraud and false pretenses. Theft has been held to involve moral turpitude. *In re Frick*, 694 S.W.2d 473, 479 (Mo. 1985) (internal citation omitted).

29. Over the last 30 years, Lawrence has pled guilty, and received suspended imposition of sentence, to four felonies involving theft, drugs and fraud. Lawrence has been disbarred three times and suspended two additional times from his role as an attorney for drug use and professional misconduct. He has admitted to many encounters with cocaine and crack over the years, which resulted in not only ethical violations of the Missouri Supreme Court Rules but also harm to the clients of his legal practice. Lawrence has shown a long pattern of acts involving moral turpitude that shows he is not of good moral character.

30. As a bail bond agent, Lawrence would inevitably come into contact with people involved in the drug trade. With his long history of drug use and abuse, it is not in the best interest of the public to grant a license to Lawrence when the people he will interact with may attempt to ply him with drugs. The potential for relapse and harm to the public is high and warrants the Director to exercise his discretion to deny Lawrence a bail bond agent license.

31. A plea of guilty is an admission as to the facts alleged in the information. *Wallace v. State*, 308 S.W.3d 283, 286-7 (Mo. App. S.D. 2010).

32. The Director must refuse to issue a bail bond agent license to Lawrence because Lawrence has not satisfactorily proven himself to be of good moral character, as is required by §374.715.1, RSMo (Supp. 2009).

33. The Director may refuse to issue a bail bond agent license to Lawrence pursuant to §374.755.1(3), RSMo (Supp 2009), because the statement to the Department was a fraud, deception, misrepresentation or bribery in securing a license in that Lawrence stated in his letter, received on or about February 22, 2010, that he relapsed from sobriety in March of 2006. This is the same statement Lawrence made in his sworn testimony before the Disciplinary Panel for the Supreme Court of Missouri. However, that statement was proved false when Lawrence agreed that he actually relapsed on January 19, 2006. The Division asserts that making the same incorrect statement again, this time to the Department, is a fraud, deception, misrepresentation or bribery because Lawrence not only knew that the statement was false but also had been corrected on it previously by a governmental body. Thus, Lawrence is in violation of §374.755.1(3), RSMo (Supp 2009).

34. The Director may refuse to issue a bail bond agent license to Lawrence pursuant to §374.755.1(6), RSMo (Supp 2009), because Lawrence violated a provision of the laws of this state by possessing a controlled substance in violation of §195.202, RSMo (Supp. 1989).

35. The Director may refuse to issue a bail bond agent license to Lawrence pursuant to §374.755.1(6), RSMo (Supp. 2009), because Lawrence violated a provision of the laws of this state by passing a bad check in violation of §570.120, RSMo (Supp. 1993).

36. The Director has considered Lawrence's history and all of the circumstances surrounding Lawrence's application. Lawrence has pleaded guilty to theft, possession of a controlled substance, and passing bad checks (with the purpose to defraud), which were not only felonies, but also crimes of moral turpitude. Lawrence has also been disbarred as an attorney three times for professional misconduct and drug use. Finally, Lawrence did not accurately explain to the Department his relapse into drug use. Granting Lawrence a Missouri bail bond agent license would not be in the interest of the public.

37. This Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the bail bond agent license of Michael I. Lawrence, Sr. is hereby summarily **REFUSED**.

SO ORDERED.

WITNESS MY HAND THIS 20th **DAY OF** December, **2010.**

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 §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 21st day of December, 2010, a copy of the foregoing Notice and Order was served upon the Applicant Michael I. Lawrence, Sr. in this matter by certified mail No. 7004 1350 0003 1413 5362 at

Michael I. Lawrence, Sr.
5949 Enright Ave.
St. Louis, Missouri 63112

Kathryn Randolph