State of Missouri

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

IN RE:	)	
	)	
MARTHA ISELLE FLORES,	)	**Case No. 150716364C**
	)	
Applicant.	)	

ORDER REFUSING TO ISSUE INSURANCE PRODUCER LICENSE

On August 19, 2015, the Consumer Affairs Division submitted a Petition to the Director alleging cause for refusing to issue a non-resident insurance producer license to Martha Iselle Flores. After reviewing the Petition, Investigative Report, and the entirety of the file, the Director issues the following findings of fact, conclusions of law, and Order:

FINDINGS OF FACT

1. Martha Iselle Flores ("Flores") is a Kansas resident with a business, residential, and mailing address of record of 2137 South 50th Street, Kansas City, Kansas 66106-2410.

2. On October 23, 1997, the Department of Insurance, Financial Institutions and Professional Registration ("Department") issued to Flores an insurance agent license,[1] number 0253133, which Flores periodically renewed until it ultimately expired on October 24, 2007.

3. On or about March 20, 2015, the Department electronically received Flores's completed Uniform Application for Individual Non-Resident Producer License/Registration ("Application").

4. Flores answered "Yes" to Background Question 38.1b of the Application which asked, in relevant part, "Have you ever been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with committing a felony?"

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[1] Pursuant to L. 2001, SB 193 (91st Gen. Assem., 1st Reg. Sess.), effective January 1, 2003, the legislature converted Missouri insurance agent licenses (such as that initially held by Flores) to insurance producer licenses. *See also* § 375.012.3, RSMo (Supp. 2013).

5. Background Question 38 of the Application also instructs, in relevant part:

> 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,
> c) a copy of the official document, which demonstrates the resolution of the charges or any final judgment.

6. With the Application, Flores submitted:

   a. What appears to be to be the first page of a document titled "SENTENCE MONITORING COMPUTATION DATA AS OF 04-19-2011"; and

   b. A signed, written statement disclosing that Flores "was convicted of a drug conspiracy felony in 2006" and expressing remorse, but providing no other details about the crime or prosecution. Flores acknowledged that she allowed her Missouri producer license to expire.

7. After reviewing Flores's Application, Special Investigator Kelley Dawley, with the Consumer Affairs Division of the Department, discovered based on the limited information provided by Flores that:

   a. On April 14, 2006, Flores was present at an arraignment in *United States v. Martha I. Flores, et al.*, U.S. Dist. Ct., D. Kan., Case No. 06-200500-04, at which time she waived reading of the Indictment and entered a plea of not guilty; and

   b. On July 16, 2007, pursuant to a Plea Agreement, Flores pled guilty to Conspiracy to Distribute and Possess with Intent to Distribute More Than Five Kilograms of Cocaine, a Felony, in violation of 21 U.S.C. §§ 841(a)(1), (b)(1)(A)(ii), and 846.[2] The court convicted Flores and sentenced her to seven years' incarceration, a $100 fine, and a money judgment of $2,414,000.

8. At no time while licensed as a Missouri insurance producer did Flores notify the Director or the Department of the prosecution of *United States v. Martha I. Flores, et al.*, U.S. Dist. Ct., D. Kan., Case No. 06-200500-04.

9. At no time while licensed as a Missouri insurance producer did Flores provide to the Director or the Department any relevant legal documents from *United States v. Martha I. Flores, et al.*, U.S. Dist. Ct., D. Kan., Case No. 06-200500-04.

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[2] All criminal statutory references are to those contained in the version of the United States Code pursuant to which the judgment was rendered.

CONCLUSIONS OF LAW

10. Section 375.141, RSMo (Supp. 2013)[3] provides, in relevant part:

> 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:
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> * * *
>
> (2) Violating any insurance laws, or violating any regulation, subpoena or order of the director or of another insurance commissioner in any other state; [or]
>
> * * *
>
> (6) Having been convicted of a felony or crime involving moral turpitude[.]
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> * * *
>
> 7. Within thirty days of the initial pretrial hearing date, a producer shall report to the director any criminal prosecution for a felony or a crime involving moral turpitude of the producer taken in any jurisdiction. The report shall include a copy of the indictment or information filed, the order resulting from the hearing and any other relevant legal documents.

11. "Missouri courts have invariably found moral turpitude in the violation of narcotic laws[.]" *Brehe v. Missouri Dep't of Elementary and Secondary Educ.*, 213 S.W.3d 720, 725 (Mo. App. W.D. 2007).

12. "The principal purpose of § 375.141 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).

13. The Director may refuse to issue a non-resident insurance producer license to Flores pursuant to § 375.141.1(2) because she violated an insurance law, specifically § 375.141.7, by not reporting to the Director, within thirty days of her initial pretrial hearing date and while Flores was formerly licensed as an insurance producer, the prosecution of *United States v. Martha I. Flores, et al.*, U.S. Dist. Ct., D. Kan., Case No. 06-200500-04.

14. The Director may refuse to issue a non-resident insurance producer license to Flores pursuant to § 375.141.1(6) because she has been convicted of a felony, specifically Conspiracy to Distribute and Possess with Intent to Distribute More Than Five Kilograms

[3] All civil statutory references are to the 2000 Missouri Revised Statutes, as updated by the 2013 RSMo Supplement, unless otherwise noted.

of Cocaine. *United States v. Martha I. Flores, et al.*, U.S. Dist. Ct., D. Kan., Case No. 06-200500-04.

15. The Director may refuse to issue a non-resident insurance producer license to Flores pursuant to § 375.141.1(6) because she has been convicted of a crime involving moral turpitude, specifically Conspiracy to Distribute and Possess with Intent to Distribute More Than Five Kilograms of Cocaine. *Id.*

16. The Director has considered Flores's history and all of the circumstances surrounding Flores's Application. Issuing a non-resident insurance producer license to Flores would not be in the interest of the public. Accordingly, the Director exercises his discretion and refuses to issue a non-resident insurance producer license to Flores.

17. This Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the non-resident insurance producer license application of **Martha Iselle Flores** is hereby **REFUSED**.

SO ORDERED.

WITNESS MY HAND THIS 21st **DAY OF** August**, 2015.**

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 21st day of August, 2015, a copy of the foregoing Order and Notice was served upon the Applicant in this matter by UPS, signature required service, at the following address:

Martha Iselle Flores
2137 South 50th Street
Kansas City, Kansas 66106-2410

No. 1Z0R15W84295718874

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