State of Missouri

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

IN RE:	)	
	)	
RYAN T. FOUTS	)	**Case No. 150605321C**
	)	
Applicant.	)	

ORDER REFUSING TO ISSUE INSURANCE PRODUCER LICENSE

On July 7, 2015, the Consumer Affairs Division submitted a Petition to the Director alleging cause for refusing to issue an insurance producer license to Ryan T. Fouts. 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. Ryan T. Fouts ("Fouts") is a Missouri resident with a residential and mailing address of 1109 S.W. Sunrise Dr., Blue Springs, MO 64015.

2. On April 16, 2015, the Department of Insurance, Financial Institutions and Professional Registration ("Department") received Fouts's electronic application for an individual resident insurance producer license ("Application").

3. Background Question No. 1B of the Application asks the following:

   Have you ever been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with committing a felony? You may exclude juvenile adjudications (offenses where you were adjudicated delinquent in a juvenile court).

4. Fouts marked "Yes" to Background Question No. 1B on his Application and provided a letter dated April 15, 2015, and copies of court documents for case number 4:13CR00170, which reveal the following convictions:

a. On September 18, 2013, Fouts pled guilty to two (2) Class D federal felony counts of Possession of Child Pornography, in violation of 18 U.S.C. § 2252A(a)(5)(B) and 18 U.S.C. § 2252A(b)(2). On January 27, 2014, the court sentenced Fouts to fifteen (15) months' incarceration. *United States v. Ryan Fouts*, U.S. Dist. Ct., Case No. 4:13CR00170 (E.D. Mo.).

b. Upon release from federal custody, the District Court for the Eastern District of Missouri ordered that Fouts continue supervised probation for the remainder of his life. The terms of Fouts's probation prohibit him from engaging in any occupation where he has access to children under the age of 18 and using technology that would allow him to access the internet without prior written approval. Additionally, Fouts is required to register as a sexual offender and comply with all federal, state, and local sexual offender laws. *Id.*

5. On May 4, 2015, Special Investigator Karen Crutchfield ("Special Investigator Crutchfield"), with the Consumer Affairs Division ("Division"), sent an inquiry letter to Fouts requesting a written statement explaining the circumstances regarding his release from prison, whether Fouts is registered as a sexual offender, and what conditions he must comply with as a sexual offender.

6. On May 7, 2015, Fouts emailed a letter to Special Investigator Crutchfield and included a copy of his Notice of Release and Arrival from federal custody, and various additional documents. Fouts's letter stated verbatim, in relevant part:

> Due to the way my felony charges are categorized I am required to register as a sexual offender. I also discussed this with [potential employer] during my interview to make sure the requirements of registry would not conflict with any work requirements. Because my position with [potential employer] would ultimately be in a business-to-business capacity, working with employers to offer [insurance] benefits to their employees, and I would not be selling in people's homes, there were no restrictions due to the registry that we could identify as conflicting with my role as an insurance agent. I have also consulted with the federal probation office which maintains ongoing supervision over my release and they have given me tentative approval for this position should I secure a license.

7. In his letter dated May 7, 2015, Fouts states that he served the first eleven (11) months of his sentence at Springfield Medical Center for Federal Prisoners ("SMCFP") starting on February 25, 2014. The Itinerary and Notice of Release and Arrival shows that Fouts was released from SMCFP on January 22, 2015, and transferred to Kansas City Community Center, a halfway house, where he remained until his sentence concluded on March 25, 2015.

CONCLUSIONS OF LAW

8. Section 375.141 RSMo (Supp. 2013)[1] 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[.]

9. 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).

10. The Director may refuse to issue an individual resident insurance producer license to Fouts pursuant to § 375.141.1(6) because he has been convicted of two (2) felonies:

    a. Possession of Child Pornography, a Class D Federal Felony, in violation of 18 U.S.C. § 2252A(a)(5)(B) and 18 U.S.C. § 2252A(b)(2). *United States v. Ryan Fouts*, U.S. Dist. Ct., Case No. 4:13CR00170 (E.D. Mo.).

    b. Possession of Child Pornography, a Class D Federal Felony, in violation of 18 U.S.C. § 2252A(a)(5)(B) and 18 U.S.C. § 2252A(b)(2). *Id.*

11. Each felony conviction is a separate and sufficient cause for refusal pursuant to § 375.141.1(6).

12. The Director may refuse to issue an individual resident insurance producer license to Fouts pursuant to § 375.141.1(6) because he has been convicted of two (2) crimes of moral turpitude:

    a. Possession of Child Pornography, a Class D Federal Felony, in violation of 18 U.S.C. § 2252A(a)(5)(B) and 18 U.S.C. § 2252A(b)(2). *United States v. Ryan Fouts*, U.S. Dist. Ct., Case No. 4:13CR00170 (E.D. Mo.).

    b. Possession of Child Pornography, a Class D Federal Felony, in violation of 18 U.S.C. § 2252A(a)(5)(B) and 18 U.S.C. § 2252A(b)(2). *Id.*

13. Each conviction of a crime of moral turpitude is a separate and sufficient cause for refusal pursuant to § 375.141.1(6).

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[1] All statutory references are to the Revised Statutes of Missouri (2000) as updated by the 2013 Supplement unless otherwise noted.

14. The Director has considered Fouts's history and all of the circumstances surrounding Fouts's Application. Granting Fouts an individual resident insurance producer license would not be in the interest of the public. Accordingly, the Director exercises his discretion and refuses to issue an individual resident insurance producer license to Fouts.

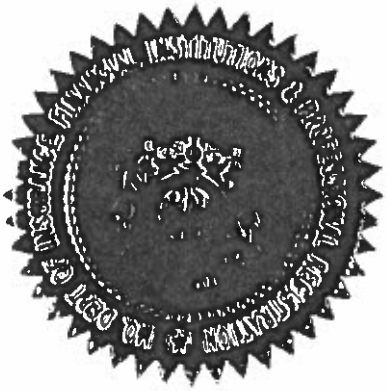
15. The requested Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that **Ryan T. Fouts's** insurance producer license application is hereby **REFUSED**.

SO ORDERED.

WITNESS MY HAND THIS 7 DAY OF July, 2015.



JOHN M. HUFF, Director
Missouri Department of Insurance, Financial Institutions and Professional Registration

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 8th day of July, 2015, a copy of the foregoing Order and Notice was served upon the Applicant in this matter by United Parcel Service, signature required, at the following address:

Ryan T. Fouts
1109 S.W. Sunrise Dr.
Blue Springs, MO 64015

Tracking No. 1Z0R15W84299364838

Kathryn Latimer, Paralegal
Missouri Department of Insurance, Financial
Institutions and Professional Registration
301 West High Street, Room 530
Jefferson City, Missouri 65101
Telephone: 573.751.6515
Facsimile: 573.526.5492
Email: kathryn.latimer@insurance.mo.gov