State of Missouri

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

IN RE:	)	
	)	
TODD SCOTT HILL,	)	**Case No. 150129055C**
	)	
Applicant.	)	

ORDER REFUSING TO ISSUE INSURANCE PRODUCER LICENSE

On May 12, 2015, the Consumer Affairs Division submitted a Petition to the Director alleging cause to refuse to issue a non-resident insurance producer license to Todd Scott Hill. 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 order:

FINDINGS OF FACT

1. Todd Scott Hill ("Hill") is a Florida resident with a residential and mailing address of record of 129 Northwest Magnolia Lakes Boulevard, Port Saint Lucie, Florida 34986 and a business address of record of 580 Northwest University Boulevard, Port Saint Lucie, Florida 34986.

2. On October 20, 2014, the Department of Insurance, Financial Institutions and Professional Registration ("Department") received Hill's electronic non-resident insurance producer license application ("Application").

3. Natasha Mackey, an Authorized Submitter, submitted Hill's Application.

4. By submitting the Application on Hill's behalf, Natasha Mackey certified, "As the authorized submitter, I declare that the applicant provided all the information submitted on this application."

5. The "Attestation" section of the Application states, in relevant part:

    1. I hereby certify that, under penalty of perjury, all of the information submitted in this application and attachments is true and complete. I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license revocation or denial of the license and may subject me to civil or criminal penalties.

* * *

4. I further certify that, under penalty of perjury, a) I have no child-support obligation, b) I have a child-support obligation and I am currently in compliance with that obligation, or c) I have identified my child support obligation arrearage on this application.

6. Hill accepted the "Attestation" section of the Application.

7. Background Question No. 7 of the Application asks:

> Do you have a child support obligation in arrearage?
> 7A. If you answer yes, a) by how many months are you in arrearage?
> 7B. b) are you currently subject to and in compliance with any repayment agreement?
> 7C. c) are you the subject of a child support related subpoena/warrant? (If you answered yes, provide documentation showing proof of current payments or an approved repayment plan from the appropriate state child support agency.)

8. In response to Background Question No. 7, Hill stated that he had a child support obligation twenty-four (24) months in arrears, that he was in compliance with a repayment agreement, and that he was not subject to a child support related subpoena or warrant.

9. Hill submitted a letter with his Application dated October 13, 2014 explaining that he was "currently in arrearage [*sic*] with Pennsylvania State Domestic Services for approximately $19,000.00." Hill also submitted a letter from the Texas Child Support Division dated May 5, 2012, which states that Hill's arrearage totals $19,101.89.[1] *In re Todd S. Hill*, Office of the Attorney General, State of Texas, Child Support Division, Cause No. 1999-63509-S, Case No. 0011883208.

10. Background Question No. 4 of the Application asks in part, "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?"

11. Hill marked "No" in response to Background Question No. 4.

12. During its investigation, the Consumer Affairs Division ("Division") of the Department discovered the following delinquent tax obligations that Hill failed to disclose:

---

[1] It is unclear whether Hill's obligation originated in Pennsylvania or Texas. Hill stated his obligation is in Pennsylvania. However, the only documentation Hill provided is the letter from the Texas Child Support Division. The letter reflects that Hill's obligation is entirely principal without any interest and further states, "If your order is from another state, this billing statement does not include any interest charged by the other state." It is unclear if interest did exist in another state or if there was no outstanding interest.

a. On or about December 23, 2008, the Collin County (Texas) Clerk recorded a Notice of Federal Tax Lien against Hill for unpaid taxes in the 2006 filing year as follows:

> As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against [Todd S. Hill]. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of [$19,555.51], and additional penalties, interest, and costs that may accrue.

Todd S. Hill, Notice of Federal Tax Lien filed in Collin County, Texas, Document No. 20081223001445670.

b. On or about April 12, 2010, the Collin County (Texas) Clerk recorded a Notice of Federal Tax Lien against Hill for unpaid taxes in the 2007 filing year as follows:

> As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against [Todd Hill]. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of [$813.65], and additional penalties, interest, and costs that may accrue.

Todd Hill, Notice of Federal Tax Lien filed in Collin County, Texas, Document No. 20100412000348120.

13. After reviewing Hill's Application, Division Special Investigator Karen Crutchfield ("Investigator Crutchfield") sent an inquiry letter to Hill at his residential and mailing address dated October 24, 2014. Said inquiry letter requested additional documentation and information about Hill's child support obligation and tax lien. The inquiry letter further requested a response by November 14, 2014 and warned Hill that a failure to respond could be grounds for discipline.

14. The United States Postal Service did not return the October 24, 2014 inquiry letter to the Division, and therefore, it is presumed received by Hill.

15. Hill failed to provide a written response to the Division's October 24, 2014 inquiry letter by November 14, 2014 and failed to demonstrate a reasonable justification for the delay.

16. Investigator Crutchfield sent another inquiry letter to Hill dated November 18, 2014. Copies of the inquiry letter were sent to Hill's residential and mailing address by both certified and first class mail, to Hill's business address by both certified and first class mail, and to Hill's email address. Said inquiry letter requested additional documentation and information about Hill's child support obligation and tax lien. The inquiry letter further requested a response by December 8, 2014 and warned Hill that failure to respond could be grounds for discipline or refusal of his license.

17. The United States Postal Service did not return the two (2) November 18, 2014 inquiry letters sent by first class mail to the Division, and therefore, they are presumed received by Hill.

18. The November 18, 2014 inquiry letter sent by certified mail to Hill's residential address was not claimed.

19. The November 18, 2014 inquiry letter sent by certified mail to Hill's business address was signed for by someone other than Hill.

20. Hill failed to provide a written response to the November 18, 2014 inquiry letter by December 8, 2014 and failed to demonstrate a reasonable justification for the delay.

21. It is inferable, and hereby found as fact, that Hill's assertion that he is in compliance with a repayment agreement for his child support obligation is not credible because he has only provided one (1) document, which is twenty-nine (29) months old, and has failed to provide any information or documentation of a repayment plan despite two (2) inquiry letters asking for such.

22. It is inferable, and hereby found as fact, that Hill failed to disclose his outstanding tax obligations on his Application in response to Background Question No. 4 to misrepresent to the Director that he had no tax obligations and to improve the likelihood that the Director would issue him a non-resident insurance producer license.

CONCLUSIONS OF LAW

23. Section 375.141 RSMo[2] 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:
>
> (1) Intentionally providing materially incorrect, misleading, incomplete or untrue information in the license application;

[2] All statutory references are to RSMo (2000) as updated by RSMo (Supp. 2013) unless otherwise noted.

(2) Violating any insurance laws, or violating any regulation, subpoena or order of the director or of another insurance commissioner in any other state;

(3) Obtaining or attempting to obtain a license through material misrepresentation or fraud;

* * *

(13) Failing to comply with an administrative or court order imposing a child support obligation; or

(14) Failing to comply with any administrative or court order directing payment of state or federal income tax.

24. Title 20 CSR 100-4.100(2)(A), Required Response to Inquiries by the Consumer Affairs Division, provides:

> 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.

25. "There is a presumption that a letter duly mailed has been received by the addressee." *Clear v. Missouri Coordinating Bd. for Higher Educ.*, 23 S.W. 3d 896, 900 (Mo. App. 2000) (internal citations omitted).

26. 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).

27. The Director may refuse to issue a non-resident insurance producer license to Hill pursuant to § 375.141.1(1) because Hill intentionally provided materially incorrect, misleading, incomplete or untrue information on his Application when he failed to disclose his outstanding tax obligations in response to Background Question No. 4:

    a. Todd S. Hill, Notice of Federal Tax Lien filed in Collin County, Texas, Document No. 20081223001445670 (Tax Lien in the amount of $19,555.51 for unpaid taxes in the 2006 filing year);

    b. Todd Hill, Notice of Federal Tax Lien filed in Collin County, Texas, Document No. 20100412000348120 (Tax Lien in the amount of $813.65 for unpaid taxes in the 2007 filing year).

28. Each instance in which Hill intentionally provided materially incorrect, misleading, incomplete, or untrue information is a separate and sufficient ground for refusal pursuant to § 375.141.1(1).

29. The Director may refuse to issue a non-resident insurance producer license to Hill pursuant to § 375.141.1(2) because Hill twice violated a Department regulation, 20 CSR 100-4.100(2)(A), when he failed to respond to two (2) inquiry letters and failed to provide a reasonable justification for the delays.

30. Each violation of a Department regulation is a separate and sufficient ground for refusal pursuant to § 375.141.1(2).

31. The Director may refuse to issue a non-resident insurance producer license to Hill pursuant to § 375.141.1(3) because Hill attempted to obtain a license through material misrepresentation or fraud when he failed to disclose his outstanding tax obligations in response to Background Question No. 4 on his Application:

    a. Todd S. Hill, Notice of Federal Tax Lien filed in Collin County, Texas, Document No. 20081223001445670 (Tax Lien in the amount of $19,555.51 for unpaid taxes in the 2006 filing year);

    b. Todd Hill, Notice of Federal Tax Lien filed in Collin County, Texas, Document No. 20100412000348120 (Tax Lien in the amount of $813.65 for unpaid taxes in the 2007 filing year).

32. Each attempt to obtain a license through material misrepresentation or fraud is a separate and sufficient ground for refusal pursuant to § 375.141.1(3).

33. The Director may refuse to issue a non-resident insurance producer license to Hill pursuant to § 375.141.1(13) because, based on the documentation Hill provided from the Texas Child Support Division and Hill's letter dated October 13, 2014, Hill failed to comply with an administrative or court order imposing a child support obligation. *In re Todd S. Hill*, Office of the Attorney General, State of Texas, Child Support Division, Cause No. 1999-63509-S, Case No. 0011883208.

34. The Director may refuse to issue a non-resident insurance producer license to Hill pursuant to § 375.141.1(14) because Hill failed to comply with two (2) administrative or court orders directing payment of federal income tax:

    a. Todd S. Hill, Notice of Federal Tax Lien filed in Collin County, Texas, Document No. 20081223001445670 (Tax Lien in the amount of $19,555.51 for unpaid taxes in the 2006 filing year);

    b. Todd Hill, Notice of Federal Tax Lien filed in Collin County, Texas, Document No. 20100412000348120 (Tax Lien in the amount of $813.65 for unpaid taxes in the 2007 filing year).

35. Each failure to comply with an administrative or court order directing payment of state or federal income taxes is a separate and sufficient ground for refusal pursuant to § 375.141.1(14).

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

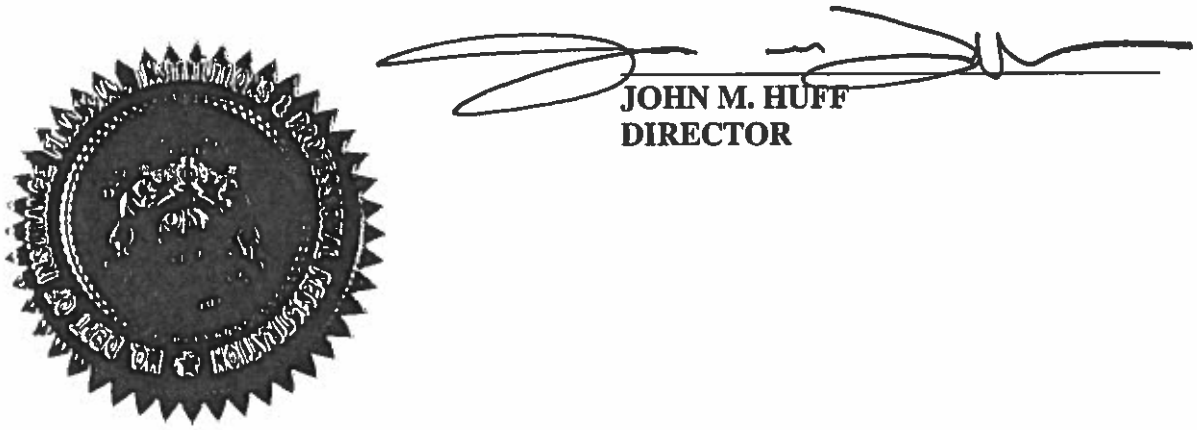
37. This Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that **Todd Scott Hill's** Application for a Non-Resident Insurance Producer License is hereby **REFUSED**.

SO ORDERED.

WITNESS MY HAND THIS 15th **DAY OF** MAY **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 18th day of May 2015 a copy of the foregoing Order and Notice was served upon the Applicant in this matter by UPS, signature required, at the following address:

Todd Scott Hill
129 Northwest Magnolia Lakes Blvd.
Port Saint Lucie, FL 34986

Tracking No.: 1Z0R15W84299279449

Kathryn Latimer

Kathryn Latimer, Paralegal
Missouri Department of Insurance, Financial
Institutions and Professional Registration
301 West High Street, Room 530
Jefferson City, Missouri 65101
Telephone: 573.751.2619
Facsimile: 573.526.5492
Email: kathryn.latimer@insurance.mo.gov