



**DEPARTMENT OF COMMERCE AND INSURANCE**

P.O. Box 690, Jefferson City, Mo. 65102-0690

<b>In re:</b>	)	
	)	<b>DCI No. 2012010631H</b>
<b>Reuben E. Morrow, Jr.,</b>	)	
	)	<b>AHC No. 20-1637</b>
<b>Respondent.</b>	)	

**FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER OF DISCIPLINE**

Based on the competent and substantial evidence on the whole record, I, Chlora Lindley-Myers, Director of the Missouri Department of Commerce and Insurance, hereby issue the following Findings of Fact, Conclusions of Law, and Order of Discipline:

**FINDINGS OF FACT**

1. Petitioner is the duly appointed Director of the Department whose duties, pursuant to Chapters 374 and 375<sup>1</sup> include the supervision, regulation, and discipline of insurance producers in Missouri. *See generally, Chapters 374 and 375.*
2. Reuben E. Morrow, Jr. (“Morrow”) holds a resident insurance producer license.
3. On April 3, 2020, the Director filed her Complaint with the Administrative

<sup>1</sup> All citations are to the Revised Statutes of Missouri 2016 unless otherwise noted.

Hearing Commission (“Commission”) seeking a finding by that Commission that the Director had cause, pursuant to § 375.141.1(1), (9) and (13), to discipline Morrow’s resident insurance producer license.

4. On May 7, 2020, the Commission served Morrow with a copy of the Complaint and its Notice of Hearing. Morrow did not file an Answer to the Complaint.

5. On September 4, 2020, following discovery, the Director filed her Motion for Summary Decision and Suggestions in Support thereof. Morrow did not respond to the Motion.

6. On October 6, 2020, the Commission entered its Decision granting the Director’s Motion for Summary Decision and found that the Director had cause to discipline Morrow’s resident insurance producer license pursuant to § 375.141.1(1), (9) and (13). *Director of Dep’t of Commerce & Ins. vs. Reuben E. Morrow, Jr.*, Case No. 20-1637 DI (Mo. Admin. Hrg. Comm’n October 6, 2020)

7. In its Decision, the Commission found the following facts, among others:
- a. On June 6, 2019, the Department of Insurance, Financial Institutions and Professional Registration<sup>2</sup> received Morrow’s electronic Application to renew his resident insurance producer license (“2019 Application”).
  - b. On the 2019 Application, Morrow answered “No” to Background Question No. 1B, which asks whether the applicant has ever been convicted of or charged with a felony.

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<sup>2</sup> On August 28, 2019, the Missouri Department of Insurance, Financial Institutions and Professional Registration was renamed and reorganized as the Missouri Department of Commerce and Insurance. See Executive Order 19-02.

- c. On the 2019 Application, Morrow also answered “No” to Background Question No. 3, which asks whether the applicant has a child support obligation that is in arrears.
- d. On the 2019 Application, Morrow answered “Yes” to the Certification and Attestation Section of the Application, which asks whether the applicant certifies that he/she has provided true and accurate information on the application, understands the ramifications of submitting any false or inaccurate information on the application and asks that the applicant certify that he/she does not have any child support obligation or any obligation in arrears.
- e. Prior to submitting a renewal application on June 9, 2019, Morrow had submitted an electronic application for a resident insurance producer license on June 21, 2017 (“2017 Application”).
- f. On the 2017 Application, Morrow answered “No” to Background Question No. 1B, which asks whether the applicant has ever had any felony charges or convictions.
- g. On the 2017 Application, Morrow answered “Yes” to the Certification and Attestation Section of the 2017 Application, which asks whether the applicant certifies that he/she has submitted true and accurate information on the application and understands the ramifications of submitting any false or inaccurate information on the application.
- h. On July 7, 2014, the Missouri Department of Social Services imposed a

child support obligation on Morrow. *State of Missouri ex rel. Sokny Morrow v. Reuben Morrow, Jr.*, Missouri Dept. of Soc. Services, Family Support Div., Administrative Order No. 11530423.

- i. On September 26, 2014, the Jackson County Circuit Court, Family Court Division, imposed a child support obligation on Morrow. *In re: Sokny Morrow v. Reuben E. Morrow, Jr.*, Jackson Co. Cir. Ct., Family Ct. Div., Case No. 1316-FC08133.
- j. As of August 29, 2019, Morrow was in arrears on both his child support obligations in the total amount of \$11,797.85.
- k. On June 6, 2019, the same day that Morrow submitted his 2019 Application to the Department, Morrow submitted an application for a nonresident insurance producer license to the state of South Dakota. On the June 6, 2019, application to the state of South Dakota, Morrow disclosed that he had a criminal history and provided certain documents showing that he had been charged with a felony.
- l. On October 30, 2019, the state of South Dakota denied Morrow's application for licensure as a nonresident insurance producer in South Dakota because he failed to respond to inquiries from the state insurance regulator and because he did not provide the documents requested.
- m. On August 20, 2003, the Rhode Island Attorney General filed a complaint against Morrow charging him with obtaining money, of a value over Fifteen Hundred Dollars, a felony, in violation of §§ 11-41-4 and 11-41-

5 of the General Laws of Rhode Island, 1956, as amended (Reenactment of 2000); and a misdemeanor of stealing money, of a value less than Five Hundred Dollars, in violation of the same statutory provisions.

- n. On January 14, 2004, Morrow pled *nolo contendere* to the felony charge.
- o. The court in Rhode Island found Morrow guilty as charged and pursuant to a Deferred Sentence Agreement entered into between Morrow and the Rhode Island Attorney General, the court deferred sentence, directed that Morrow be placed on probation and ordered that he pay restitution of \$10,197.00.
- p. When the Department sent Morrow an inquiry letter asking why he did not disclose the Rhode Island felony charge, the plea of *nolo contendere*, or the finding of guilt on his applications, Morrow stated that it was not his fault the Department failed to do a background check and that he did not think he had to disclose a Rhode Island felony charge on his Missouri applications.
- q. Background Question No. 1B clearly states that the applicant must disclose all felony charges and convictions, including deferred charges and convictions.
- r. Morrow has not paid the full amount of restitution ordered by the Rhode Island Court.

*Id.*

- 8. Based on the foregoing factual findings, the Commission found cause to

discipline Morrow's license pursuant to:

- a. Section 375.141.1(1) for providing incomplete, incorrect, misleading, or untrue information in his 2017 and 2019 Applications when he failed to disclose his plea and sentencing for a felony in Rhode Island, and when he failed to disclose his child support obligations and arrearages;
- b. Section 375.141.1(9) for having an insurance producer license denied in another state (South Dakota); and
- c. Section 375.141.1(13) for failing to comply with an administrative or court order imposing a child support obligation.

9. On November 13, 2020, the Commission sent its Certified Record to the Director.

10. The Director then entered her Order setting the matter for a hearing on what discipline, if any, to impose on Morrow (Transcript, Disciplinary Hearing ("Tr.") 3). Morrow did not appear at the December 16, 2020, Hearing (Tr. 4). Legal Counsel Shelley A. Woods appeared on behalf of the Division, and Jodi Lehman, Special Investigator for the Division, testified (Tr. 3-4, 8-11).

11. During the Hearing, the Hearing Officer took official notice of the Commission's Certified Record and entered it into the record (Tr. 5-6, Exhibit 1). The Hearing Officer also took official notice of the Notice of Hearing sent to Morrow, United Parcel Service, and the notification of service provided by United Parcel Service

confirming that Morrow had received the Notice of Hearing (Tr. 7-8, Exhibits 2 and 3).<sup>3</sup>

12. At the close of the Hearing, based on the evidence offered and entered into the record, counsel for the Division requested that the Director enter her Order revoking Morrow's resident insurance producer license (Tr. 11.).

13. The Director hereby adopts and incorporates the October 6, 2020 Decision of the Commission referenced herein and does hereby find in accordance with the same. *Director of Dep't of Commerce and Ins. v. Reuben E. Morrow, Jr.*, No. 20-1637 (Mo. Admin. Hrg. Comm'n October 6, 2020).

### CONCLUSIONS OF LAW

14. Section 621.110 outlines the procedure after the Commission finds cause to discipline a license. That statute provides, in relevant part:

Upon a finding in any cause charged by the complaint for which the license may be suspended or revoked as provided in the statutes and regulations relating to the profession or vocation of the licensee . . . the commission shall deliver or transmit by mail to the agency which issued the license the record and a transcript of the proceedings before the commission together with the commission's findings of fact and conclusions of law. The commission may make recommendations as to appropriate disciplinary action but any such recommendations shall not be binding upon the agency. . . . Within thirty days after receipt of the record of the proceedings before the commission and the findings of fact, conclusions of law, and recommendations, if any, of the commission, the agency shall set the matter for hearing upon the issue of appropriate disciplinary action and shall notify the licensee of the time and place of the hearing[.] . . . The licensee may appear at said hearing and be represented by counsel. The agency may receive evidence relevant to said issue from the licensee or any other source. After such hearing the agency may order any disciplinary measure it deems appropriate and which is authorized by law.

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<sup>3</sup> The Director also sent the Notice of Hearing to Morrow by certified mail, return receipt requested. While the U.S. Postal Service did return the return receipt, it was not signed (Tr. 8, Exhibit 4).

15. Where an agency seeks to discipline a license, the Commission “finds the predicate facts as to whether cause exists” for the discipline, and then the agency “exercises final decisionmaking authority concerning the discipline to be imposed.” *State Board of Reg’n for the Healing Arts v. Trueblood*, 368 S.W.3d 259, 267-68 (Mo. App. W.D. 2012) (citing § 621.110).

16. Section 374.051.2, relating to a proceeding to revoke or suspend a license, states, in relevant part:

If a proceeding is instituted to revoke or suspend a license of any person under sections 374.755, 374.787, and 375.141, the director shall refer the matter to the administrative hearing commission by directing the filing of a complaint. The administrative hearing commission shall conduct hearings and make findings of fact and conclusions of law in such cases. The director shall have the burden of proving cause for discipline. If cause is found, the administrative hearing commission shall submit its findings of fact and conclusions of law to the director, who may determine appropriate discipline.

17. The Director has discretion to discipline Morrow’s insurance producer license, including the discretion to revoke such license. Sections 374.051.2, 375.141, and 621.110.

18. Section 375.141.1 provides, in relevant part, as follows:

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;

\* \* \*



(9) Having an insurance producer license, or its equivalent, denied, suspended or revoked in any other state, province, district or territory; [or]

\* \* \*

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

19. The principal purpose of § 375.141 is not to punish licensees, but to protect the public. *Ballew v. Ainsworth*, 670 S.W.2d 94, 100 (Mo. App. E.D. 1984).

20. Based on the Commission's finding of cause for discipline pursuant to multiple statutory grounds and the seriousness of the conduct involved, revocation of Morrow's insurance producer license pursuant to § 375.141.1(1), (9), and (13) is appropriate.

21. This Order is in the public interest.

**ORDER**

Based on the foregoing findings and conclusions, the resident insurance producer license of **Reuben E. Morrow, Jr.** (License No. 8408994) is hereby **REVOKED**.

**SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 16<sup>th</sup> DAY OF August, 2022.**



*Chlora Lindley-Myers*  
Chlora Lindley-Myers, Director  
Missouri Department of Commerce  
and Insurance

**CERTIFICATE OF SERVICE**

I hereby certify that on this 18th day of August, 2022, a copy of the foregoing Findings of Fact, Conclusions of Law and Order of Discipline was served by United Parcel Service, with signature required, and by first class mail, postage prepaid, to the following:

Reuben E. Morrow, Jr.                      Tracking No. 1Z0R15W84294522872  
9540 Charlotte Street  
Kansas City, Missouri 64131-3033

and via hand delivery to:

Shelley A. Woods  
Counsel for the Consumer Affairs Division  
Missouri Department of Commerce and Insurance



Kathryn Latimer, Paralegal  
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