



**DEPARTMENT OF COMMERCE AND INSURANCE**

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

**IN RE:** )  
 )  
**PHELESA ARNELL NEAL-HARRIS,** ) **Case No. 1912061093C**  
 )  
**Applicant.** )

**ORDER REFUSING TO ISSUE MOTOR VEHICLE EXTENDED SERVICE  
CONTRACT PRODUCER LICENSE**

CHLORA LINDLEY-MYERS, Director of the Missouri Department of Commerce and Insurance, takes up the above matter for consideration and disposition. 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. Phelesa Arnell Neal-Harris (“Neal-Harris”) is a Missouri resident with a mailing address of 8747 Agate Ct., Saint Louis, Missouri, 63136.
2. On April 23, 2018, the Missouri Department of Insurance, Financial Institutions and Professional Registration (“Department”)<sup>1</sup> received Neal-Harris’s Application for Motor Vehicle Extended Service Contract Producer License (“Application”).
3. The “Applicant’s Certification and Attestation” section of the Application states, in relevant part:
  1. I hereby certify, under penalty of perjury, that 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

<sup>1</sup> The Missouri Department of Commerce and Insurance was known as the Missouri Department of Insurance, Financial Institutions and Professional Registration until August 28, 2019.

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, under penalty of perjury, that a) I have no outstanding state or federal income tax obligations, or b) I have an outstanding state or federal income tax obligation and I have provided all information and documentation requested in Background Information Question 36.4.

4. On April 9, 2018, Harris-Neal swore and signed the "Applicant's Certification and Attestation" section of the Application before a notary public.
5. Background Information Question 36.4 of the Application asked the following, in relevant part:

Have you failed to pay state or federal income tax?

Have you failed to comply with an administrative or court order directing payment of state or federal income tax?

Answer "Yes" if the answer to either question (or both) is "Yes."

6. Neal-Harris answered "No" in response to Background Information Question 36.4 of her Application.
7. Contrary to Neal-Harris's response to Background Information Question 36.4, an investigation conducted by the Consumer Affairs Division ("Division") of the Department revealed that on March 18, 2011, the St. Louis City County Circuit Court entered a Certificate of Tax Lien in the amount of \$4,944.89 against Neal-Harris for unpaid state individual income tax for the 2002, 2004 and 2005 filing years. The Certificate of Tax Lien states the following, in part:

The Director of Revenue, under Section 143.902, RSMo, hereby certifies that the following assessment of tax, interest, additions to tax, penalties, and fees have been made and become final. Interest continues to accrue as provided by law until the full amount of the tax liability is paid.

*Dep't of Revenue v. Phelesa A. Neal-Harris, St. Louis City Co. Cir. Ct., Case No. 1122-MC02290.*

8. It is inferable that Neal-Harris failed to disclose her tax lien in response to Background Question No. 36.4 of the Application in order to misrepresent to the Director that she did not have any outstanding tax liens, and consequently improve the chances that the Director would approve her Application and issue her a motor vehicle extended service contract ("MVESC") producer license.

9. On May 1, 2018, Special Investigator Kevin Davidson with the Division sent an inquiry letter to Neal-Harris at her address of record. The inquiry letter directed Neal-Harris to provide documentation of compliance from the Department of Revenue. The letter further cited 20 CSR 100-4.100, and that failure to respond could result in action against her license.
10. The United States Postal Service did not return the Division's May 1, 2018 inquiry letter as undeliverable, and therefore Neal-Harris is presumed to have received it.
11. Neal-Harris did not respond to the Division's May 1, 2018 inquiry letter, nor did she demonstrate a reasonable justification for the delay.
12. On May 30, 2018, Special Investigator Kevin Davidson with the Division sent an inquiry letter to Neal-Harris at her address of record. The inquiry letter directed Neal-Harris to provide documentation of compliance from the Department of Revenue. The letter further cited 20 CSR 100-4.100, and that failure to respond could result in action against her license.
13. The United States Postal Service did not return the Division's May 30, 2018 inquiry letter as undeliverable, and therefore Neal-Harris is presumed to have received it.
14. Neal-Harris did not respond to the Division's May 30, 2018 inquiry letter, nor did she demonstrate a reasonable justification for the delay.
15. After additional investigation, it was discovered that Neal-Harris may have had a misdemeanor conviction for passing a bad check, which was not disclosed on her application.<sup>2</sup>
16. On June 14, 2019, Special Investigator Kevin Davidson with the Division sent an inquiry letter to Neal-Harris at her address of record. The inquiry letter directed Neal-Harris to provide a statement regarding the circumstances surrounding Neal-Harris's possible charge and conviction for passing a bad check and why Neal-Harris failed to disclose this conviction on her application. The letter further cited 20 CSR 100-4.100, and that failure to respond could result in action against her license.
17. The United States Postal Service did not return the Division's June 14, 2019 inquiry letter as undeliverable, and therefore Neal-Harris is presumed to have received it.
18. Neal-Harris did not respond to the Division's June 14, 2019 inquiry letter, nor did she demonstrate a reasonable justification for the delay.

### **CONCLUSIONS OF LAW**

19. Section 385.209<sup>3</sup> states, in relevant part:

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<sup>2</sup> An individual with the same address, similar name and signature to Neal-Harris was convicted of passing a bad check in *State v. Phelesa Neal*, St. Louis City Co. Cir. Ct., Case No 2198R-00735.

<sup>3</sup> All civil statutory references are to the Revised Statutes of Missouri 2016 unless otherwise indicated.

1. The director may suspend, revoke, refuse to issue, or refuse to renew a registration or license under sections 385.200 to 385.220 for any of the following causes, if the applicant or licensee or the applicant's or licensee's subsidiaries or affiliated entities acting on behalf of the applicant or licensee in connection with the applicant's or licensee's motor vehicle extended service contract program has:

\* \* \*

(2) Violated any provision in sections 385.200 to 385.220, or violated any rule, subpoena, or order of the director;

(3) Obtained or attempted to obtain a license through material misrepresentation or fraud; [or]

\* \* \*

(13) Failed to comply with any administrative or court order directing payment of state or federal income tax[.]

20. Title 20 CSR 100-4.100(2)(A), Required Response to Inquiries by the Consumer Affairs Division, is a rule of the Director and 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.

21. "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).
22. The Director may refuse to issue Neal-Harris an MVESC producer license pursuant to § 385.209.1(2) because Neal-Harris violated 20 CSR 100-4.100(2)(A), a rule of the Director, when she failed to respond to each of two (2) inquiry letters from the Division within twenty (20) days and failed to demonstrate a reasonable justification for the delay.
23. Each instance in which Neal-Harris violated a rule of the Director, namely 20 CSR 100-4.100(2)(A), constitutes a separate and sufficient cause for refusal pursuant to § 385.209.1(2).
24. The Director may refuse to issue Neal-Harris an MVESC producer license pursuant to § 385.209.1(3) because Neal-Harris attempted to obtain a license through material misrepresentation or fraud when she answered "No" to Background Information Question 36.4 of her Application and failed to disclose her state income tax delinquency for the 2002,

2004 and 2005 filing years. *Dep't of Revenue v. Phelesa A. Neal-Harris*, St. Louis City Co. Cir. Ct., Case No. 1122-MC02290.

25. The Director may refuse to issue Neal-Harris an MVESC producer license pursuant to § 385.209.1(13) because Neal-Harris failed to comply with an administrative or court order directing payment of state income tax. *Dep't of Revenue v. Phelesa A. Neal-Harris*, St. Louis City Co. Cir. Ct., Case No. 1122-MC02290.
26. For all of the reasons given in this Petition, the Director has considered Neal-Harris's history and all of the circumstances surrounding Neal-Harris's Application and exercises her discretion to refuse to issue Neal-Harris an MVESC producer license.
27. This Order is in the public interest.

**ORDER**

**IT IS THEREFORE ORDERED** that **Phelesa Arnell Neal-Harris's** Application for Motor Vehicle Extended Service Contract Producer License is hereby **REFUSED**.

**SO ORDERED.**

WITNESS MY HAND THIS 23<sup>rd</sup> DAY OF December, 2020.



*Chlora Lindley Myers*  
**CHLORA LINDLEY-MYERS**  
**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.

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**CERTIFICATE OF SERVICE**

I hereby certify that on this 1st day of July, 2016, a copy of the foregoing Order and Notice was served upon the Applicant in this matter by UPS, signature required, at the following address:

Phelesa Arnell Neal-Harris  
8747 Agate Ct.  
St. Louis, MO 63101

Tracking No. 1Z0R15W8A895607878



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