



State of Missouri

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND
PROFESSIONAL REGISTRATION

IN RE:)
)
 JERAD MICHAEL LUCY,) Case No. 161020458C
)
 Applicant.)

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

On January 27, 2017, the Consumer Affairs Division submitted a Petition to the Acting Director alleging cause for refusing to issue a motor vehicle extended service contract producer license to Jerad Michael Lucy. After reviewing the Petition, the Investigative Report, and the entirety of the file, the Acting Director issues the following findings of fact, conclusions of law, and order:

FINDINGS OF FACT

1. Jerad Michael Lucy ("Lucy") is a Missouri resident with a residential address of 9431 Ridge Ave., Overland, Missouri 63114.
2. On April 1, 2016, the Department of Insurance, Financial Institutions and Professional Registration ("Department") received Lucy's completed 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 in connection with this application is grounds for license revocation or denial of the license and may subject me to civil or criminal penalties.

* * *

5. I further certify, under penalty of perjury, that a) I have no child

support obligation, b) I have a child support obligation that I am currently in compliance with that obligation, or c) I have a child support obligation that is in arrears, I am in compliance with a repayment plan to cure the arrears, and I have provided all information and documentation requested in Background Information Question [7].

4. Lucy accepted the "Applicant's Certification and Attestation" section by signing the Application under oath and before a notary public.
5. Background Question No. 1 of the Application asks:

Have you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime?

"Crime" includes a misdemeanor, felony or a military offense. You may exclude misdemeanor traffic citations or convictions involving driving under the influence (DUI) or driving while intoxicated (DWI), driving without a license, reckless driving, or driving with a suspended or revoked license or juvenile offenses.

"Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, or having been given probation, a suspended sentence or a fine.

"Had a judgment withheld or deferred" includes circumstances in which a guilty plea was entered and/or a finding of guilt is made, but imposition or execution of the sentence was suspended (for instance, the defendant was given a suspended imposition of sentence or a suspended execution of sentence—sometimes called an "SIS" or "SES").

Unless excluded by the language above, you must disclose convictions that have been expunged.

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, and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgment[.]

6. Lucy marked "Yes" in response to Background Question No. 1, and included related court documents for the following conviction:

- a. On January 16, 2004, Lucy pled guilty to Possession of Controlled Substance Except 35 Grams or Less of Marijuana, a Class C Felony, in violation of § 195.202.¹ On March 5, 2004, the court sentenced Lucy to five years' incarceration, but suspended the execution of sentence and ordered Lucy to complete five years' supervised probation. On January 6, 2005, the court ordered Lucy to complete 120 days' shock incarceration after violating his probation. Then, on February 23, 2006, the court revoked Lucy's probation and sentenced Lucy to three years' incarceration. *State v. Jerad Lucy*, St. Louis Co. Cir. Ct., Case No. 2103R-03513-01.
7. Lucy did not disclose, provide a copy of the charging document, or provide a copy of the official document which demonstrates the resolution of the charges or any final judgment as requested by Background Question No. 1 of the Application for the following three convictions:
 - a. On November 19, 2001, Lucy pled guilty to Stealing, a Class C Felony, in violation of § 570.030. The court sentenced Lucy to three years' shock incarceration. *State v. Jerad Lucy*, Lincoln Co. Cir. Ct., Case No. 45R010100621-01.
 - b. On November 9, 2006, Lucy pled guilty to Possession with Intent to Distribute a Controlled Substance, a Class B Felony, in violation of § 195.211. The court sentenced Lucy to seven years' incarceration. *State v. Jerad Lucy*, St. Louis Co. Cir. Ct., Case No. 2106R-00776-01.
 - c. On December 11, 2012, Lucy pled guilty to Possession of Controlled Substance - Heroin, a Class C Felony, in violation of § 195.202. The court sentenced Lucy to ten years' incarceration, but suspended the execution of sentence and ordered Lucy to complete three years' supervised probation. *State v. Jerad Lucy*, St. Louis City Cir. Ct., Case No. 1222-CR00307.
 8. Background Question No. 7 of the Application asks:

Do you currently have or have you had a child support obligation?

If you answer yes:

- (a) are you in arrearage?
- (b) by how many months are you in arrearage? _____ months
- (c) what is the total amount of your arrearage? _____
- (d) are you currently subject to a repayment agreement to cure the

¹ All criminal statutory references are to those contained in the version of the Revised Statutes of Missouri under which the court rendered judgment.

arrearage? (If you answer yes, provide documentation showing an approved repayment plan from the appropriate state child support agency.)

- (e) are you in compliance with said repayment agreement? (If you answer yes, provide documentation showing proof of current payments from the appropriate state child support agency.)
- (f) are you the subject of a child support related subpoena/warrant? (If you answer yes, provide documentation showing proof of current payments or an approved repayment plan from the appropriate state child support agency.)
- (g) have you ever been convicted of a misdemeanor or felony for failure to pay child support?

9. Lucy answered "No" in response to Background Question No. 7.

10. Contrary to Lucy's answer to Background Question No. 7 on his Application, the Division discovered a child support obligation in arrearage that Lucy failed to disclose:

- a. As of April 2016, when the Department received Lucy's completed Application, Lucy owed a total of \$46.00 in arrears on his child support obligation. Lucy is obligated to pay \$1.00 per month in child support. As of January 2017, Lucy owes \$55.00 in arrears. *State of Missouri, Div. of Child Support Enforcement v. Jerad Lucy*, Lincoln Co. Cir. Ct., Case No. 80939301.

CONCLUSIONS OF LAW

11. Section 385.209 RSMo (Supp. 2013)² provides, in part:

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:

* * *

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

* * *

² All civil statutory references are to the Revised Statutes of Missouri (2000) as updated by the 2013 Supplement unless otherwise noted.

(5) Been convicted of any felony; [or]

* * *

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

12. The Director may refuse to issue a motor vehicle extended service contract ("MVESC") producer license to Lucy pursuant to § 385.209.1(3) because Lucy attempted to obtain a license through material misrepresentation or fraud when he failed to disclose the following convictions in response to Background Question No. 1 on his Application:
 - a. Stealing, a Class C Felony. *State v. Jerad Lucy*, Lincoln Co. Cir. Ct., Case No. 45R010100621-01.
 - b. Possession with Intent to Distribute a Controlled Substance, a Class B Felony. *State v. Jerad Lucy*, St. Louis Co. Cir. Ct., Case No. 2106R-00776-01.
 - c. Possession of Controlled Substance - Heroin, a Class C Felony. *State v. Jerad Lucy*, St. Louis City Cir. Ct., Case No. 1222-CR00307.
13. The Director may refuse to issue a MVESC producer license to Lucy pursuant to § 385.209.1(3) because Lucy attempted to obtain a license through material misrepresentation or fraud when he failed to disclose his child support obligation in response to Background Question 7 on his Application. *State of Missouri, Div. of Child Support Enforcement v. Jerad Lucy*, Lincoln Co. Cir. Ct., Case No. 80939301.
14. The Director may refuse to issue a MVESC producer license to Lucy pursuant to § 385.209.1(5) because Lucy has been convicted of four felonies:
 - a. Stealing, a Class C Felony. *State v. Jerad Lucy*, Lincoln Co. Cir. Ct., Case No. 45R010100621-01.
 - b. Possession with Intent to Distribute a Controlled Substance, a Class B Felony. *State v. Jerad Lucy*, St. Louis Co. Cir. Ct., Case No. 2106R-00776-01.
 - c. Possession of Controlled Substance - Heroin, a Class C Felony. *State v. Jerad Lucy*, St. Louis City Cir. Ct., Case No. 1222-CR00307.
 - d. Possession of Controlled Substance Except 35 Grams or Less of Marijuana, a Class C Felony. *State of Missouri v. Jerad Lucy*, St. Louis Co. Cir. Ct., Case No. 2103R-03513-01.

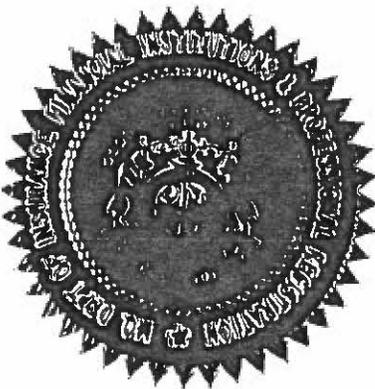
15. Each felony conviction is a separate and sufficient cause for refusal pursuant to § 385.209.1(5).
16. The Director may refuse to issue a MVESC producer license to Lucy pursuant to § 385.209.1(12) because Lucy failed to comply with an administrative or court order imposing a child support obligation as evidenced by his arrearage in *State of Missouri Div. of Child Support Enforcement v. Jerad Lucy*, Lincoln Co. Cir. Ct., Case No. 80939301.
17. The Director has considered Lucy's history and all of the circumstances surrounding Lucy's Application. Issuing Lucy a MVESC producer license would not be in the interest of the public. Accordingly, the Director exercises his discretion and refuses to issue Lucy a MVESC producer license.
18. This Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that Jerad Michael Lucy's motor vehicle extended service contract producer license application is hereby **REFUSED**.

SO ORDERED.

WITNESS MY HAND THIS 27th DAY OF JANUARY, 2017.





JOHN M. HUFF, ACTING 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.

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CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of January 2017, a copy of the foregoing Order and Notice was served upon the Applicant in this matter by UPS, signature required, at the following address:

Jerad Michael Lucy
9431 Ridge Ave.
Overland, Missouri 63114

Tracking No. 1Z0R15W84290777588



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