



State of Missouri
DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND
PROFESSIONAL REGISTRATION

IN RE:

LACEE J. AMES,

Applicant.

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Case No. 207013

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

On April 28, 2014, the Consumer Affairs Division submitted a Petition to the Director alleging cause for refusing to issue a motor vehicle extended service contract (MVESC) producer license to Lacey J. Ames. 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. Lacey J. Ames ("Ames") is a Missouri resident with a residential address of record of 403 S. Highway 47, Warrenton, Missouri, 63383.
2. On October 15, 2013, the Department of Insurance, Financial Institutions and Professional Registration ("Department") received Ames's Application for Motor Vehicle Extended Service Contract Producer License ("Application").
3. By signing the Application, Ames attested and certified that "all of the information submitted in this application and attachments is true and complete."
4. Background Question No. 4 of the Application asked the following:

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?

If you answer yes, identify the jurisdiction(s): _____
5. Ames marked "No" to Background Question No. 4.
6. Ames did not disclose any delinquent tax obligation in her Application.

7. Contrary to Ames's "No" answer to Question No. 4, the Consumer Affairs Division's investigation revealed information indicating that Ames owed delinquent tax obligations, of which she had been notified:
 - a. On December 28, 2012, the Director of the Missouri Department of Revenue filed a Certificate of Tax Lien – Individual Income Tax in the St. Louis County Circuit Court, certifying that Ames owed a total of \$1,074.53 in delinquent taxes from tax year 2009, including interest and penalties, which, upon filing, became the judgment of the court under § 143.902. The judgment remains unsatisfied.¹
8. On October 21, 2013, Consumer Affairs Division Special Investigator Andrew Engler mailed an inquiry letter to Ames requesting information on the status of her tax lien and evidence of any repayment arrangement and repayment history.
9. Engler mailed the October 21, 2013 letter by first class mail to Ames's address of record, with sufficient postage attached.
10. The October 21, 2013 letter was not returned as undeliverable.
11. Ames never responded to the October 21, 2013 letter and has not demonstrated any justification for her failure to respond.
12. On November 12, 2013, Engler mailed a second inquiry letter to Ames, again requesting information on the status of her tax lien and evidence of any repayment arrangement and repayment history.
13. Engler mailed the November 12, 2013 letter by first class mail to Ames's address of record, with sufficient postage attached.
14. The November 12, 2013 letter was not returned as undeliverable.
15. Ames never responded to the November 12, 2013 letter and has not demonstrated any justification for her failure to respond.
16. As of December 5, 2013, Ames owed \$1,083.59 in delinquent Missouri state taxes for tax year 2009.
17. It is inferable, and is hereby found as fact, that Ames falsely answered "No" to Question No. 4 and failed to disclose her delinquent tax obligations in her Application in order to misrepresent to the Director that she had no delinquent tax obligations, and, accordingly, in order to improve the chances that the Director would approve her Application and issue her an MVESC producer license.

¹ *Department of Revenue v. Lacey J. Ames*, St. Charles Co. Cir. Ct., No. 1211-MC07033.

CONCLUSIONS OF LAW

18. Section 385.209 RSMo, Supp. 2013, 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:

* * *

(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;

* * *

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

19. Regulation 20 CSR 100-4.100(2) states:

(2) Except as required under subsection (2)(B)—

(A) 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.

(B) This rule shall not apply to any other statute or regulation which requires a different time period for a person to respond to an inquiry by the department. If another statute or regulation requires a shorter response time, the shorter response time shall be met. This regulation operates only in the absence of any other applicable laws.

20. Just as the principal purpose of § 375.141, the insurance producer disciplinary statute, 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), the purpose of § 385.209 is not to punish applicants for a motor vehicle extended service contract producer license, but to protect the public.

21. The Director may refuse to issue Ames an MVESC producer license pursuant to § 385.209.1(13) because Ames failed to comply with an administrative and court order directing payment of state income tax. The Certificate of Tax Lien – Individual Income Tax, filed on December 28, 2012, by the Director of Revenue in *Department of Revenue v. Lacey J. Ames*, St. Charles Co. Cir. Ct., No. 1211-MC07033, which became the judgment of the court upon its filing, remains unsatisfied.
22. The Director also may refuse to issue Ames an MVESC producer license under § 385.209.1(3) because Ames attempted to obtain a license through material misrepresentation or fraud when she falsely answered “No” to Question No. 4 and failed to disclose her delinquent tax obligations in her Application in order to misrepresent to the Director that she had no delinquent tax obligations, and, accordingly, in order to improve the chances that the Director would approve her Application and issue her an MVESC producer license.
23. The Director also may refuse to issue Ames an MVESC producer license under § 385.209.1(2) because Ames violated a rule of the Director, in that Ames failed to respond to two written inquiries from the Consumer Affairs Division—on October 21, 2013, and November 12, 2013—without demonstrating reasonable justification for either of her failures to respond, each time thereby violating regulation 20 CSR 100-4.100(2), which is a rule of the Director.
24. The Director has considered Ames’s history and all of the circumstances surrounding Ames’s Application. Granting Ames an MVESC producer license would not be in the interest of the public. Accordingly, the Director exercises his discretion and refuses to issue an MVESC producer license to Ames.

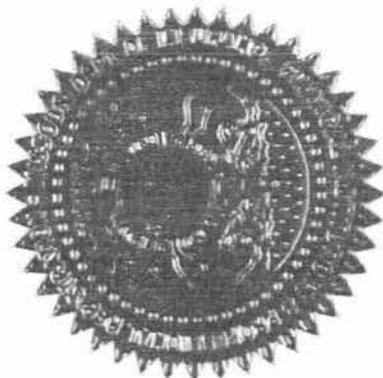
25. This order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the motor vehicle extended service contract producer license application of **Lacee J. Ames** is hereby **REFUSED**.

SO ORDERED.

WITNESS MY HAND THIS 2ND DAY OF MAY, 2014.




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 2nd day of May, 2014, a copy of the foregoing Order and Notice was served upon the applicant in this matter by certified mail at the following address:

Lacee J. Ames
403 S. Highway 47
Warrenton, Missouri 63383

Certified No. 7009 3410 0001 9254 7707



Angie Gross
Investigations Section
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