

Iowa Department of Inspections and Appeals  
Division of Administrative Hearings  
Wallace State Office Building – Third Floor  
Des Moines, Iowa 50319

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IN THE MATTER OF	)	Case No. 13IID025
	)	
KRISTINE M. McGREGOR,	)	<b>DEFAULT ORDER</b>
	)	
Respondent.	)	

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Kristine M. McGregor became licensed as a preneed sales agent (# 16771847) on August 29, 2012, pursuant to the Iowa Cemetery and Funeral Merchandise and Funeral Services Act, Iowa Code Chapter 523A. The Iowa Insurance Division (“Division”) regulates Chapter 523A. The Division sent a notice to Ms. McGregor on January 2, 2013 regarding the requirement that preneed sales agents file an Annual Report on or before April 1, 2013. Ms. McGregor did not respond to the notice, nor to a follow-up reminder from the Division sent to her on April 17, 2013. Ms. McGregor cancelled her license on February 13, 2013.

The Division filed a Statement of Charges against Ms. McGregor, to which Ms. McGregor filed no Answer, alleging that Ms. McGregor has failed to file the mandatory Annual Report and has failed to pay the late filing penalty fee. The Division asks that this administrative tribunal revoke Ms. McGregor’s preneed sales agent license, order her to file the Annual Report, and impose the \$500 civil penalty against Ms. McGregor.

A contested case hearing on the Statement of Charges was scheduled for October 4, 2013 at 8:00 a.m. Attorney John Leonhart appeared on behalf of the Division. Ms. McGregor did not appear at 8:00 a.m. nor within the next ten minutes. The administrative file shows she was properly served in this matter.

**CONCLUSIONS OF LAW**

The Insurance Commissioner has general control, supervision, and direction over all insurance business transacted in Iowa, and is responsible for enforcing Iowa laws relating to insurance. Iowa Code § 505.8 (2013). This case involves a license revocation for a Sales Agent License under the Iowa Cemetery and Funeral Merchandise and Funeral Services Act. A sales agent is a person doing business in Iowa, “who is authorized by a seller to sell cemetery merchandise, funeral merchandise, funeral services, or a combination thereof, on behalf of a seller.” Iowa Code § 523A.102(26) (2013). A person may not sell or offer for sale any cemetery merchandise, funeral merchandise, funeral services, or any combination thereof, in Iowa, unless the person holds an active preneed seller license or sales agent license. Iowa Code § 523A.502(1); 191—Iowa Administrative Code (IAC) 103.1(1).

The Division may revoke the license of a preneed sales agent when the sales agent has failed to file an annual report with the commissioner. See Iowa Code § 523A.502A(1); 191—IAC 105.4 and 105.6(8). In addition, the “commissioner shall levy an administrative penalty in the amount of up to five hundred dollars against a sales agent who fails to file an annual report when due.” Iowa Code § 523A.502A(3).

Ms. McGregor received proper notice of the hearing, but did not appear. Pursuant to 191—IAC 3.22(1), the administrative law judge may enter a default decision if a party fails to appear at a contested case hearing after receiving proper notice. The Division seeks revocation of Ms. McGregor's license because of her failure to file the mandatory annual report. Based upon her failure to appear at hearing after receiving proper notice, entry of default judgment against Ms. McGregor is proper.

### ORDER

Ms. McGregor is in default because she failed to appear at the October 4, 2013 contested case hearing. Ms. McGregor violated the governing statute and the Insurance Division's rules by failing to file a timely annual report. Ms. McGregor's Preneed Sales Agent License is hereby **revoked**, and she is **ordered to pay a \$500 civil penalty**. The Insurance Division shall take any steps necessary to implement this decision.

Dated this 4th day of October, 2013.



Carol J. Greta  
Administrative Law Judge  
515-281-6065

cc: Irene Vega and John Leonhart (*via* electronic mail)  
Kristine M. McGregor (*via* first class mail)

### NOTICE

A default decision becomes final agency action 15 days from the date the decision was mailed unless a motion to vacate the default decision is filed within that time period. A motion to vacate must state all the facts upon which the moving party relies to establish good cause for failure to appear or participate at the contested case proceeding. Each fact must be substantiated by at least one affidavit by a person with personal knowledge of the fact, and the affidavit must be attached to the motion. For more particulars, see 191—IAC 3.22.