

ORDER NO. E16-65

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

_____)	
Proceedings by the Commissioner of)	
Banking and Insurance, State of)	ORDER SUSPENDING ALICIA
New Jersey, to suspend the)	JONES' INSURANCE PRODUCER
insurance producer license of)	LICENSE PENDING COMPLETION
Alicia M. Jones, Ref. No. 9465325)	OF ADMINISTRATIVE
pending completion of)	PROCEEDINGS
administrative proceedings)	
_____)	

TO: Alicia M. Jones
59 Brookdale Avenue
Newark, NJ 07106

This matter, having been opened to the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Alicia M. Jones ("Respondent" or "Jones"), currently licensed as a resident individual insurance producer pursuant to N.J.S.A. 17:22A-32, may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Jones is subject to the provisions of the New Jersey Producer Licensing Act of 2001, N.J.S.A. 17:22A-26, et seq. ("Producer Act"); and

WHEREAS, pursuant to 18 U.S.C. § 1033(e)(2), N.J.S.A. 17:22A-40a(18), and N.J.A.C. 11:17E-1.3(a), no person having

been convicted of a felony involving breach of trust or dishonesty or having been convicted under 18 U.S.C. § 1033 shall be employed in the business of insurance in this State in any capacity without having first obtained a waiver from the Commissioner or his or her designee in accordance with the provisions of 18 U.S.C. § 1033(e)(2) and N.J.A.C. 11:17E-1 et seq.; and

WHEREAS, pursuant to N.J.A.C. 11:17E-1, dishonesty is defined as any act, omission or commission, which involves or in any way constitutes the offense of theft, larceny, robbery, wrongful appropriation, criminal conversion, tax evasion, perjury, bribery, forgery, defalcation, counterfeiting, false or misleading oral or written statements, deception, fraud, schemes or other artifices to deceive or defraud, material misrepresentation and/or the failure to disclose material facts which are part of a criminal enterprise; and

WHEREAS, pursuant to N.J.A.C. 11:17E-1, a felony means, among other things, any Federal crime for which the maximum authorized punishment exceeds one year of imprisonment; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(6), an insurance producer's license may be revoked for a conviction of a felony or crime of the fourth degree or higher; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(18), an insurance producer shall notify the Commissioner within thirty (30) days of his conviction of any crime, indictment or the filing of any formal criminal charges; and

WHEREAS, pursuant to N.J.S.A. 17:22A-47b, an insurance producer shall report a criminal prosecution of the producer to the Commissioner within thirty (30) days of the pretrial hearing date; and

IT APPEARING that on February 14, 2013, Jones was indicted on 25 counts of Aiding and Assisting in the Preparation of False Tax Return in violation of 26 U.S.C. § 7206(2); and

IT FURTHER APPEARING that Jones was alleged to have, through Right Choice Financial & Insurance Services ("Right Choice"), "prepared false and fraudulent U.S. tax returns for taxpayers by, amongst other things, fabricating and inflating Schedule A itemized deductions and education expenses, and including false taxpayer filing statuses, in order to obtain refunds for those taxpayers in amounts greater than those to which they were entitled"; and

IT FURTHER APPEARING that Jones pleaded guilty to a violation of 26 U.S.C. § 7206(2), Fraud and False Statements, on October 7, 2013; and

IT FURTHER APPEARING that a person is found guilty of a violation of 26 U.S.C. § 7206(2), Fraud and False Statements, if he or she willfully aids or assists in, or procures, counsels, or advises the preparation or presentation under, or in connection with any matter arising under, the internal revenue laws, of a return, affidavit, claim, or other document, which is fraudulent or is false as to any material matter, whether or not such falsity or fraud is with the knowledge or consent of the person authorized or required to present such return, affidavit, claim, or document; and

IT FURTHER APPEARING that a conviction for Fraud and False Statements carries a maximum sentence of three years; and

IT FURTHER APPEARING that Jones' January 27, 2015 conviction constitutes a felony involving dishonesty or breach of trust pursuant to N.J.A.C. 11:17E-1.2; and

IT FURTHER APPEARING that on or about January 27, 2014, Jones was sentenced to, among other things, three years probation and ordered to pay restitution in the amount of \$39,185.00 to the U.S. Treasury; and

IT FURTHER APPEARING that Jones did not notify the Department of her conviction or request a waiver from the Department in accordance with the provisions of 18 U.S.C. §

1033(e)(2), N.J.S.A. 17:22A-40a(18), and N.J.A.C. 11:17E-1.3(a);
and

IT FURTHER APPEARING that pursuant to 18 U.S.C. § 1033(e)(2), N.J.S.A. 17:22A-40a(18), and N.J.A.C. 11:17E-1.3(a), Jones cannot engage in the business of insurance as a result of her conviction until such time as she obtains a written waiver from the Commissioner; and

IT FURTHER APPEARING that the Commissioner has not issued a waiver to Jones and, as a result, Jones cannot legally engage in the business of insurance in this State; and

IT FURTHER APPEARING that Order to Show Cause No. E16-40 ("Suspension OTSC E16-40") was issued on May 27, 2016, seeking immediate license suspension of Jones' insurance producer license; and

IT FURTHER APPEARING that, upon receiving notice of the Department's application for the immediate suspension, on May 18, 2016, and prior to the Department's issuance of the Suspension OTSC E16-40, Jones submitted a letter opposing suspension of her insurance producer license; and

IT FURTHER APPEARING that on May 27, 2016, Order to Show Cause No. E16-41 ("OTSC E16-41") was also issued. OTSC E16-41 charges Jones with multiple violations of the Producer Act,

including violations of N.J.S.A. 17:22A-40a(1), (2), (6), (8), (15), (16) and (18), 18 U.S.C. § 1033(e) and N.J.A.C. 11:17E-1.3, related to her indictment and conviction pursuant to 26 U.S.C. § 7206(2). The OTSC seeks revocation of Jones' insurance producer license, monetary penalties, and costs as appropriate; and

IT FURTHER APPEARING that the Suspension OTSC E16-40 provided Jones with the opportunity to file answering certifications, briefs or any other evidence upon which she intends to rely not more than seven (7) days from service of the Suspension OTSC E16-40, but Jones did not submit any additional opposition; and

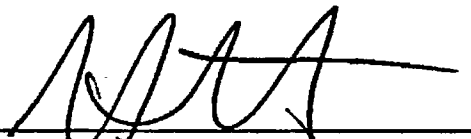
IT FURTHER APPEARING that for all the reasons stated in the Department's application and Suspension OTSC E16-40, allowing Jones to continue to conduct the business of insurance pending completion of the administrative proceedings would be harmful to the public interest;

NOW, THEREFORE, IT IS on this day of 20th, July 2016,

ORDERED that, pursuant to N.J.S.A. 17:22A-45d, the insurance producer license held by Alicia M. Jones is hereby immediately suspended pending completion of administrative proceedings and entry of a Final Order; and

IT IS PROVIDED that Jones has the right, pursuant to N.J.S.A. 17:22A-45d, to move to vacate this Order upon ten (10) days notice. Any motion to vacate this Order must be in writing and filed with the Commissioner by delivery of the motion to: Denise Illes, Chief of Legislative and Regulatory Affairs, Department of Banking and Insurance, P.O. Box 329, Trenton, New Jersey 08625. A copy of the motion to vacate shall also be sent to the Petitioner's attorney: Deputy Attorney General Ryan F. Schaffer, 25 Market Street, P.O. Box 117, Trenton, New Jersey 08625, Fax: (609)777-3503; and

IT IS FURTHER PROVIDED that, pursuant to N.J.S.A. 17:22A-45d, Jones may request a preliminary hearing to be held at the Office of Administrative Law within twenty (20) days of the date of this Order, on the matters contained herein and on a date selected by the Office of Administrative Law. Any request for a hearing on this Order must be in writing and filed with the Commissioner by delivery of the request to: Denise Illes, Chief of Legislative and Regulatory Affairs, Department of Banking and Insurance, P.O. Box 329, Trenton, New Jersey 08625. A copy of the request for a preliminary hearing shall also be sent to the Petitioner's attorney: Deputy Attorney General Ryan F. Schaffer, 25 Market Street, P.O. Box 117, Trenton, New Jersey 08625, Fax: (609)777-3503.



Peter L. Hartt
Director of Insurance

crm jones suspension order/inord



State of New Jersey

DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF INSURANCE
LEGISLATION AND REGULATION
PO Box 325
TRENTON, NJ 08625-0325

TEL (609) 984-3602
FAX (609) 292-0896

RICHARD J. BADOLATO
Commissioner

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

July 22, 2016

Via Regular and Certified Mail

Alicia M. Jones
59 Brookdale Avenue
Newark, New Jersey 07106

RE: In the Matter of Alicia M. Jones

Dear Ms. Jones:

Enclosed is Order No. E16-65 ("Order") issued by the New Jersey Department of Banking and Insurance ("Department") on July 20, 2016, which orders the immediate suspension of your insurance producer license in New Jersey pending completion of administrative proceedings and entry of a Final Order.

The Order provides that pursuant to N.J.S.A. 17:22A-45d, you have the right to move to vacate the Order upon (10) days notice. The Order also provides that pursuant to N.J.S.A. 17:22A-45d, you may request a preliminary hearing to be held at the Office of Administrative Law within twenty (20) days of the date of the Order. A motion to vacate or a request for a hearing must be in writing and filed with the Commissioner by delivery of the motion to: Denise M. Illes, Chief of Legislation and Regulation, P.O. Box 329, Trenton, New Jersey 08625. A copy of the motion or request shall also be sent to: Deputy Attorney General Ryan F. Schaffer, 25 Market Street, P.O. Box 117, Trenton, New Jersey 08625, Fax: (609)777-3503.

Thank you for your attention to this matter.

Sincerely yours,

Denise M. Illes
Chief, Legislation and Regulation

Enclosure

c: Virgil Downtin, Chief of Investigations
Ryan Schaffer, Deputy Attorney General

Order E16-65 Alicia Jones Suspension/inoord