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**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

In re Mortgage Loan Originator License)	Docket No. 2011-16-01
Application of:)	
)	
WILLIAM CHARLES RANDAL,)	ORDER DENYING REQUEST FOR
)	MORTGAGE LOAN ORIGINATOR
)	LICENSE, AND NOTICE OF THE
Applicant.)	OPPORTUNITY FOR A HEARING
)	

The Director of the State of Idaho, Department of Finance (Director), pursuant to the Idaho Residential Mortgage Practices Act, Idaho Code § 26-31-101 *et seq.* (the Act), and in particular §§ 26-31-306(1)(c) and 26-31-313(1)(a) and –(b), of the Act, hereby issues the following Findings of Fact, Conclusions of Law, and Order Denying Request for Mortgage Loan Originator License and Notice of the Opportunity for a Hearing:

FINDINGS OF FACT

1. William Charles Randal (the Applicant) is an individual who resides at 305 N. Raymond Street, Apartment 14, Spokane, Washington 99206.
2. Idaho Code § 26-31-305 sets forth the information that needs to be included in an application for a license, in addition to the continuing education requirements included in Idaho Code § 26-31-308. Idaho Code § 26-31-305(3)(b)(i) provides that applicants must submit to the

Nationwide Mortgage License System and Registry (NMLSR), a nationwide computerized licensing system for mortgage brokers/lenders and mortgage loan originators, “[p]ersonal history and experience ... [and an] independent credit report obtained from a consumer reporting agency....”

3. On November 1, 2010, State of Idaho, Department of Finance, Consumer Finance Bureau (Department) began considering credit information in its determination of whether to issue a mortgage loan originator license to an applicant under the Act. Part 3 of the Act is referred to as the “The Idaho Secure and Fair Enforcement for Mortgage Licensing Act of 2009 (commonly referred to as the “S.A.F.E. Act”).

4. Idaho Department of Finance Policy Statement 2011-01 discusses the Department’s policy for determining an individual’s financial responsibility/fitness to maintain an Idaho mortgage loan originator license. Such policy states that if “if an Individual’s credit report or response to any application disclosure question contains adverse information, the Department will notify the Individual in writing of the specific items that must be addressed, and will specify the documentation that must be provided for the Department’s consideration and review.”

5. On or about December 20, 2010, the Applicant submitted an application for a mortgage loan originator license (Application) to the Department through the NMLSR. Such Application was deemed withdrawn because the Applicant had failed the Idaho law component of the continuing education exam.

6. After learning that the Applicant’s continuing education exam had been rescored by the State Regulatory Registry LLC, causing him to pass the Idaho law component of the continuing education exam, on October 4, 2011, the Department sent the Applicant a letter informing him that his Application was reactivated and notifying him of the financial

responsibility requirements of the Act. Such letter also notified the Applicant that during the Department's review of the Applicant's credit report, the Department found that nine (9) separate creditors reported delinquent payments and/or unexplained charge offs. For each creditor, the problems occurred over a number of months and demonstrated that for the period of occurrence, the Applicant did not timely pay his financial obligations. Per the Department's policy statement, the issues contained in the Applicant's credit report needed to be addressed before the Department could consider and review his license application. The Department requested that the Applicant address the issues contained in his license application. The letter requested that the Applicant provide an explanation and/or documents relating to each of the nine (9) issues contained in his credit report.

7. On October 11, 2011, the Applicant responded by letter explaining his circumstances surrounding his financial situation. In the letter, the Applicant stated that he is currently enrolled in a debt consolidation program and expects to pay the remaining two creditors in the future. The Department reviewed the Applicant's explanation, and on October 21, 2011, requested that the Applicant provide additional documentation relating to the two remaining accounts listed in the Applicant's explanation.

8. In response to the Department's October 21, 2011 request, on November 4, 2011 the Applicant e-mailed a letter from a debt settlement company confirming the Applicant's enrollment in its debt settlement program.

9. On November 16, 2011, the Department wrote to the Applicant advising him that he does not meet the requirements of the Idaho S.A.F.E. Act because payments made to a debt settlement company or debt settlement account in which the creditors are not actually receiving timely and current payments against an incurred debt obligation do not meet the requirements of

financial responsibility under the Act. The Department advised the Applicant of options regarding his license due to his failure to meet the requirements of the Idaho S.A.F.E. Act.

CONCLUSIONS OF LAW

10. Paragraphs 1 through 9 above are fully incorporated herein by this reference.

11. Idaho Code § 26-31-306(1)(c) provides that the Director shall not issue a mortgage loan originator license under the Act unless the Director makes a finding that the applicant has demonstrated financial responsibility, character and general fitness sufficient to command the confidence of the community and to warrant a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of the Act.

12. The Applicant here is unable to demonstrate that he is making timely payments to his creditors.

13. The only information the Department has available to evaluate the Applicant's financial fitness is his credit report and his responses to the request for information on the credit report. This information demonstrates that the Applicant had a number of delinquencies that occurred over a number of months. These delinquencies, along with the Applicant's failure to provide documentation explaining how they were resolved or settled, demonstrate that the Applicant has not demonstrated financial responsibility, character and general fitness sufficient to command the confidence of the community to justify the issuance of an Idaho mortgage loan originator license.

14. The Director finds that the Applicant's failure to sufficiently demonstrate that he is making timely payments to his creditors, as referenced in paragraphs 7 through 9 above, shows that the Applicant lacks the financial responsibility, character, and fitness sufficient to command the confidence of the community and to warrant a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of the Act. Based on

that finding, the Director finds it appropriate to deny the Applicant's request for an Idaho mortgage loan originator license, pursuant to Idaho Code § 26-31-306(c).

ORDER

NOW, THEREFORE, PURSUANT TO IDAHO CODE §§ 26-31-306(1)(c), 26-31-313(1)(a) AND 26-31-313(1)(b), IT IS HEREBY ORDERED THAT THE REQUEST FOR A MORTGAGE LOAN ORIGINATOR LICENSE MADE BY WILLIAM CHARLES RANDAL IS DENIED.

NOTICE

15. The Applicant is HEREBY NOTIFIED that the foregoing ORDER DENYING REQUEST FOR MORTGAGE LOAN ORIGINATOR LICENSE is a final order of the Director, subject to the Applicant's right to timely file a request for a hearing on the question of his qualifications for a license under the Act, pursuant to Idaho Code § 26-31-305(6)(a). Such request for a hearing must be in writing and submitted to the Department within fifteen (15) days after the service of this Order. A copy of the request for hearing shall be served on Michael Larsen, Consumer Finance Bureau Chief, at the following address:

Michael Larsen
Consumer Finance Bureau Chief
Idaho Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

A copy of the request for hearing shall also be served on the Department's counsel in this matter, Brian D. Nicholas, Deputy Attorney General, at the same address.

16. If the Applicant timely files a request for hearing, the Department will notify the Applicant of the date, time and place of the hearing, as well as the name and contact information of the presiding officer.

17. Any hearing and subsequent proceedings in this matter will be conducted in accordance with the Idaho Administrative Procedure Act, Idaho Code § 67-5201 *et seq.*

18. Pursuant to Idaho Code § 26-31-305(6), if a hearing is held, the Applicant and those filing objections shall reimburse, pro rata, the Director for his reasonable and necessary expenses incurred as a result of the hearing.

IT IS SO ORDERED.

DATED this 9th day of JANUARY, 2012.



STATE OF IDAHO
DEPARTMENT OF FINANCE


GAVIN M. GEE, Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 9 day of JANUARY, 2012, I caused a true and correct copy of the foregoing ORDER DENYING REQUEST FOR MORTGAGE LOAN ORIGINATOR LICENSE, AND NOTICE OF THE OPPORTUNITY FOR A HEARING to be served on the following by the designated means:

William Charles Randal
305 N. Raymond St., Apt. 14
Spokane, WA 99206

- U.S. Mail, postage prepaid
- Certified mail
- Facsimile
- Email: brandial@eaglehomemortgage.com


Paralegal