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

STATE OF IDAHO, DEPARTMENT OF)
FINANCE, CONSUMER FINANCE)
BUREAU,)

Docket No. 2010-6-03

Complainant,)

vs.)

BROADWAY PAWN AND LOAN, LLC,)

Respondent.)

**ORDER DENYING APPLICATION FOR
REGULATED LENDER LICENSE, AND
NOTICE OF THE OPPORTUNITY FOR
A HEARING**

The Director of the State of Idaho, Department of Finance (Director), pursuant to the Idaho Credit Code, Idaho Code § 28-41-101 *et seq.* (the ICC), and in particular Idaho Code § 28-46-302(1)(a), hereby issues the following Findings of Fact, Conclusions of Law, and Order Denying Application for Regulated Lender License and Notice of the Opportunity for a Hearing.

FACTS

1. Broadway Pawn and Loan, LLC was formed as an Idaho limited liability company on April 7, 2004. Its members were Joey Winn and Douglas Winn. On October 30, 2004, the State of Idaho, Department of Finance, Consumer Finance Bureau (Department) issued

to Broadway Pawn and Loan, LLC Idaho Regulated Lender License No. RTL-4370, authorizing the company to engage in regulated consumer lending in Idaho. Broadway Pawn and Loan, LLC engaged in regulated consumer lending, including title lending, from 2134 Broadway Avenue in Boise, Idaho. The regulated lender license issued by the Department to Broadway Pawn and Loan, LLC continued in effect until June 9, 2009, when it was terminated due to the company's failure to meet license renewal requirements. On July 8, 2009, Broadway Pawn and Loan, LLC was administratively dissolved as a limited liability company by the Idaho Secretary of State's Office.

2. M & J, LLC was formed as an Idaho limited liability company on April 18, 2008. M & J, LLC's managing member was Mike A. Stevens, who lives in Rigby, Idaho. Sometime in 2008, M & J, LLC acquired Broadway Pawn and Loan, LLC, the company referenced in paragraph 1 above, and began engaging in the title lending business under the business name M & J, LLC, dba Broadway Pawn and Loan (M & J).

3. Family relationships have existed between Mike A. Stevens, Joey Winn, and Douglas Winn.

4. On October 16, 2008, the Department issued Idaho Regulated Lender License RTL-7391 to M & J, authorizing it to engage in a title lending business from 2134 Broadway Avenue in Boise, Idaho. M & J's regulated lender license was voluntarily surrendered on August 17, 2010.

5. On or about March 30, 2010, Joey Winn Carr (fka Joey Winn) and Douglas Winn purchased and/or took over the ownership of M & J. On July 21, 2010, Douglas Winn and Joey Winn Carr reinstated Broadway Pawn and Loan, LLC with the Idaho Secretary of State's Office. Douglas Winn and Joey Winn Carr are the owners and members of the reinstated limited liability

company, Broadway Pawn and Loan, LLC. Broadway Pawn and Loan, LLC in its reinstated form under the ownership of Douglas Winn and Joey Winn Carr is referred to hereinafter as “the Respondent.”

6. After the purchase of M & J by Joey Winn Carr and Douglas Winn on or about March 30, 2010 and establishing the Respondent as its successor company, the Winns failed to notify the Department of the change in ownership.

7. On July 10, 2010, the Department examination staff sent a notice to M & J that the Department would be conducting a compliance examination of that company. At that time, the Department had no knowledge that on or about March 30, 2010, M & J had been sold and/or the ownership and control of its title lending business had been transferred to the Respondent.

8. Shortly after the Department’s July 10, 2010 notice to M & J of the intended compliance examination, a Department examiner was contacted by Joey Winn Carr. Ms. Winn Carr informed the Department examiner that the Respondent had purchased M & J. In light of that information, the Department examiner told Ms. Winn Carr that the Respondent failed to hold a license to engage in title lending in Idaho, and if the Respondent engaged in such title lending without the required license, it would violate the ICC. The Department examiner further stated that the compliance examination would be directed toward both M & J and the Respondent, and would still take place.

9. On July 21, 2010, the Department received an application for a regulated lender license listing Joey Winn Carr as a sole proprietor doing business as Broadway Pawn & Title Loan. The Department delayed its review of such application until after it had an opportunity to conduct a pre-licensing examination of the proposed new licensee. Such application was later amended and refiled with the Department to show that the applicant was co-owned by Joey Winn

Carr and Douglas Carr and would operate under the business name Broadway Pawn and Loan, LLC.

10. On July 30, 2010, Department examiners visited 2134 Broadway Avenue in Boise, Idaho for the purpose of conducting an on-site compliance examination of M & J and a pre-licensing examination of the Respondent's title lending business. The examiners discovered evidence that a transfer of ownership and control of M & J to the Respondent had occurred on or about March 30, 2010, and that the Respondent had extended at least forty-two (42) title loans during the period from March 30, 2010 to the date of such examination, while it failed to hold a regulated lender license issued by the Department under the ICC. Also on July 30, 2010, after learning of the change in ownership of the title lending business and the unlicensed title lending activity engaged in by the Respondent, Department Examiner Tom Nate verbally warned the Respondent that it should immediately cease engaging in the title lending business until it became properly licensed by the Department under the ICC.

11. On August 4, 2010, Department Examiner Billie Kay sent a letter to the Respondent again warning that engaging in title lending without a license constitutes a violation of the ICC, and informing the Respondent of the consequences of such violation.

CONCLUSIONS OF LAW

12. The allegations set forth in paragraphs 1 through 11 above are fully incorporated herein by this reference.

13. Idaho Code § 28-46-502(1) defines "title lender" as a regulated lender authorized to make title loans.

14. Idaho Code § 28-46-502(2) defines "title loan" as "a loan for a consumer purpose that is secured by a nonpurchase money security interest in titled personal property and that is

scheduled to be repaid in either a single installment or in multiple installments that are not fully amortized.” That subsection also provides that title loans are regulated consumer loans and both title loans and title lenders are subject to all provisions of the ICC that relate to regulated consumer loans.

15. Idaho Code § 28-46-503(1) provides that no person shall engage in the business of making title loans in Idaho without first having obtained a license from the Department authorizing the person to do so.

16. Idaho Code § 28-46-406(1) provides that other than the transfer of a license to a new location, a license issued pursuant to “this chapter,” i.e. the ICC, is not transferable or assignable.

17. The Respondent’s acts of extending at least forty-two (42) title loans in Idaho while not licensed under the Act, show that both the Respondent and its principals, Joey Winn Carr and Douglas Winn, lack the financial responsibility, character, and fitness such as to warrant belief that the Respondent’s business will be operated honestly and fairly within the purposes of the ICC.

ORDER

NOW, THEREFORE, BASED ON THE FOREGOING, AND PURSUANT TO THE PROVISIONS OF THE IDAHO CREDIT CODE, AND PARTICULARLY § 28-46-302(1)(a), IT IS HEREBY ORDERED THAT THE RESPONDENT’S APPLICATION FOR A REGULATED LENDER LICENSE UNDER THE IDAHO CREDIT CODE IS DENIED.

NOTICE

18. The Respondent is hereby notified that the foregoing ORDER DENYING APPLICATION FOR REGULATED LENDER LICENSE, AND NOTICE OF THE OPPORTUNITY FOR A HEARING is a final order of the Director. Pursuant to Idaho Code § 67-5246, the Respondent may file a motion for reconsideration or request for a hearing concerning this Order within fourteen (14) days of the issuance of this Order. The motion for reconsideration or request for a hearing shall be served on:

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

A copy of such motion for reconsideration or request for a hearing shall also be served on the Department's counsel, A. René Martin, Deputy Attorney General, at the same address. 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.*

19. If the Respondent timely files a motion for reconsideration, the Department will dispose of such motion within twenty-one (21) days of its receipt, or the motion will be considered denied by operation of law, pursuant to Idaho Code § 67-5246(4).

20. If the Respondent timely files a request for hearing, the Respondent will be notified of the date, time, and place of the hearing, as well as the name of the presiding officer. At the hearing, the Respondent will be entitled to enter an appearance, introduce evidence, examine and cross-examine witnesses, make arguments, and generally participate in the conduct of the proceedings. The Respondent may also be represented by legal counsel at its own expense.

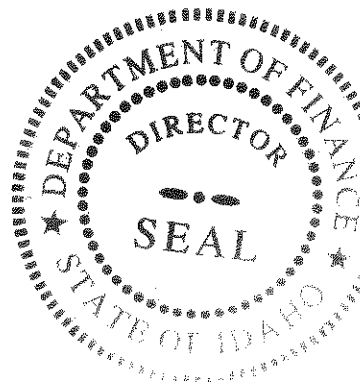
21. Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order may appeal from such order to the district court by filing a petition in the district court of the county in which:

- a. a hearing was held;
- b. the final agency action was taken;
- c. the party seeking review of the order resides; or
- d. the real property or personal property that was the subject of the agency action is located.

22. An appeal must be filed within twenty-eight (28) days: (a) of the issuance of this Order, (b) of the issuance of an order denying a motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. Idaho Code § 67-5273(2). The filing of an appeal to the district court does not itself stay the effectiveness of enforcement of the order being appealed.

IT IS SO ORDERED.

DATED this 26th day of JANUARY, 2011.



STATE OF IDAHO
DEPARTMENT OF FINANCE



GAVIN M. GEE, Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 26 day of January, 2011, I caused a true and correct copy of the foregoing ORDER DENYING APPLICATION FOR REGULATED LENDER LICENSE, AND NOTICE OF THE OPPORTUNITY FOR A HEARING to be served on the following by the designated means:

Paul J. Stark, Esq.
IDAHO BUSINESS LAW GROUP
660 E. Franklin Rd., Suite 110
Meridian, ID 83642

U.S. mail, postage prepaid
 certified mail
 facsimile: (208) 460-1995



Paralegal