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

In re Mortgage Loan Originator
License Renewal Application of:

CORVI JASON URLING,
NMLS ID No. 163870,

Applicant.

Docket No. 2021-16-50

**ORDER DENYING MORTGAGE LOAN
ORIGINATOR LICENSE APPLICATION AND
NOTICE OF THE OPPORTUNITY TO
REQUEST 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)(d) and (h) and 26-31-313(1)(a) and (b) of the Act, hereby issues the following Findings of Fact, Conclusions of Law, and Order Denying Mortgage Loan Originator License Application, and Notice of the Opportunity for a Hearing (Order).

FINDINGS OF FACT

1. The Applicant, CORVI JASON URLING, a resident of the state of Washington, holds NMLS number 163870 and applied for an Idaho Mortgage Loan Originator (MLO) license by filing an individual Form MU4 through the online Nationwide Mortgage Licensing System (NMLSR or NMLS). This application was attested to and submitted on March 2, 2021 by the Applicant.

2. The application Form MU4 seeks information about an individual applicant's qualifications to be licensed as a mortgage loan originator. A section of the application is entitled "Disclosure Questions" and consists of a series of questions that inquire into an applicant's history regarding financial, criminal, civil, judicial and regulatory matters.

3. Pertinent to the Applicant's qualifications is the following question: (D): "Do you have any unsatisfied judgments or liens against you?" The Applicant answered with a "yes" to this question. For the accompanying Disclosure Explanations section, the Applicant provided only information he had originally added and updated to his NMLS form MU4 application in 2016, which included an uploaded copy of an Account Transcript from the Internal Revenue Service detailing federal taxes the Applicant owed for tax year 2005 and a copy of a notice of Modification of Withholding – Delay,¹ dated February 27, 2015, that was issued by the State of California Franchise Tax Board. The Applicant has not made any updates or amendments to this Disclosure Explanations section since 2016.

4. Consistent with normal practice, a Department examiner conducted an assessment of the Applicant using various sources of public information to determine if the Applicant demonstrates sufficient financial responsibility, character, and general fitness in order to be licensed as a mortgage loan originator.²

5. The examiner obtained a public record background information report through LexisNexis, which showed that the Applicant has several undisclosed State of California tax liens

¹ This notice does not identify the specific State of California tax lien for which the withholding was issued and the Applicant also did not provide any additional information identifying the tax lien.

² Conducted pursuant to Part 3 of the Act titled "The Idaho Secure and Fair Enforcement for Mortgage Licensing Act" (Idaho S.A.F.E. Mortgage Licensing Act), Idaho Code § 26-31-306.

and a State of California, Employment Development Department judgment outstanding against him. The examiner obtained copies of these tax liens and the judgment as follows:

- a. Notice of State Tax Lien, Certificate Number 17119350990. This tax lien was issued against the Applicant by the State of California, Franchise Tax Board on April 29, 2017, for \$16,337.84 for tax years 2001, 2002, 2004. It was recorded with the Orange County California Recorder, on May 2, 2017, as document No. 2017000176744.
- b. Notice of State Tax Lien, Certificate Number 18158646042. This tax lien was issued against the Applicant by the State of California, Franchise Tax Board on June 7, 2018, for \$6,940.45 for tax years 2008 and 2015. It was recorded with the Orange County California Recorder, on June 15, 2018, as document No. 2018000220179.
- c. Notice of State Tax Lien, Certificate Number 19152617856. This tax lien was issued against the Applicant by the State of California, Franchise Tax Board on June 1, 2019, for \$18, 141.91 for tax year 2005. It was recorded with the Orange County California Recorder, on June 4, 2019, as document No. 2019000191675.
- d. Copy of printout of a Public Index Search from the State of California, Sacramento County Clerk and Recorder website showing that a State Tax Lien was recorded on October 2, 2019 by the Franchise Tax Board against the Applicant and it was recorded in Sacramento County California Recorder as document No. 201910021426.

e. Abstract of Judgment, Superior Court of California, Sacramento County, Case Number 34-2016-90009454, that was entered against the Applicant in favor of the State of California, Employment Development Department on June 15, 2016 in the amount of \$2,052.02. This judgment was recorded in the State of California, Orange County Clerk and Recorders office on July 20, 2016, under Instrument Number 2016000330943.

6. The Department has no evidence indicating that any of the tax liens or the judgment described above has been satisfied and/or released.

7. Regarding his affirmative response to disclosure question (D), the Applicant's failure to update his Form MU4 application and provide details of the tax liens and the judgment entered against him described above constitutes a material omission.

8. On June 24, 2021, the Department provided the Applicant notice of an intent to deny the application within approximately one month based on the information set forth above unless the Applicant was able to provide documentation to satisfy the Department that the noted items had been resolved and that disclosure was not required. The notice alternatively provided the Applicant the opportunity to withdraw the application. The Applicant failed to provide the requisite documentation or withdraw the application by the stated deadline of July 22, 2021.

FINDINGS AND CONCLUSIONS OF LAW

9. The allegations set forth in paragraphs 1 through 8 above are fully incorporated herein by this reference.

10. Idaho Code § 26-31-304 provides that an individual shall not engage in the business of a mortgage loan originator without first obtaining, and maintaining annually, a license.

11. Idaho Code § 26-31-305(1) provides that an applicant for a mortgage loan originator license must apply through the NMLSR in a form required by the Director of the Idaho Department of Finance (Director), and further that the application form shall be updated as necessary to keep the information current.

12. Pursuant to Idaho Code § 26-31-306(1)(h), before an application for license can be approved, an applicant must provide all information on the application as required per Idaho Code § 26-31-305. Idaho Code § 26-31-305(10) further provides that an applicant shall make complete disclosure of all information as set forth in the application.

13. Idaho Code § 26-31-306(1)(d) provides that the Director shall not issue a mortgage loan originator license under the Act unless the Director makes a finding that an 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.

14. Pursuant to Idaho Code § 26-31-313(1)(b), the Director may deny a license if an applicant withholds information or makes a material misstatement in an application for a license.

15. The Applicant made a material misstatement of fact by omission in his application, which is grounds to deny his application for licensure. He failed to disclose and provide information regarding the California tax liens and judgment that were entered against him. The failure to disclose the tax liens and the judgment prohibits the Director from issuing a license to the Applicant pursuant to Idaho Code § 26-31-306(1)(h).

16. The Director finds it appropriate to deny the application because the Applicant's failure to provide complete information on the Form MU4 regarding the tax liens and judgment

demonstrates that the Applicant lacks the appropriate 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. Because the Director cannot make the requisite findings under Idaho Code § 26-31-306(1)(d), it is appropriate to deny the Applicant's request for an Idaho mortgage loan originator license, pursuant to Idaho Code § 26-31-313(1).

ORDER

NOW, THEREFORE, BASED ON THE FOREGOING FINDINGS OF FACT AND CONCLUSIONS OF LAW, AND PURSUANT TO IDAHO CODE §§ 26-31-313(1)(a) and (b), IT IS HEREBY ORDERED THAT THE APPLICATION FOR A MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION ATTESTED TO AND SUBMITTED BY CORVI JASON URLING ON MARCH 2, 2021 IS DENIED.

NOTICE OF THE OPPORTUNITY TO REQUEST A HEARING

17. The Applicant is HEREBY NOTIFIED that the foregoing ORDER DENYING MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION is a final order of the Director denying the license application, subject to the Applicant's right to timely file a request for a hearing on the question of his qualifications for a mortgage loan originator 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 the following:

Erin Van Engelen
Consumer Finance Bureau Chief
Idaho Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

A copy of the request for contested case and hearing shall also be served on the Department's counsel in this matter:

Thomas A. Donovan
Deputy Attorney General
Idaho Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

Alternatively, the Applicant may email the request for hearing to: CFLegal@finance.idaho.gov.

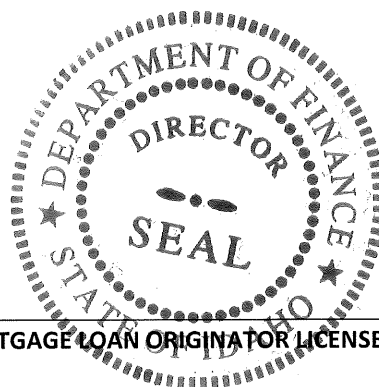
18. If the Applicant timely requests a hearing, the Director of the Department, or a Hearing Officer acting on the Director's behalf, will notify the Applicant of the date, time and place of the hearing, as well as the name and contact information of the presiding officer.

19. 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.* and the Idaho Rules of Administrative Procedure (IDAPA 04.11.01).

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

IT IS SO ORDERED.

DATED this 19th day of August 2021.



STATE OF IDAHO
DEPARTMENT OF FINANCE

A handwritten signature in black ink, appearing to read "Patricia R. Perkins", written over a horizontal line.

PATRICIA R. PERKINS, Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 19th day of August 2021, I caused a true and correct fully-executed copy of the foregoing ORDER DENYING MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION AND NOTICE OF THE OPPORTUNITY FOR A HEARING to be served on the following by the designated means:

Corvi Jason Urling
3901 Southgate Avenue SW
Lakewood, WA 98499

- U.S. mail, postage prepaid
- certified mail
- facsimile _____
- email: Curling@loandepot.com



Paralegal