

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 22-1046.01 Christy Chase x2008

HOUSE BILL 22-1410

HOUSE SPONSORSHIP

Bird,

SENATE SPONSORSHIP

(None),

House Committees
Business Affairs & Labor

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE REGULATION OF CERTAIN FINANCIAL SERVICES**
102 **BUSINESSES, AND, IN CONNECTION THEREWITH, PERMITTING**
103 **EMPLOYEES OF A SUPERVISED LENDER TO WORK FROM A**
104 **REMOTE LOCATION AND REMOVING THE REQUIREMENT FOR A**
105 **DEBT-MANAGEMENT SERVICES PROVIDER TO SUBMIT CRIMINAL**
106 **HISTORY RECORD CHECK RESULTS FOR AGENTS OF THE**
107 **PROVIDER.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

The bill permits and specifies the conditions for employees of supervised lenders to work from remote locations.

Additionally, the bill repeals the requirement that an applicant for registration as a debt-management services provider include with the application the results of a state and national criminal history record check for any agent of the applicant.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 5-2-302, **amend** (7)
3 as follows:

4 **5-2-302. License to make supervised loans - definition.**
5 (7) (a) EXCEPT AS PROVIDED IN SUBSECTION (7)(b) OF THIS SECTION, a
6 licensee shall not engage in the business of making supervised loans at
7 any place of business for which the licensee does not hold a license, nor
8 shall a licensee engage in business under any other name than that in the
9 license. The administrator may, by rule, establish an administrative fee for
10 such a change of name. For the purposes of this subsection (7), a
11 consumer insurance premium loan is made at the lender's business office.

12 (b) (I) NOTHING IN THIS PART 3 INTERFERES WITH THE ABILITY OF
13 EMPLOYEES OF A LICENSEE TO WORK FROM A REMOTE LOCATION SO LONG
14 AS THE LICENSEE:

15 (A) ENSURES THAT NO IN-PERSON CUSTOMER INTERACTIONS ARE
16 CONDUCTED AT THE REMOTE LOCATION AND DOES NOT DESIGNATE THE
17 REMOTE LOCATION TO CONSUMERS AS A BUSINESS LOCATION;

18 (B) MAINTAINS APPROPRIATE SAFEGUARDS FOR LICENSEE AND
19 CONSUMER DATA, INFORMATION, AND RECORDS, INCLUDING THE USE OF
20 SECURE VIRTUAL PRIVATE NETWORKS, ALSO KNOWN AS "VPNS", WHERE
21 APPROPRIATE;

22 (C) EMPLOYS APPROPRIATE RISK-BASED MONITORING AND

1 OVERSIGHT PROCESSES OF WORK PERFORMED FROM A REMOTE LOCATION
2 AND MAINTAINS RECORDS OF THE MONITORING AND OVERSIGHT
3 PROCESSES;

4 (D) ENSURES CONSUMER INFORMATION AND RECORDS ARE NOT
5 MAINTAINED AT A REMOTE LOCATION;

6 (E) ENSURES CONSUMER AND LICENSEE INFORMATION AND
7 RECORDS REMAIN ACCESSIBLE AND AVAILABLE FOR REGULATORY
8 OVERSIGHT AND EXAMINATION; AND

9 (F) PROVIDES APPROPRIATE EMPLOYEE TRAINING TO ENSURE
10 EMPLOYEES WORKING FROM A REMOTE LOCATION KEEP ALL
11 CONVERSATIONS ABOUT AND WITH CONSUMERS THAT ARE CONDUCTED
12 FROM THE REMOTE LOCATION CONFIDENTIAL, AS IF CONDUCTED FROM A
13 COMMERCIAL LOCATION, AND TO ENSURE THAT EMPLOYEES WORKING AT
14 A REMOTE LOCATION WORK IN AN ENVIRONMENT THAT IS CONDUCIVE AND
15 APPROPRIATE TO ENSURING PRIVACY AND CONFIDENTIAL CONVERSATIONS.

16 (II) AS USED IN THIS SUBSECTION (7)(b), "REMOTE LOCATION"
17 MEANS A PRIVATE RESIDENCE OF AN EMPLOYEE OF A LICENSEE OR
18 ANOTHER LOCATION SELECTED BY THE EMPLOYEE AND APPROVED BY THE
19 LICENSEE.

20 **SECTION 2.** In Colorado Revised Statutes, 5-19-206, **amend**
21 (12) as follows:

22 **5-19-206. Application for registration - required information.**

23 An application for registration shall be signed under penalty of false
24 statement and include:

25 (12) At the applicant's expense, the results of a state and national
26 fingerprint-based criminal history ~~records~~ RECORD check, conducted
27 within the immediately preceding twelve months, covering every officer

1 of the applicant and every employee ~~or agent~~ of the applicant who is
2 authorized to initiate transactions to the trust account required by section
3 5-19-222. The administrator shall be the authorized agency to receive
4 information regarding the result of the national criminal history ~~records~~
5 RECORD check. If a provider delegates to an independent contractor or
6 subcontractor the authority to initiate transactions to the trust account
7 required by section 5-19-222, the administrator is entitled to receive the
8 results of the state and national fingerprint-based criminal history ~~records~~
9 RECORD check only for those independent contractors or subcontractors
10 who are authorized to initiate trust account transactions pursuant to that
11 delegated authority.

12 **SECTION 3. Act subject to petition - effective date.** This act
13 takes effect at 12:01 a.m. on the day following the expiration of the
14 ninety-day period after final adjournment of the general assembly; except
15 that, if a referendum petition is filed pursuant to section 1 (3) of article V
16 of the state constitution against this act or an item, section, or part of this
17 act within such period, then the act, item, section, or part will not take
18 effect unless approved by the people at the general election to be held in
19 November 2022 and, in such case, will take effect on the date of the
20 official declaration of the vote thereon by the governor.