

## PROPOSED STATUTORY LANGUAGE

AN ACT permitting state licensees to work from Remote Locations, under certain circumstances.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF [STATE]:

**Section 1.** Chapter X of Title X of the Official Code of [STATE], relating to financial institutions, is amended as follows:

“[New Code Section]. (a) Notwithstanding anything to the contrary under the laws of the state of [STATE] including subsection (b), nothing in [this chapter] shall be interpreted to prohibit employees of a Licensee performing licensable activities at their residence or another Remote Location in accordance with Licensee’s written supervisory policies and procedures.

(b) The Commissioner of the [Regulatory Agency] shall have the authority to promulgate rules to establish requirements and standards relating to Remote Locations.”

**Section 2.** Chapter X of Title X of the Official Code of [STATE], relating to financial institutions, is amended as follows:

“Remote Location” means a location at which the employees of a Licensee may conduct business other than the principal place of business or a registered Branch Office. Licensable activities from a Remote Location shall be permitted when under the supervision of the Licensee and when all of the following apply:

- (1) the Licensee has written policies and procedures for supervision of employees working from their residence or a location other than a licensed location;
- (2) access to company platforms and customer information shall be in accordance with the Licensee’s comprehensive written information security plan;
- (3) no in-person customer interaction will occur at an employee’s residence unless such residence is a licensed location; and
- (4) physical records shall not be maintained at a Remote Location.

**PROPOSED ADMINISTRATIVE REGULATION LANGUAGE**

Notice of Intent to Adopt a Proposed Amendment to the [NAME OF REGULATION]  
Chapter XXX  
Rule XXX

XXX.XXX. Standards for Permissible Actions from a Remote Location.

A Licensee may permit its employees to work at Remote Locations under the supervision and in compliance with Licensee's written policies and procedures subject to the following conditions:

- (a) Customer interactions and conversations about consumers will be in compliance with federal and state information security requirements, including applicable provisions under the Gramm-Leach-Bliley Act and the Safeguards Rule established under the Federal Trade Commission, set forth at 16 CFR Part 314;
- (b) Employees working at a Remote Location must access the company's secure systems (including a cloud-based system) directly from any out-of-office device such employee uses (laptop, phone, desktop computer, tablet, etc.) via a virtual private network (VPN) or comparable system that ensures secure connectivity and requires passwords or other forms of authentication to access;
- (c) Licensee shall ensure that appropriate security updates, patches, or other alterations to the security of all devices used at Remote Locations are installed and maintained;
- (d) Licensee must have an ability to remotely lock or erase company-related contents of any device or otherwise remotely limit all access to a company's secure systems;
- (e) Licensee shall employ appropriate risk-based monitoring and oversight processes and any employee that will work from a Remote Location agrees to comply with the Licensee's established processes;
- (f) Licensee shall, at least once annually, certify that all employees engaging in remote activity meet the appropriate standards and safeguards to continue such activity;
- (g) The NMLS record of a Mortgage Loan Originator that works from a Remote Location shall designate the Corporate Headquarters as their Registered Location unless such Mortgage Loan Originator elects to choose a licensed branch location as a Registered Location.