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Consumer Protection Section
Consumer Credit Unit

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M E M O R A N D U M

TO: Entities regulated by the Consumer Credit Unit

FROM: Martha Fulford, Administrator Consumer Credit Unit

RE: Updated remote work and COVID-19 guidance

Our office provides the following updated guidance about remote work for employees of regulated entities.

Legislative changes to the UCCC

On June 7, 2022, the Governor signed HB22-1410 which amends Colorado's Uniform Consumer Credit Code. Specifically, the bill amends section 5-2-302(7), C.R.S. to provide that, subject to rules adopted by the Administrator, nothing in Part 3 of Article 2 of the UCCC prohibits a supervised lender licensee from permitting its employees to work from a remote location, so long as the licensee complies with certain requirements. The bill provides that "remote location" means "a private residence of an employee of a licensee or another location selected by the employee and approved by the licensee." section 5-2-302(7)(b)(II), C.R.S. The employees may work from a remote location so long as the licensee:

- A. Ensures that no in-person customer interactions are conducted at the remote location and does not designate the remote location to consumers as a business location;
- B. Maintains appropriate safeguards for licensee and consumer data, information, and records, including the use of secure virtual private networks, also known as "VPNs", where appropriate;
- C. Employs appropriate risk-based monitoring and oversight processes of work performed from a remote location and maintains records of the monitoring and oversight processes;
- D. Ensures consumer information and records are not maintained at a remote location;
- E. Ensures consumer and licensee information and records remain accessible and available for regulatory oversight and examination; and
- F. Provides appropriate employee training to ensure employees working from a remote location keep all conversations about and with consumers that are conducted from the remote location confidential, as if conducted from a commercial location, and to ensure that employees working at a remote location work in an environment that is conducive and appropriate to ensuring privacy and confidential conversations.

Employees of other regulated entities working remotely

On March 20, 2020, the Administrator issued guidance for employees of regulated entities during the COVID-19 pandemic. That guidance, reiterated below, remains in effect for regulated entities not covered by HB22-1410, including collection agencies, debt management providers, and student loan servicers, and will remain in effect until the last day of the 2023 legislative session of the 74th General Assembly, May 10, 2023.

Several statutes our office implements have requirements with respect to branch or other locations (see e.g., sections 5-16-119(6), 5-19-206, 5-20-106(9), C.R.S.). The Administrator recognizes that due to concerns regarding the COVID-19 outbreak, individuals who work for regulated entities may be required, or wish, to work from home to avoid further spread of the outbreak, even though their homes are not licensed as branches. The Administrator does not intend to take an administrative, disciplinary, or enforcement action for such activities, so long as the following criteria are met:

1. The Colorado activity is conducted from the home location of an individual working on behalf of an entity who is licensed, registered, or files notification with the Administrator;
2. The individual is working from home due to a reason connected to the COVID-19 outbreak and has informed the regulated entity in writing;
3. None of the Colorado activity will be conducted in person with members of the public at the home location;
4. Individuals working from home will not advertise, receive official mail directly, or permanently store any books or records at their remote location;
5. The Colorado licensee shall at all times exercise reasonable supervision of the licensable activity being performed at the home office and ensure sufficient safeguards to protect consumer information and data security; and
6. The individual ceases conducting the activity from the home location as soon as reasonably possible, consistent with recommendations from the CDC, CDPHE, and applicable state health departments.

In addition, the Administrator does not intend to take an administrative, disciplinary, or enforcement action for a collection agency that, in complying with 5-16-123(1)(b), C.R.S. and Rule 1.09, maintains an office in Colorado open to the public during normal business hours, but imposes reasonable protections consistent with guidance from the CDC and CDPHE to accept payments.

Regulated entities are advised to establish policies and procedures, including for security of confidential information, document destruction and retention, and regulatory compliance for employees working remotely.

Please note that this position does not constitute a statutory or regulatory exemption from licensure or registration