

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 22-1046.01 Christy Chase x2008

HOUSE BILL 22-1410

HOUSE SPONSORSHIP

Bird and Rich, Bernett, Duran, Lindsay, McCluskie, Pico, Ricks, Soper

SENATE SPONSORSHIP

Holbert and Rodriguez,

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.

HOUSE
3rd Reading Unamended
May 2, 2022

HOUSE
Amended 2nd Reading
April 29, 2022

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 - rules - 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) **SUBJECT TO RULES ADOPTED BY THE ADMINISTRATOR,**
13 **NOTHING IN THIS PART 3 PROHIBITS A LICENSEE FROM PERMITTING ITS**
14 **EMPLOYEES** TO WORK FROM A REMOTE LOCATION SO LONG AS THE
15 LICENSEE:

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

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

1 (C) EMPLOYS APPROPRIATE RISK-BASED MONITORING AND
2 OVERSIGHT PROCESSES OF WORK PERFORMED FROM A REMOTE LOCATION
3 AND MAINTAINS RECORDS OF THE MONITORING AND OVERSIGHT
4 PROCESSES;

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

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

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

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

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

23 **5-19-206. Application for registration - required information.**
24 An application for registration shall be signed under penalty of false
25 statement and include:

26 (12) At the applicant's expense, the results of a state and national
27 fingerprint-based criminal history ~~records~~ RECORD check, conducted

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

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