



Regulated Lender Advisory Bulletin: Remote Work from Unlicensed Locations

This bulletin describes requirements for remote work by employees of licensed regulated lenders. The requirements are located at Section 341.503 of the Texas Finance Code, and are effective September 1, 2021. The Texas Legislature recently enacted these requirements in HB 3510 (2021).

Generally, Chapter 342 of the Texas Finance Code provides that any regulated lending activity must occur from a licensed location. This requirement is described in Sections 342.051, 342.052, 342.053, and 342.151 of the Finance Code, as well as the OCCC's rule at Title 7, Section 83.401 of the Texas Administrative Code.

New Section 341.503 explains that regulated lender licensees may allow their employees to work from remote locations as long as they meet certain conditions. The conditions for remote work include:

- ensuring that in-person consumer interactions will occur at the physical licensed location,
- maintaining safeguards for consumer information,
- employing risk-based monitoring and oversight,
- ensuring that consumer information and records are not maintained at a remote location,
- ensuring that information and records remain accessible for regulatory oversight,
- providing employee training, and
- adopting, maintaining, and following written procedures to ensure compliance.

The OCCC encourages regulated lenders to review the text of new Section 341.503 (available at <https://capitol.texas.gov/tlodocs/87R/billtext/html/HB03510F.htm>), and to be prepared to comply with the new section if their employees will conduct regulated business from remote locations.