



STATE OF CONNECTICUT
DEPARTMENT OF BANKING
 260 CONSTITUTION PLAZA – HARTFORD, CT 06103-1800



Jorge L. Perez
 Commissioner

**REVISED
 MEMORANDUM**

TO: All Connecticut Mortgage Lender, Mortgage Correspondent Lender, Mortgage Broker, Mortgage Loan Originator, Loan Processor or Underwriter, Sales Finance Company, Debt Adjuster, Debt Negotiator, Mortgage Servicer, Small Loan, Consumer Collection Agency and Student Loan Servicer Licensees

FROM: Jorge L. Perez, Banking Commissioner

RE: No-Action Position Regarding Temporarily Working from Home Due to COVID-19

DATE: March 1, 2021

On March 9, 2020, the Banking Commissioner issued a no-action position to address branch licensing issues in light of temporary mitigation actions licensees have taken due to COVID-19. The no-action position was revised on April 16, May 20, June 19, August 21 and December 17, 2020, to extend the position through May 31, June 30, August 31, December 31, 2020 and March 31, 2021, respectively. This revised memorandum reiterates the original no-action position as revised and extends the no-action position through June 30, 2021.

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Recently, there has been heightened concern regarding the outbreak of the respiratory disease named “coronavirus disease 2019” (“COVID-19”). In particular, on January 30, 2020, the International Health Regulations Emergency Committee of the World Health Organization declared the outbreak a “public health emergency of international concern” and, on January 31, 2020, due to confirmed cases of COVID-19, the United States Health and Human Services Secretary declared a public health emergency in the United States. This memorandum sets forth the Department’s no-action position regarding licensure of certain branch office locations as a result of individuals who temporarily work from home during the pendency of the COVID-19 outbreak.

Branch Office Licensure Requirement

Pursuant to Title 36a of the Connecticut General Statutes, the Department regulates numerous consumer credit licensees who are required to have a branch office location license in order to perform Connecticut licensable activity at a location other than the licensed main office. Requirements for branch office licensure are set forth in Title 36a for consumer collection agencies, debt adjusters, debt negotiators, mortgage brokers, mortgage correspondent lenders, mortgage lenders, mortgage servicers, sales finance companies, small loan companies and student loan servicers (“Consumer Credit Licensees”).

No-Action Position

The Department recognizes that due to concerns regarding the current COVID-19 outbreak, individuals who work for Consumer Credit Licensees currently licensed in Connecticut (“Connecticut CC Licensee”) may wish to temporarily work from home to avoid the further spread of the outbreak even though such home location is not currently licensed by this Department as a branch office. Accordingly, pursuant to Section 36a-1-8 of the Regulations of Connecticut State Agencies, this Department takes a no-action position concerning the requirement that any Connecticut licensable activity by a Consumer Credit Licensee be conducted from a licensed branch office location, effective immediately through June 30, 2021, so long as the following criteria are met:

1. The Connecticut licensable activity is conducted from the home location of an individual working on behalf of a Connecticut CC Licensee;
2. The individual is working from home due to a reason relating to the COVID-19 outbreak and has informed the Connecticut CC Licensee of such reason in writing;
3. The individual maintains all necessary licenses under Title 36a to conduct such Connecticut licensable activity, including, but not limited to, mortgage loan originator or loan processor or underwriter licensure, as applicable;
4. None of the Connecticut licensable activity will be conducted in person with members of the public from the home location; and
5. The Connecticut CC Licensee shall at all times exercise reasonable supervision of the Connecticut licensable activity being performed at the home office and ensure that appropriate safeguards and controls are established concerning consumer information and data security.

Please note that this position may be amended, revised or extended at any time in the discretion of the Commissioner, and does not constitute a statutory or regulatory exemption from licensure.