

HOUSE BILL 2304

By Boyd

AN ACT to amend Tennessee Code Annotated, Title 45, Chapter 13, Part 2, relative to working from remote locations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 45, Chapter 13, Part 2, is amended by adding the following as a new section:

(a) As used in this section, "remote location" means a location at which the employees of a licensee may conduct business other than a licensed location, the licensee's principal place of business, or a registered branch office.

(b) Except as provided in subsection (c), this chapter does not prohibit an employee of a licensee from performing licensable activities at the employee's residence or another remote location in accordance with the licensee's written supervisory policies and procedures.

(c) A licensee may permit an employee to work at a remote location only under the following conditions:

- (1) Access to company platforms and customer information are in accordance with the licensee's comprehensive written information security plan;
- (2) In-person customer interactions do not occur at the employee's residence unless the residence is a licensed location;
- (3) Physical records are not maintained at the remote location;
- (4) Customer interactions and conversations about consumers comply with federal and state information security requirements, including 15 U.S.C. §

6802 and the Safeguards Rule established by the Federal Trade Commission (16 CFR Part 314);

(5) The employee working at the remote location must access the company's secure systems, including a cloud-based system, directly from an out-of-office device, including, but not limited to, a laptop, phone, desktop computer, or tablet, via a virtual private network (VPN) or comparable system that ensures secure connectivity and requires passwords or other forms of authentication to access;

(6) The licensee ensures that appropriate security updates, patches, or other alterations to the security of all devices used by the employee at the remote location are installed and maintained;

(7) The licensee has the ability to remotely lock or erase company-related contents of any device described in subdivision (c)(5) or otherwise remotely limit all access to a company's secure systems;

(8) The licensee employs appropriate risk-based monitoring and oversight processes and the employee that works from the remote location agrees to comply with the licensee's established processes;

(9) The licensee, at least once annually, certifies that the employee engaging in remote activity meets the appropriate standards and safeguards to continue remote activity; and

(10) If the employee is a mortgage loan originator, the National Mortgaging Licensing System (NMLS) record of the originator that works from the remote location designates the corporate headquarters as the originator's registered location unless the originator elects to choose a licensed branch location as the originator's registered location.

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it.