

**Oregon Division of Financial Regulation Bulletin No. DFR 2020-6**

**TO:** All Licensed Mortgage Loan Originators, Mortgage Lenders, Mortgage Loan Servicers, Consumer Finance Companies, Payday/Title Lenders, and Manufactured Structure Dealers

**DATE:** March 12, 2020

**RE:** Temporarily Working from Home

**Purpose**

On March 8, 2020, Governor Kate Brown declared a state of emergency in Oregon to address the spread of the novel coronavirus, COVID-19. A number of states across the country have taken similar action as COVID-19 cases continue to rise. On March 12, Governor Brown announced new rules to slow the spread of the virus, including banning large gatherings of 250 people or more and implementing social distancing measures at worksites. Many people are in self-quarantine after possible exposure to the virus to help slow the spread and several companies are considering precautions for employees by directing them to stay home.

In response to the threat of COVID-19, this bulletin temporarily authorizes Oregon licensed mortgage loan originators and other employees of Oregon licensed mortgage lenders, mortgage loan servicers, consumer finance companies, payday/title lenders, and manufactured structure dealers to work from home while transacting business when certain conditions are met.

**Authority**

- ORS 401.165 to 168
- ORS 86A.166
- ORS 86A.992
- ORS 86A.309
- ORS 725.210
- ORS 725.910
- ORS 446.716
- ORS 446.995
- ORS 725A.024
- ORS 725A.990
- OAR 441-880-0315

## **Background**

Mortgage loan originators must be sponsored by a licensed mortgage lender or consumer finance company and that sponsorship must be approved by the Oregon Division of Financial Regulation (DFR) in order to originate a residential mortgage loan.<sup>1</sup> The division ensures that the loan originator's relationship and current employment listed in the Nationwide Multistate Licensing System (NMLS) are connected with a licensed company at a location that holds an Oregon license before approving the sponsorship. Companies face up to \$5,000 in civil penalties per violation for allowing a mortgage loan originator to originate Oregon residential mortgage loans from an unlicensed location or prior to approval of sponsorship.

Oregon laws regarding mortgage loan servicers, consumer finance companies, payday/title lenders, and manufactured structure dealers require companies to obtain licenses to operate in a location other than the company's principal place of business.<sup>2</sup>

## **Guidance**

To support efforts of loan originators and licensed companies to reduce the spread of COVID-19, DFR will temporarily allow mortgage loan originators and employees of licensed mortgage lenders, mortgage loan servicers, consumer finance companies, payday/title lenders, and manufactured structure dealers to work from home when the home is not a licensed location, if the licensed company meets the following criteria:

- The company provides prior notice to DFR at [NMLS.Licensing@Oregon.gov](mailto:NMLS.Licensing@Oregon.gov) of the intent to permit employees to work from home to prevent the spread of COVID-19.
- The company must have appropriate policies and procedures in place to supervise the activities of loan originators and employees working from home, including data security measures to protect consumers' personal information.
- Loan originators and employees may not keep any physical business records at any location other than a licensed location.
- Consumers may not visit the loan originator or employee's home for business purposes that require the license, unless the home is licensed.
- If the company implements temporary policies or procedures related to working at home in response to COVID-19, the company must provide a copy of the policies and procedures to DFR at [NMLS.Licensing@Oregon.gov](mailto:NMLS.Licensing@Oregon.gov).

For an Oregon licensed loan originator, mortgage lender, mortgage loan servicer, consumer finance company, manufactured structure dealer, or payday/title lender that meets the criteria listed above, DFR will not take administrative action for unlicensed activity against the company or mortgage loan originator if the mortgage loan originator or employees engage in activities requiring a license from home.

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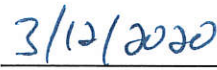
<sup>1</sup> See ORS 86A.166, ORS 86A.992, ORS 725.210, ORS 725.910, OAR 441-880-0315.

<sup>2</sup> See ORS 86A.309, ORS 725.210, ORS 725.024, ORS 446.716

This bulletin takes effect upon publication and is effective until April 30, 2020. DFR will reevaluate circumstances at that time and extend the effective period of this bulletin if necessary. DFR may also revoke it at any time should circumstances change.



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Andrew Stolfi  
Administrator/Insurance Commissioner  
Division of Financial Regulation



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Date