

October 13, 2023

Representative John Galloway
Chair, PA House Commerce Committee
301 Irvis Office Building
PO Box 202140
Harrisburg, PA 17120-2140

Representative Joe Emrick
Minority Chair, PA House Commerce Committee
108 Ryan Office Building
PO Box 202137
Harrisburg, PA 17120-2137

Re: HB 1580 – Remote Work

Dear Chairmen Galloway and Emrick:

I write on behalf of the American Financial Services Association (“AFSA”)¹ in support of House Bill 1580, which would allow certain employees of licensed sales finance companies to work remotely. This change to allow remote work will serve the best interest of all parties, allowing for licensees to be more flexible in their employment practices, while still providing the same secure services to the public.

The recent pandemic demonstrated the benefits of remote work. For business models that support it, and with the right technology and training in place, consumers have the exact same experience with the financial institution employee working from home as in a commercial office. The investment in technology and procedures have rapidly evolved on what work can be done from home, as well as what specific roles can operate remotely. Where working from home was previously embraced by some professions, all manner of workers learned new ways to do their jobs from locations other than the commercial workplace.

For employees of licensed sales finance companies, a work from home approach involves employees being permitted to conduct licensable activities from home—including servicing, credit decisioning, funding and collections. Importantly, employees are not meeting customers in their homes or keeping records in their homes. Employees are performing the same telephone / internet-based functions they would have performed if they were sitting in the licensed location. Regulatory supervision and oversight do not change, and all records are available to the regulator as mandated by state law. Employees are supervised as they would be at the licensed location, and the licensee’s records are stored at the licensee’s premises without compromising the need for strong data protection.

The benefits of letting sales finance companies choose whether to permit remote work are numerous. Remote work helps offset potential increased commercial real estate costs related to expansion and creates opportunities for individuals who have trouble commuting and geographically diverse employees who can’t reasonably travel to a central commercial office on a daily basis. Working from

¹ Founded in 1916, the American Financial Services Association (AFSA), based in Washington, D.C., is the primary trade association for the consumer credit industry, protecting access to credit and consumer choice. AFSA members provide consumers with many kinds of credit, including direct and indirect vehicle financing, traditional installment loans, mortgages, payment cards, and retail sales finance. AFSA members do not provide payday or vehicle title loans.

home also enhances existing inclusivity and allows us to create new avenues to attract and retain diverse talent. Many of our members also report increased employee satisfaction with remote work, and happy employees translate to happier customers.

For these reasons, we respectfully urge you to support HB 1580. Thank you for your consideration of our comments. If you have any questions or would like to discuss this further, please do not hesitate to contact me at (202) 469-3181 or mkownacki@afsamail.org.

Sincerely,

A handwritten signature in blue ink that reads "Matthew Kownacki". The signature is written in a cursive, flowing style.

Matthew Kownacki
Director, State Research and Policy
American Financial Services Association
919 Eighteenth Street, NW, Suite 300
Washington, DC 20006-5517