



COLORADO

Department of
Regulatory Agencies

Division of Banking

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April 20, 2017

**STATE BANKING BOARD
RULE CB101.54
PERTAINING TO TITLE 11, ARTICLE 105, SECTION 602
COLORADO REVISED STATUTES**

STATEMENT OF BASIS, PURPOSE AND SPECIFIC AUTHORITY

Statutory Basis

The statutory basis for Banking Board Rule CB101.54 (CB101.54) is found in Section 11-105-601 of the Colorado Revised Statutes (C.R.S.). The purpose of this rule is to clarify branching practices within the State of Colorado.

Purpose of this Rulemaking

During the 2013 Legislative Session, Section 11-105-602(3)(a), C.R.S., was amended to remove the restriction that only a bank having its principal place of business in Colorado could establish de novo branches in Colorado. The amendment went into effect on July 1, 2013. Additionally, the Industrial Bank statutes (Sections 11-22-101 to 11-22-706, C.R.S.) were repealed, effective November 14, 2013.

The purpose of this proposed rulemaking is to amend CB101.54(A)(1) only; all other existing text would remain unchanged. The proposed amendment to the rule would:

- 1) Remove "industrial bank"; and
- 2) Revise the requirements to establish a de novo branch in Colorado to reflect the amendments to Section 11-105-602(3)(a), C.R.S.

CB101.54(A)(1) currently states, "Pursuant to Section 11-105-602(3)(a), C.R.S., any bank or industrial bank having its principal place of business in this state may, upon thirty (30) days' prior written notice to the Banking Board, establish one or more de novo branches anywhere in this state."

The revised language should state, "Any bank, no matter the location of its principal place of business, upon thirty (30) days' prior written notice to the Banking Board or the Commissioner, may establish one or more de novo branches anywhere in this or another state."

Rulemaking Authority

Section 11-101-102, C.R.S. Declaration of policy.

Section 11-102-104, C.R.S. Powers and duties of the banking board.

Section 11-105-601, C.R.S. Legislative declaration.

Section 11-105-602, C.R.S. Financial branches allowed – conversion of financial institutions to branches – acquisitions.

