



COLORADO

Department of Regulatory Agencies

Division of Banking

June 16, 2022

**STATE BANKING BOARD
3 CCR 701-7 MO2
PERTAINING TO TITLE 11, ARTICLE 110, SECTION 108
COLORADO REVISED STATUTES**

STATEMENT OF BASIS, PURPOSE AND SPECIFIC STATUTORY AUTHORITY

Statutory Basis

The statutory basis for Banking Board Rule 3 CCR 701-7 MO2 is found in Section 11-110-108 of the Colorado Revised Statutes.

Purpose of this Rulemaking

The purpose of this rule is to set requirements for permissible investments and outstanding payment instruments, ownership of permissible investments, and liquidity and quality of permissible investments.

The purpose of this rulemaking is to amend the rule to add the statutory citation, and remove definitions and reporting requirements as they will be addressed in other rules within Rule 3 CCR 701-7.

The Colorado Division of Banking finds that the proposed amendments to this rule are necessary as follows:

- Add the rule's statutory citation.
- Remove three definitions as they will now be defined in proposed Rule 3 CCR 701-7 MO0.5.
- Remove one definition (insolvent) that is not referenced elsewhere in Rule 3 CCR 701-7.
- Remove the quarterly report section as it will now be addressed in Rule 3 CCR 701-7 MO3.

Rulemaking Authority

- 11-101-102. Declaration of policy.
11-102-104. Powers and duties of the banking board.
11-110-108. Bond - condition - amount - rules.
11-110-116. Rules.

