



COLORADO

Department of
Regulatory Agencies

Division of Banking

June 17, 2022

BEFORE THE COLORADO STATE BANKING BOARD

IN THE MATTER OF)
)
RULE PROMULGATION AND AMENDMENT) **NOTICE OF PROPOSED RULEMAKING**

I. Notice of hearing

PLEASE BE ADVISED THAT, as required by Section 24-4-103, C.R.S., of the State Administrative Procedures Act, the Colorado State Banking Board (Banking Board) hereby gives notice of proposed rulemaking. A **virtual** hearing is scheduled for August 18, 2022, commencing at 10:00 a.m. **via Zoom, passcode 832326:**

<https://us06web.zoom.us/j/84181226499?pwd=bGNmdFcwOHo3d3hnekJhbIRDUIk1UT09>

II. Purpose of the proposed rulemaking

The purpose of the hearing is to hear comments concerning the proposed promulgation of Banking Board Rule 3 CCR 701-7 MO0.5 to centralize terms and definitions, and proposed amendments of the following Banking Board Rules: 3 CCR 701-7 MO1, MO2, MO3, MO4, MO5, MO6, MO7, and MO8 to update statutory citations, make minor grammar and verbiage changes, remove sections that are no longer applicable, clarify and update reporting procedures and requirements, and update record retention requirements. A Statement of Basis, Purpose, and Specific Statutory Authority for the rules follows this notice and is incorporated by reference.

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|-------|---------------------------------------|
| MO0.5 | Definitions |
| MO1 | Surety Bond |
| MO2 | Permissible Investments |
| MO3 | Records |
| MO4 | Qualification of License Applicant |
| MO5 | Change of Control |
| MO6 | Compliance with Federal Regulations |
| MO7 | Customer Notice Section |
| MO8 | Employee Money Laundering Affirmation |



III. Statutory authority for proposed rulemaking

The proposed amendment of the rule is being held under the authority given the Banking Board by the Colorado Banking Code in accordance with Section 11-102-104(1), C.R.S., which states “the banking board is the policy-making and rule-making authority for the division of banking and has the power to: (a) make, modify, reverse, and vacate rules for the proper enforcement and administration of this code...”

IV. Opportunity to testify and submit written comments

Any interested person(s) has the right to submit written comments or data, view, or argument. Written information should be filed with the Division **no later than August 8, 2022**. To submit written comments, please contact Allison Rothermel, Administrator IV, at allison.rothermel@state.co.us. In addition, any interested person(s) has the right to make a virtual presentation at the Hearing, unless the Banking Board deems any oral presentation unnecessary.

SUBMITTED ON BEHALF OF THE
COLORADO STATE BANKING BOARD

A handwritten signature in black ink that reads "Ken Boldt". The signature is written in a cursive, slightly slanted style.

Ken Boldt
State Bank Commissioner



June 16, 2022

STATE BANKING BOARD
3 CCR 701-7 MO5
PERTAINING TO TITLE 11, ARTICLE 110, SECTION 103(3) AND 112
COLORADO REVISED STATUTES

STATEMENT OF BASIS, PURPOSE AND SPECIFIC STATUTORY AUTHORITY

Statutory Basis

The statutory basis for Banking Board Rule 3 CCR 701-7 MO5 is found in Section 11-110-103(3) and 112 of the Colorado Revised Statutes.

Purpose of this Rulemaking

The purpose of this rule is to set the requirements for change of control of a money transmitter licensee.

The purpose of this rulemaking is to amend the rule to update the statutory citation, clarify reporting requirements of a change of control, and add required information that is to be included with a change of control.

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

- Update the Rule's statutory citation as the current citation is outdated due to a repeal and recodification of the Money Transmitters Act.
- Clarify applicants and their requirements regarding change of control.
- Update instructions to require the use of the National Multistate Licensing System and Registry (NMLS) portal to submit the required change of control information.
- Add details on the information that is required to be submitted.

Rulemaking Authority

- 11-101-102. Declaration of policy.
11-102-104. Powers and duties of the banking board.
11-110-103. Definitions.
11-110-112. Change in control - rule.
11-110-116. Rules.

