



COLORADO

Department of
Regulatory Agencies

Division of Banking

May 16, 2019

**STATE BANKING BOARD
RULE 3-CCR 701-4 PDP8A
PERTAINING TO TITLE 11, ARTICLE 10.5, SECTION 109(2)
COLORADO REVISED STATUTES**

STATEMENT OF BASIS, PURPOSE AND SPECIFIC AUTHORITY

Statutory Basis

The statutory basis for Banking Board Rule 3-CCR 701-4 PDP8A is found in Section 11-10.5-109(2) of the Colorado Revised Statutes (C.R.S.).

Purpose of this Rulemaking

The purpose of this rulemaking is to amend the Rule number of Banking Board Rule 3-CCR 701-4 PDP8A. The proposed language reflects the following changes:

1. Changed Rule number 'PDP8A' to 'PDP8' to align with the Rule numbering throughout 3-CCR 701-4.

The purpose of this rulemaking is to amend 3-CCR 701-4 PDP8A(A) to define an "Independent Person(s)," allowed to conduct a Directors' examination of public deposits. The proposed language reflects the following changes:

1. Added the following definitions of an Independent Person:
 - Independent accounting firm composed of certified public accountants
 - The eligible public depository's holding company, so long as the department or individual(s) conducting the directors' examination is not responsible for performing PDPA tasks or the oversight of such tasks.
 - A subsidiary of the parent company of an eligible public depository, so long as the department or individual(s) conducting the directors' examination is not responsible for performing PDPA tasks or the oversight of such tasks.

The purpose of this rulemaking is to amend 3-CCR 701-4 PDP8A(C) to align examination requirements with Section 11-10.5-109(2), C.R.S. Additional revisions were necessary to Rule numbers referenced within PDP8A(C) to reflect the above mentioned Rule number amendment. The proposed language reflects the following changes:

1. Changed 'performed annually' to 'performed at least annually, but at intervals no more than fifteen months.'
2. Changed 'PDP8A (B)' to 'PDP8(B).'





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3. Changed 'PDP8A (A)' to 'PDP8(A).'

The purpose of this rulemaking is to amend 3-CCR 701-4 PDP8A(D) to revise a Rule number referenced within PDP8A(D) to reflect the above mentioned Rule number amendment. The proposed language reflects the following changes:

1. Changed 'PDP8A Paragraph B' to 'PDP8(B).'

Rulemaking Authority

- 11-101-102. Declaration of policy.
- 11-102-104. Powers and duties of the banking board.

