



COLORADO

**Department of
Regulatory Agencies**

Division of Banking

August 15, 2024

**STATE BANKING BOARD
3 CCR 701-6
PERTAINING TO TITLE 11, ARTICLE 109, SECTION 908
COLORADO REVISED STATUTES**

STATEMENT OF BASIS, PURPOSE AND SPECIFIC STATUTORY AUTHORITY

Statutory Basis

The statutory basis for proposed Banking Board Rule 3 CCR 701-6 TC1 is found in Section 11-109-908 of the Colorado Revised Statutes.

Purpose of this Rulemaking

The purpose of this rulemaking is promulgate Rule 3 CCR 701-6 TC1 to define what “assets are appropriate” as the term pertains to fiduciary accounts for which a trust company has investment discretion.

The Colorado Division of Banking (Division) finds that the proposed promulgation of this rule is necessary as follows:

- The 2023 Banking Sunset Review contained a recommendation to enact a new Section within Title 11, Article 109 - Section 11-109-908, C.R.S. **Fiduciary accounts - duties of trust companies - rules**. Section 11-109-908(4), C.R.S. requires the Banking Board to promulgate a new rule to define what “assets are appropriate” as the term pertains to fiduciary accounts for which a trust company has investment discretion.
- Rule 3 CCR 701-6 TC1 will establish that definition.

Rulemaking Authority

- 11-101-102. Declaration of policy.
11-102-104. Powers and duties of the banking board.
11-109-908. Fiduciary accounts - duties of trust companies - rules.

