



COLORADO

Department of
Regulatory Agencies

Division of Banking

August 15, 2024

**STATE BANKING BOARD
3 CCR 701-6 TC13
PERTAINING TO TITLE 11, ARTICLE 109, SECTION 304
COLORADO REVISED STATUTES**

STATEMENT OF BASIS, PURPOSE AND SPECIFIC STATUTORY AUTHORITY

Statutory Basis

The statutory basis for Banking Board Rule 3 CCR 701-6 TC13 is found in Section 11-109-304 of the Colorado Revised Statutes.

Purpose of this Rulemaking

The purpose of this rule is to establish minimum capital requirements for depository trust companies.

The purpose of this rulemaking is to amend Rule 3 CCR 701-6 TC13.

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

- Due to the proposed repeal of Rule 3 CCR 701-6 TC14, the purpose of the rule should be revised to reflect that both leverage and risk-based capital ratios are addressed in the rule as well as capital adequacy standards.
- The initial capital required to charter a depository trust company should be increased from \$1,000,000 to \$1,500,000 and the minimum should not be less than \$1,000,000, an increase from \$750,000. This proposed increase is in alignment with the proposed increase in 3 CCR 701-6 TC13.5.
- Revise definitions and minimum capital ratios to include the capital adequacy standards and the calculation of said capital ratios through the incorporation by reference the following applicable code of federal regulations:
 - Code of Federal Regulations Title 12 - Banks and Banking Chapter III - Federal Deposit Insurance Corporation Subchapter B - Regulations and Statements of General Policy Part 324 Capital Adequacy of FDIC-Supervised Institutions, which includes Subpart H Prompt Corrective Action.

The incorporated material is available at <https://banking.colorado.gov/banking-home/rules-statutes>.

Rulemaking Authority

- 11-101-102. Declaration of policy.
- 11-102-104. Powers and duties of the banking board.
- 11-109-103. Applicability of powers of banking board and bank commissioner to trust companies.
- 11-109-304. Capital.

