



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 701
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 TC28 is found in Section 11-109-701 of the Colorado Revised Statutes.

Purpose of this Rulemaking

The purpose of this rulemaking is to promulgate Rule 3 CCR 701-6 TC28 to establish requirements for canceling a trust charter, establish the timeframe in which an inactive trust company must surrender its charter, and establish guidelines for a trust company, who at the time of cancelation was in good standing, to reapply for a trust charter.

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

- A trust company, upon furnishing to the Banking Board satisfactory evidence of its release and discharge from all trust obligations, will have its charter canceled by the Division and will not be permitted to use the word “trust” in its name or connection with its business.
- A trust company that has not operated in Colorado or conducted any trust business and has been released from any trust or other trust obligations for 24 months or more, must surrender its charter for cancellation and remove the word “trust” from its name.
- A trust company in good standing when it surrenders its charter, may reapply for a trust charter as outlined in Section 11-109-301, C.R.S., and it must submit an updated business plan and supporting documentation as required in an initial chartering application. The company may also submit a pre-filing of an application for review and feedback from the Commissioner.

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.
- 11-109-701. Discontinuance of trust business - voluntary liquidation and dissolution.

