

COLORADO DIVISION OF BANKING

Amendment of Rules and Regulations

Fact Sheet

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LEGISLATION: *11-10.5-106(2)(b), C.R.S.*

PUBLIC HEARING DATE: *November 21, 2019*

RULE TO BE AMENDED: *3-CCR 701-4 PDP1 – Capital Standards for Eligible Public Depositories*

Corresponding Rules: *N/A*

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SUMMARY

The amendment of 3-CCR 701-4 PDP1 is to align verbiage with proposed changes to 3-CCR 701-4 PDP5.

The proposed revision to 3-CCR 701-4 PDP1(C), is to align the requirements of PDP1(C) with the proposed amendments to 3-CCR 701-4 PDP5(D) by directly referencing the Rule, rather than restating the verbiage. The proposed language reflects the following change:

1. Replaced the verbiage with a reference to Banking Board Rule PDP5(D).

ANALYSIS

After review of language in 3-CCR 701-4 PDP1, it was determined that a revision was necessary to reflect the proposed amendments to Banking Board Rule PDP5(D). A reference to the Rule has been added rather than restating the verbiage. This amendment prevents the need to amend PDP1(C), if and when amendments are made to PDP5(D).

The proposed language to the rule is as follows:

1. (C) SHALL READ: If an eligible public depository's total risk-based capital to risk-weighted assets ratio falls below 6 percent, that eligible public depository shall comply with the requirements of Banking Board Rule PDP5(D).

RECOMMENDATION

Based on the research by Division staff for the proposed amendment, it is the recommendation by the Division of Banking that the change be made to 3-CCR 701-4 PDP1(C) to reflect the reference to Banking Board Rule PDP5(D) rather than re-state the verbiage.

REFERENCES (*Federal regulations, operating memorandum, interpretive letter, and other background material*)

Colorado Revised Statute

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

STATUTORY AUTHORITY

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

- 11-10.5-106 Designation as eligible public depository.

INCORPORATION BY REFERENCE

I concur: 
Kenneth Boldt
State Bank Commissioner

9/26/2019
Date
