

COLORADO DIVISION OF BANKING

Proposed Amendment of Rules and Regulations

Fact Sheet

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| <b>LEGISLATION:</b>         | <i>11-10.5-109(1) C.R.S.</i>                     |
| <b>PUBLIC HEARING DATE:</b> | <i>October 15, 2020</i>                          |
| <b>RULE TO BE AMENDED:</b>  | <i>3-CCR 701-4 PDP7 – Reporting Requirements</i> |
| <b>Corresponding Rules:</b> | <i>N/A</i>                                       |

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SUMMARY

The amendment of 3-CCR 701-4 PDP7 is to eliminate the notary requirement and to affirm the use of electronic signatures on the Monthly Public Depository Liability Report.

ANALYSIS

In March 2019, the United States and the State of Colorado declared a national and state emergency respectively in response to the COVID-19 Pandemic. Financial institutions nationwide were affected and many adopted procedures to comply with local, state and national restrictions. Due to the nature of the pandemic and the restrictions it imposed, it was apparent compliance with certain requirements of 3-CCR 701-4 PDP7 were difficult or infeasible. Therefore, on March 31, 2020, and July 28, 2020, the Colorado State Banking Board adopted an Emergency Rule, temporarily waiving the notary requirement on the Monthly Public Depository Liability Report. The proposed amendment is a permanent adoption of the emergency rule in addition to affirming the use of electronic signatures.

The proposed rule language is as follows:

- (C) SHALL READ: A signed (electronic signatures are acceptable) statement shall accompany the Monthly Public Depository Liability Report, certifying that the report is true and correct and that at the close of each business day during the previous month the eligible public depository had sufficient collateral pledged to secure all uninsured public deposits in accordance with the collateralization levels required under the Public Deposit Protection Act and Banking Board's Rule PDP5.

RECOMMENDATION

Based on the research by Division of Banking staff for the proposed amendments, it is the recommendation by the Division of Banking that the changes be made to 3-CCR 701-4 PDP7 to eliminate the notary requirement and to affirm the use of electronic signatures on the Monthly Public Depository Liability Report.

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.
11-105-109. Verification of collateral held – reports required.

INCORPORATION BY REFERENCE

N/A

I concur: _____



Kenneth Boldt
State Bank Commissioner

8/28/2020

Date
