

First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

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LLS NO. 13-0169.01 Thomas Morris x4218

SUNSET BILL

Sunset Process - Senate Business,
Labor, and Technology Committee

SHORT TITLE: "Sunset Continue Division Of Banking"

DEADLINES: Finalize by: 23 JAN 2013 File by: 25 JAN 2013

A BILL FOR AN ACT

101 CONCERNING CONTINUATION OF THE DIVISION OF BANKING, AND, IN
102 CONNECTION THEREWITH, IMPLEMENTING THE
103 RECOMMENDATIONS OF THE 2012 SUNSET REPORT BY THE
104 DEPARTMENT OF REGULATORY AGENCIES.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Sunset Process - Senate Business, Labor, and Technology Committee. The bill implements the recommendations of the sunset

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

review and report on the division of banking by:

- Extending the repeal date of the division, including the banking board, until September 1, 2024 (**sections 1 through 3**);
- Repealing industrial banks (**sections 4 and 19 through 56**);
- Extending the time the banking board has to approve or disapprove a merger agreement between banks from 30 to 60 days (**section 5**);
- Repealing the authority for and regulation of private family trust companies (**sections 6, 35, and 41**);
- Allowing interstate banks to establish a branch in Colorado by either the creation of a new financial institution or through the acquisition of an existing financial institution (**sections 7 through 17**); and
- Requiring banks exercising trust powers to invest fiduciary funds within a reasonable time (**section 18**).

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 ***Recommendation 1***

3 **SECTION 1.** In Colorado Revised Statutes, 11-102-101, **amend**
4 (3) (b) as follows:

5 **11-102-101. Division of banking - creation - subject to**
6 **termination - repeal of article.** (3) (b) This article is repealed, effective
7 ~~July 1, 2013~~ SEPTEMBER 1, 2024.

8 **SECTION 2.** In Colorado Revised Statutes, 11-102-103, **amend**
9 (13) as follows:

10 **11-102-103. Banking board - repeal.** (13) This section is
11 repealed, effective ~~July 1, 2013~~ SEPTEMBER 1, 2024.

12 **SECTION 3.** In Colorado Revised Statutes, 24-34-104, **amend**
13 (44) introductory portion; **repeal** (44) (i); and **add** (55) as follows:

14 **24-34-104. General assembly review of regulatory agencies**
15 **and functions for termination, continuation, or reestablishment.**

16 (44) The following agencies, functions, or both, ~~shall~~ terminate on July

1 1, 2013:

2 (i) ~~The division of banking, created by article 102 of title 11,~~
3 ~~C.R.S.;~~

4 (55) THE FOLLOWING AGENCIES, FUNCTIONS, OR BOTH, TERMINATE
5 ON SEPTEMBER 1, 2024:

6 (a) THE DIVISION OF BANKING AND THE BANKING BOARD CREATED
7 BY ARTICLE 102 OF TITLE 11, C.R.S.

8 ***Recommendation 2***

9 **SECTION 4.** In Colorado Revised Statutes, **repeal** article 108 of
10 title 11.

11 ***Recommendation 3***

12 **SECTION 5.** In Colorado Revised Statutes, 11-103-703, **amend**
13 (3) introductory portion as follows:

14 **11-103-703. Approval by banking board.** (3) Within ~~thirty~~
15 SIXTY days after receipt by the banking board of the papers specified in
16 subsection (1) of this section, the banking board shall approve or
17 disapprove the merger agreement. The banking board shall approve the
18 agreement if it appears that:

19 ***Recommendation 4***

20 **SECTION 6.** In Colorado Revised Statutes, **repeal** part 10 of
21 article 109 of title 11.

22 ***Recommendation 5***

23 **SECTION 7.** In Colorado Revised Statutes, **amend** 11-101-201
24 as follows:

25 **11-101-201. Effect on existing banks.** The charters of the state
26 banks organized and existing prior to July 1, 2003, under the laws of this
27 state ~~shall~~ continue in full force and effect. All such state banks, and, to

1 the extent applicable, all BANKS CHARTERED UNDER THE LAWS OF
2 ANOTHER STATE AND ALL national banks doing business in this state on
3 or after July 1, ~~2003, shall~~ 2013, ARE, from that date, ~~be~~ subject to ~~the~~
4 ~~provisions of~~ this article. Any such state bank, by filing an application
5 under this code for an amendment of its charter or for a merger,
6 consolidation, or sale of all, or substantially all, of its assets, or the assets
7 of any department of such bank, shall be deemed to have expressly
8 recognized that it is so subject.

9 **SECTION 8.** In Colorado Revised Statutes, **amend** 11-103-701
10 as follows:

11 **11-103-701. Merger or conversion.** (1) Upon approval of the
12 banking board, banks may be merged with, or converted into, a resulting
13 state bank as prescribed in this article; except that the action by a
14 constituent national bank shall be taken in the manner prescribed by, and
15 ~~shall be~~ IS subject to, any limitation or requirements imposed by any law
16 of the United States, which law ~~shall also govern~~ GOVERNS the rights of
17 its dissenting shareholders. FURTHER, THE ACTION BY A CONSTITUENT
18 BANK CHARTERED IN ANOTHER STATE SHALL BE TAKEN IN THE MANNER
19 PRESCRIBED BY, AND IS SUBJECT TO, ANY LIMITATION OR REQUIREMENTS
20 IMPOSED BY ANY LAW OF THE CHARTERING STATE, WHICH LAW ALSO
21 GOVERNS THE RIGHTS OF ITS DISSENTING SHAREHOLDERS.

22 (2) Nothing in the law of this state ~~shall restrict~~ RESTRICTS the
23 right of a state bank to merge with, or convert into, a resulting national
24 bank OR BANK CHARTERED BY ANOTHER STATE. The action to be taken by
25 a constituent state bank and its rights and liabilities and those of its
26 shareholders ~~shall be~~ ARE the same as those prescribed for national banks
27 at the time of the action by the applicable laws of the United States OR

1 THE OTHER CHARTERING STATE and not by the law of this state.

2 **SECTION 9.** In Colorado Revised Statutes, 11-103-703, **amend**
3 (1) and (3) (a) as follows:

4 **11-103-703. Approval by banking board.** (1) After approval by
5 the board of directors of each constituent bank, the merger agreement
6 shall be submitted to the banking board for approval, together with
7 certified copies of the authorizing resolutions of the several boards of
8 directors showing approval by a majority of the entire board and evidence
9 of proper action by the board of directors of any constituent national bank
10 OR BANK CHARTERED BY ANOTHER STATE.

11 (3) Within thirty days after receipt by the banking board of the
12 papers specified in subsection (1) of this section, the banking board shall
13 approve or disapprove the merger agreement. The banking board shall
14 approve the agreement if it appears that:

15 (a) The resulting state bank meets all the requirements of state law
16 as to the formation of a new state bank OR CONVERSION OF AN EXISTING
17 BANK;

18 **SECTION 10.** In Colorado Revised Statutes, 11-103-709, **amend**
19 (1) and (2) as follows:

20 **11-103-709. Sale of all assets of bank, branch, or department.**

21 (1) Any state bank may sell to any other bank all, or substantially all, of
22 the selling bank assets and business, or all, or substantially all, of the
23 assets and business of any department OR BRANCH of the selling bank.

24 (2) Any state bank may, upon assuming the liabilities relating
25 thereto, purchase all, or substantially all, of the assets and business of
26 another bank, or all, or substantially all, of the assets and business of any
27 department OR BRANCH of another bank.

1 **SECTION 11.** In Colorado Revised Statutes, 11-104-201, **amend**
2 (2) as follows:

3 **11-104-201. Legislative declaration.** (2) In order to comply with
4 the considerations set forth in subsection (1) of this section with respect
5 to interstate branch banking, the general assembly finds ~~that it is in the~~
6 ~~best interests of the citizens of this state to declare that interstate~~
7 ~~branching in Colorado is prohibited prior to June 1997. The general~~
8 ~~assembly further finds and declares that de novo interstate branching in~~
9 INTO OR OUT OF this state is expressly ~~prohibited~~ AUTHORIZED ON OR
10 AFTER JULY 1, 2013, and that interstate branching through the acquisition
11 of ~~a branch~~ ONE OR MORE BRANCHES of an insured financial institution
12 ~~without the acquisition of such financial institution that has been in~~
13 ~~operation for at least five years at the time of acquisition~~ IN THIS STATE OR
14 ANOTHER STATE is expressly ~~prohibited~~ AUTHORIZED ON OR AFTER JULY
15 1, 2013.

16 **SECTION 12.** In Colorado Revised Statutes, 11-104-202, **amend**
17 (2), (3), (6), (9), and (10) as follows:

18 **11-104-202. Acquisition of control of bank holding companies**
19 **and banks by bank holding companies in different states - interstate**
20 **banking and branching - rules.** (2) An out-of-state bank holding
21 company may, ~~not~~ AFTER JULY 1, 2013, acquire control of, MERGE WITH,
22 or acquire all or substantially all of the assets of, a Colorado depository
23 institution having its principal place of business in Colorado. ~~unless such~~
24 ~~depository institution has been in operation for at least five years at the~~
25 ~~time of the acquisition of control.~~ An out-of-state bank holding company
26 acquiring control of a Colorado bank holding company ~~industrial bank~~
27 ~~holding company~~, or thrift holding company may, AFTER JULY 1, 2013,

1 acquire control of OR MERGE WITH any Colorado depository institution
2 ~~having its principal place of business in Colorado~~ controlled by the
3 Colorado bank holding company ~~industrial bank holding company~~, or
4 thrift holding company. ~~even though such depository institution has been~~
5 ~~in operation for less than five years.~~

6 (3) A ~~Colorado~~ bank holding company may acquire control of any
7 Colorado bank by organizing or seeking to charter de novo a Colorado
8 bank.

9 (6) Interstate branching through the acquisition of a branch of an
10 insured financial institution without the acquisition of such financial
11 institution is expressly ~~prohibited~~ AUTHORIZED. De novo interstate
12 branching is expressly ~~prohibited~~ AUTHORIZED. Deposit production
13 offices are expressly prohibited.

14 (9) Concurrently with the filing of its application or notice with
15 the appropriate federal OR STATE regulatory agency concerning the
16 acquisition, MERGER, or control of a Colorado financial institution, or
17 concerning an interstate branch, a bank or bank holding company shall
18 file a copy of ~~said~~ THE application or notice with the banking board,
19 which may submit advisory comments to the APPROPRIATE federal OR
20 STATE regulatory agency.

21 (10) ~~No~~ A bank or bank holding company ~~may~~ SHALL NOT
22 conduct interstate branching in Colorado, ~~or~~ MERGE WITH, OR acquire
23 control, directly or indirectly, of any Colorado financial institution
24 without first obtaining a certificate from the banking board certifying that
25 such branch, MERGER, or acquisition complies with ~~the provisions of this~~
26 article. Such certificate shall accompany any advisory comments
27 submitted by the banking board to the appropriate federal OR STATE

1 regulatory agency pursuant to subsection (9) of this section. If the
2 banking board refuses to issue a certificate pursuant to this subsection
3 (10), such refusal and the reasons therefor shall be submitted pursuant to
4 subsection (9) of this section to the appropriate federal OR STATE
5 regulatory agency with advisory comments. The banking board shall act
6 on any application or notice filed pursuant to subsection (9) of this section
7 and shall issue or refuse to issue the certificate required by this subsection
8 (10) within ninety days after the filing of any such application.

9 **SECTION 13.** In Colorado Revised Statutes, 11-105-101, **amend**
10 (1) as follows:

11 **11-105-101. Branch banks and practices prohibited.** (1) Any
12 STATE bank, BANK WITH A NATIONAL CHARTER, OR STATE BANK
13 CHARTERED IN ANOTHER JURISDICTION, upon application to and approval
14 by the banking board, may operate one or more loan production offices
15 as defined by the banking board.

16 **SECTION 14.** In Colorado Revised Statutes, **amend** 11-105-403
17 as follows:

18 **11-105-403. Sale of assets.** A ~~state~~ bank CHARTERED IN THIS OR
19 ANOTHER STATE may sell any asset in the ordinary course of business or,
20 with the approval of the banking board, in any other circumstance. The
21 sale of all, or substantially all, of the assets of a bank or of a department
22 thereof ~~shall be~~ IS governed by section 11-103-709.

23 **SECTION 15.** In Colorado Revised Statutes, 11-103-809, **amend**
24 (2) (a) as follows:

25 **11-103-809. Emergency grant of branch facility - legislative**
26 **declaration.** (2) (a) In addition to powers regarding liquidation or
27 reorganization, the banking board, in the interest of protecting the public

1 and the depositors of a closed bank or national banking association with
2 its principal place of business in this state, may issue an emergency grant
3 of authority to another financial institution, ~~which financial institution has~~
4 ~~its principal place of business in this state and~~ which financial institution
5 has acquired assets and liabilities of the closed bank, to operate a branch
6 facility at the same location as the closed bank, or within a one-half mile
7 radius of the location of the nearest point on the boundary of the premises
8 of the closed bank's place of business, contingent upon the bank assuming
9 full liability for ~~such~~ THE deposits of the closed bank as may be
10 transferred to it. Such branch facility shall not be located at any other
11 location if ~~such~~ THE other location is within three hundred feet of the
12 boundary of the premises of another bank unless the other bank consents
13 to a closer location.

14 **SECTION 16.** In Colorado Revised Statutes, 11-105-602, **amend**
15 (2) and (3) (a) as follows:

16 **11-105-602. Financial branches allowed - conversion of**
17 **financial institutions to branches - acquisitions.** (2) Any financial
18 institution, ~~that has~~ NO MATTER THE LOCATION OF its principal place of
19 business, ~~in Colorado~~ may acquire any other financial institution for
20 conversion to a branch or branches IN THIS OR ANOTHER STATE.

21 (3) (a) Any bank, ~~that has~~ NO MATTER THE LOCATION OF its
22 principal place of business, ~~in this state or any industrial bank that has its~~
23 ~~principal place of business in this state,~~ upon thirty days' prior written
24 notice to the banking board, or any savings and loan association, ~~that has~~
25 ~~its principal place of business in this state,~~ upon thirty days' prior written
26 notice to the state commissioner, ~~of financial services,~~ may establish one
27 or more de novo branches anywhere in this OR ANOTHER state.

1 **SECTION 17.** In Colorado Revised Statutes, 11-105-603, **amend**
2 (1) and (3) as follows:

3 **11-105-603. Financial institutions - common powers and**
4 **limitations.** (1) Any acquisition of a branch from another financial
5 institution ~~shall be~~ IS subject to the percentage limitation set forth in
6 subsection (5) of this section. Such an acquisition by a financial
7 institution ~~that has its principal place of business in Colorado~~ is expressly
8 authorized, and the location of such branch may be changed pursuant to
9 law.

10 (3) Nothing in this part 6 or part 2 of article 104 of this title ~~shall~~
11 ~~be construed to prevent~~ PREVENTS the acquisition of any financial
12 institution in this state by any other financial institution; ~~the principal~~
13 ~~operations of which are located in this state;~~ however, any conversion of
14 all or any part thereof to a branch ~~shall~~ MUST be in accordance with ~~the~~
15 ~~provisions of~~ this part 6.

16 ***Recommendation 6***

17 **SECTION 18.** In Colorado Revised Statutes, **add** 11-106-107 as
18 follows:

19 **11-106-107. Funds awaiting investment or distribution.** A
20 BANK SHALL NOT HOLD IN A FIDUCIARY CAPACITY UNINVESTED OR
21 UNDISTRIBUTED FUNDS THAT ARE AWAITING INVESTMENT OR
22 DISTRIBUTION ANY LONGER THAN IS REASONABLE FOR THE PROPER
23 MANAGEMENT OF THE ACCOUNT. UNLESS PROHIBITED BY THE INSTRUMENT
24 CREATING THE TRUST, A BANK MAY DEPOSIT FUNDS IT HOLDS IN TRUST
25 AWAITING INVESTMENT OR DISTRIBUTION IN AN ACCOUNT WITH THE BANK
26 AS PROVIDED IN SECTION 11-105-102 (1).

27 ***Conforming amendments***

1 **SECTION 19.** In Colorado Revised Statutes, 4-4.5-105, **amend**
2 (a) (2) as follows:

3 **4-4.5-105. Other definitions.** (a) In this article:

4 (2) "Bank" means a person engaged in the business of banking
5 and includes a savings bank, savings and loan association, credit union,
6 ~~industrial bank~~, and trust company. A branch or separate office of a bank
7 is a separate bank for purposes of this article.

8 **SECTION 20.** In Colorado Revised Statutes, 5-1-107, **amend** (2)
9 as follows:

10 **5-1-107. Effect of code on powers of organizations.** (2) With
11 respect to sellers of goods or services, small loan companies, licensed
12 lenders, consumer and sales finance companies, ~~industrial banks~~ and loan
13 companies, and commercial banks and trust companies, this code
14 displaces existing limitations on their powers based solely on amount or
15 duration of credit.

16 **SECTION 21.** In Colorado Revised Statutes, 5-2-213, **amend** (1)
17 as follows:

18 **5-2-213. Lender and seller credit cards.** (1) For purposes of this
19 section, "credit card bank or financial institution" means a commercial
20 bank, ~~industrial bank~~, credit union, thrift, savings and loan association,
21 savings bank, or other state or federally supervised institution in this state
22 that issues credit cards and may export rates and fees pursuant to the
23 "National Bank Act", 12 U.S.C. sec. 85, "Depository Institutions
24 Deregulation and Monetary Control Act of 1980", 12 U.S.C. secs. 1463,
25 1785, and 1831d, "Federal Credit Union Act", 12 U.S.C. sec. 1757, or
26 "Alternative Mortgage Transaction Parity Act of 1982", 12 U.S.C. secs.
27 3801 to 3805, and any regulations ~~thereunder~~ UNDER THOSE ACTS.

1 **SECTION 22.** In Colorado Revised Statutes, 5-12-107, **amend**
2 (8) (e) as follows:

3 **5-12-107. Commercial credit plans - definitions.** (8) As used
4 in this section:

5 (e) "Creditor" means any seller or any lender located or
6 maintaining a place of business in this state that enters into a commercial
7 credit plan agreement with a debtor wherever located, including, without
8 limitation, sellers of goods or services, small loan companies, licensed
9 lenders, ~~industrial banks~~, commercial banks and trust companies, savings
10 and loan associations, and savings banks. The term "creditor" includes
11 any transferee, whether such transferee acquires its interest by assignment
12 or otherwise.

13 **SECTION 23.** In Colorado Revised Statutes, 6-1-1001, **amend**
14 (7) as follows:

15 **6-1-1001. Restrictions on use of loan information for**
16 **solicitations.** (7) For the purposes of this section, "lender" means a bank,
17 ~~industrial bank~~, savings and loan association, savings bank, credit union,
18 finance company, mortgage bank, mortgage broker, loan originator or
19 holder of the loan, or other person who makes loans in this state, and any
20 affiliate thereof, or any third party operating with the consent of the
21 lender. For the purposes of this section, a person ~~shall~~ ~~is not be~~
22 ~~considered~~ a lender based on the person's former employment with a
23 lender.

24 **SECTION 24.** In Colorado Revised Statutes, 7-48-102, **amend**
25 (3) as follows:

26 **7-48-102. Definitions.** As used in this article, unless the context
27 otherwise requires:

1 (3) "Financial institution" means any bank, trust company, savings
2 and loan association, ~~industrial bank~~, public or private pension or
3 retirement fund, insurance company or related corporation, partnership,
4 foundation, or other institution engaged in lending or investing funds.

5 **SECTION 25.** In Colorado Revised Statutes, 7-48-108, **amend**
6 (2) introductory portion and (2) (d) as follows:

7 **7-48-108. Membership - loans from members.** (2) Every
8 member shall make loans to the corporation as and when called upon by
9 it to do so, upon such terms and conditions as ~~shall be~~ approved from
10 time to time by the board of directors, subject to the following conditions:

11 (d) (I) The total amount outstanding at any one time on loans to
12 a development corporation made by any member ~~shall~~ MUST not exceed
13 the lesser of twenty percent of the total amount then outstanding on loans
14 to such development corporation by all members thereof, two hundred
15 fifty thousand dollars, or the following limit to be determined as of the
16 time a member becomes a member on the basis of figures contained in the
17 most recent year-end statement prior to its application for membership:

18 (A) Three percent of the capital and permanent surplus of banks
19 AND trust companies; ~~and industrial banks;~~

20 (B) Three percent of the total reserve and surplus accounts of a
21 savings and loan association;

22 (C) One percent of the capital and unassigned surplus of stock
23 insurance companies, except fire insurance companies;

24 (D) One percent of the unassigned surplus of mutual insurance
25 companies, except fire insurance companies;

26 (E) One-tenth of one percent of the assets of fire insurance
27 companies; AND

1 (F) Comparable limits for other financial institutions as
2 established by the board of directors of the development corporation.

3 (II) All loan limits shall be recomputed as of the first day of
4 January of each even-numbered year, but no member's loan limit shall be
5 increased as the result of such recomputation without the consent of the
6 member.

7 **SECTION 26.** In Colorado Revised Statutes, 7-49-102, **amend**
8 (3) as follows:

9 **7-49-102. Definitions.** As used in this article, unless the context
10 otherwise requires:

11 (3) "Financial institution", "member institution", or "institution"
12 means any bank, trust company, savings and loan association, ~~industrial~~
13 ~~bank~~, credit union, public or private pension or retirement fund, insurance
14 company or corporation related thereto, partnership, foundation, or any
15 other financial institution authorized to invest in or make mortgage loans
16 or to provide insurance ~~therefor~~ FOR MORTGAGE LOANS.

17 **SECTION 27.** In Colorado Revised Statutes, 8-2-111.5, **amend**
18 (2), (3), and (5) as follows:

19 **8-2-111.5. Certain employment references - exception to**
20 **blacklisting prohibition.** (2) In response to a request by another bank,
21 savings and loan association, credit card or travel and entertainment card
22 company, ~~industrial bank~~, trust company, credit union, or other state or
23 federally chartered lending institution operating in Colorado, it ~~shall~~ IS
24 not be unlawful ~~nor~~ OR a violation of the prohibitions against blacklisting
25 specified in sections 8-2-110 and 8-2-111 for a bank, savings and loan
26 association, credit card or travel and entertainment card company,
27 ~~industrial bank~~, trust company, credit union, or other state or federally

1 chartered lending institution operating in Colorado, when acting in good
2 faith, to disclose any information about any involvement in a theft,
3 embezzlement, misappropriation, or other defalcation by an employee or
4 former employee.

5 (3) No bank, savings and loan association, credit card or travel
6 and entertainment card company, ~~industrial bank~~, trust company, credit
7 union, or other state or federally chartered lending institution operating
8 in Colorado or any officer, director, or employee thereof ~~shall be~~ IS civilly
9 liable for providing ~~such~~ an employment reference DESCRIBED IN
10 SUBSECTION (2) OF THIS SECTION upon request if the information is
11 provided in good faith.

12 (5) A bank, savings and loan association, credit card or travel and
13 entertainment card company, ~~industrial bank~~, trust company, credit union,
14 or other state or federally chartered lending institution operating in
15 Colorado or any officer, director, or employee thereof who discloses
16 information under this section ~~shall be~~ IS presumed to be acting in good
17 faith unless it is shown by a preponderance of the evidence that the
18 institution, officer, director, or employee intentionally or recklessly
19 disclosed false information about the employee or former employee.

20 **SECTION 28.** In Colorado Revised Statutes, 10-2-601, **amend**
21 (1) (e) as follows:

22 **10-2-601. Financial institutions may sell insurance - where -**
23 **regulation.** (1) For the purposes of this part 6:

24 (e) "Financial institution" means a state bank, including ~~an~~
25 ~~industrial bank~~, or a bank and trust company chartered by a state, a trust
26 company, a savings and loan association, a credit union, or a national
27 bank and the financial institution is located in this state. "Financial

1 institution" includes federally chartered savings and loan associations and
2 credit unions located in this state.

3 **SECTION 29.** In Colorado Revised Statutes, 11-30-101.7,
4 **amend** (3) as follows:

5 **11-30-101.7. Hearing procedures for community field of**
6 **membership credit unions.** (3) (a) The board shall give notice of a
7 hearing on a community field of membership application at least thirty
8 days before the hearing date, by registered or certified mail, to the
9 principal office of each credit union, savings and loan association, OR
10 bank ~~or industrial bank~~ within the neighborhood, community, or rural
11 district sought to be served by the proposed community credit union, and
12 to such other persons or credit unions, savings and loan associations, OR
13 banks ~~or industrial banks~~ as the board may designate.

14 (b) Such notice ~~shall~~ **MUST** be in the form prescribed by the board
15 and ~~shall~~ **MUST** include the names of the incorporators, the name and
16 location of the proposed community credit union, the date, time, and
17 place of the hearing, and a statement that the application and proposed or
18 amended articles of incorporation and proposed bylaws are available for
19 inspection in the office of the board. The board shall also cause such
20 notice to be published at least once, not less than twenty days prior to the
21 hearing date, in a newspaper of general circulation within the
22 neighborhood, community, or rural district in which the proposed credit
23 union is to be located.

24 (c) Notwithstanding any other provisions in this section to the
25 contrary, if the board has given the required notice of a hearing and as of
26 the tenth day prior to the hearing has received no written protest against
27 such application, the board may grant such community field of

1 membership without a hearing if the applicants are known to the board.

2 **SECTION 30.** In Colorado Revised Statutes, 11-42-125, **amend**
3 (10) as follows:

4 **11-42-125. Associations authorized to accept deposit accounts.**

5 (10) Any provision to the contrary notwithstanding, all shares or accounts
6 in a federal or state chartered savings and loan association having
7 substantially the same relative rights and characteristics as either shares
8 or savings deposits provided for by this section, whether described or
9 referred to as shares, savings shares, investment shares, share accounts,
10 certificates, certificate accounts, savings accounts, savings deposits, or
11 any other similar name, ~~shall be deemed~~ ARE the equivalent of each other
12 for all purposes involving the right or authority to invest or deposit public
13 or private funds, including funds held in trust or any other fiduciary
14 capacity, in any such association; and, if, by any law, statute, ordinance,
15 resolution, rule, regulation, order, decision, agreement, declaration, trust
16 agreement, last will and testament, or other similar enactment or
17 instrument, the state of Colorado or any of its counties, municipalities,
18 districts, or other political subdivisions, including special districts
19 authorized by law, ~~or any institution, agency, official, instrumentality, or~~
20 ~~department of any of the foregoing, or~~ POLITICAL ENTITIES DESCRIBED IN
21 THIS SUBSECTION (10), any bank, savings bank, ~~industrial bank~~, credit
22 union, fraternal benefit society, trust deposit and security company, trust
23 company, or other financial institution, ~~or any insurance company, or any~~
24 agent, executor, administrator, trustee, custodian, or other fiduciary or
25 agent, including trustees or custodians of public or private pension or
26 retirement funds, is authorized or required to invest or deposit such public
27 or private funds in the shares of a federal or state chartered savings and

1 loan association or in any one or more of the other types of savings and
2 loan accounts named in this subsection (10), such funds may also be
3 invested or deposited in any one or more of the other types of accounts
4 specified in this subsection (10) in such an association, whether the
5 earnings to be paid on such accounts are in the form of dividends or of
6 interest.

7 **SECTION 31.** In Colorado Revised Statutes, **amend** 11-48-101
8 as follows:

9 **11-48-101. Applicability - definition.** This article ~~shall be~~
10 ~~applicable~~ APPLIES to any savings and loan association organized under
11 ~~the provisions of~~ article 41 of this title or under federal law and having its
12 principal office in this state AND any credit union organized under ~~the~~
13 ~~provisions of~~ article 30 of this title or federal law and having its principal
14 office in this state. ~~and any industrial bank incorporated under the~~
15 ~~provisions of article 108 of this title and having its principal office in this~~
16 ~~state.~~ As used in this article, "financial institution" means any such
17 savings and loan association OR credit union. ~~or industrial bank.~~

18 **SECTION 32.** In Colorado Revised Statutes, 11-48-105, **amend**
19 (1) as follows:

20 **11-48-105. Sharing.** (1) A financial institution shall make any
21 communications facility available to any similar financial institution for
22 the use of its account holders on the basis of fair, equitable, and
23 nondiscriminatory standards and charges. For purposes of this section, a
24 savings and loan association is similar to any other savings and loan
25 association AND a credit union is similar to any other credit union. ~~and an~~
26 ~~industrial bank is similar to any other industrial bank.~~ A communications
27 facility on the premises of a financial institution is not subject to the

1 mandatory access provisions of this subsection (1). Such a facility may
2 but is not required to be made available for use by the account holders of
3 any similar financial institution.

4 **SECTION 33.** In Colorado Revised Statutes, 11-101-301, **amend**
5 (1) as follows:

6 **11-101-301. Application of code.** (1) ~~The provisions of This~~
7 ~~code shall govern~~ GOVERNS the incorporation, organization, corporate
8 functions, merger, consolidation, sale of assets, liquidation, dissolution,
9 and reorganization procedures of corporations operating as banks
10 (whether or not, as a part of and in conjunction with such operations, they
11 engage in the trust or safe deposit business) in the state of Colorado; but
12 ~~the provisions of articles 10.5 and 101 to 107 of this title only apply to~~
13 ~~industrial banks and trust companies organized and operating under the~~
14 ~~provisions of articles 108 and~~ ARTICLE 109 of this title when specifically
15 provided in articles 10.5 and 101 to 109 of this title, and ~~articles 108 and~~
16 ARTICLE 109 of this title ~~shall otherwise govern~~ GOVERNS exclusively
17 ~~industrial banks and trust companies.~~

18 **SECTION 34.** In Colorado Revised Statutes, 11-101-401, **amend**
19 (4), (5), (10), (36), (43), and (58) as follows:

20 **11-101-401. Definitions.** As used in this code, unless the context
21 otherwise requires:

22 (4) "Affiliate financial institution" means any bank ~~industrial~~
23 ~~bank~~, or savings and loan association that has its principal place of
24 business in Colorado and that is controlled by a financial institution.

25 (5) "Bank" means a state bank ~~(other than an industrial bank)~~ or
26 bank and trust company chartered by this state or a national bank; except
27 that, for the purpose of part 2 of article 104 of this title, "bank" means any

1 bank organized or chartered under articles 10.5 and 101 to 109 of this
2 title, any bank organized or chartered as a bank under the laws of any
3 other jurisdiction, or any bank organized or chartered under chapter 2 of
4 title 12 of the United States Code. The singular "bank" includes the plural
5 "banks".

6 (10) "Branch" means any branch bank, branch office, branch
7 agency, additional office, or branch place of business SITUATED IN
8 COLORADO OR ANOTHER STATE of a financial institution located in this OR
9 ANOTHER state at which deposits are received, checks are paid, or money
10 is lent.

11 (36) "Financial institution" means any bank, bank holding
12 company, ~~industrial bank, industrial bank holding company~~, savings and
13 loan association, federal savings bank, or thrift holding company.

14 (43) "Lessor" means a bank ~~as defined in subsection (5) of this~~
15 ~~section~~, or subsidiary thereof that rents or maintains safe deposit facilities.
16 "Lessor" does not include a financial institution regulated by article 30,
17 46, ~~108~~, or 109 of this title or a credit union chartered under the laws of
18 the United States.

19 (58) "State bank" means a bank ~~(other than an industrial bank)~~, or
20 bank and trust company chartered by this state.

21 **SECTION 35.** In Colorado Revised Statutes, 11-102-104, **amend**
22 (5.5) (c); and **repeal** (5.5) (b) and (18) as follows:

23 **11-102-104. Powers and duties of banking board.** (5.5) (b) ~~The~~
24 ~~banking board has the power to issue an industrial bank charter to a~~
25 ~~limited liability company, as that term is defined in section 7-80-102,~~
26 ~~C.R.S., so long as the limited liability company meets the requirements~~
27 ~~of article 108 of this title. In the event of a conflict between the~~

1 ~~requirements of the provisions of article 108 of this title and the~~
2 ~~"Colorado Limited Liability Company Act", article 80 of title 7, C.R.S.,~~
3 ~~an industrial bank organized as a limited liability company shall be~~
4 ~~subject to the requirements of article 108 of this title.~~

5 (c) The banking board has the power to issue a trust company
6 charter to a limited liability company, as that term is defined in section
7 7-80-102, C.R.S., so long as the limited liability company meets the
8 requirements of article 109 of this title. ~~In the event of a conflict between~~
9 ~~the requirements of the provisions of article 109 of this title and the~~
10 ~~"Colorado Limited Liability Company Act", article 80 of title 7, C.R.S.,~~
11 ~~an industrial bank organized as a limited liability company shall be~~
12 ~~subject to the requirements of article 109 of this title.~~

13 (18) (a) ~~As described in section 11-109-1001 (5) (b), the banking~~
14 ~~board may define circumstances that do not constitute transacting~~
15 ~~business with the public for the purposes of part 10 of article 109 of this~~
16 ~~title.~~

17 (b) ~~As described in section 11-109-1003, the banking board may~~
18 ~~grant a whole or partial exemption to a private family trust company or~~
19 ~~proposed private family trust company from compliance with one or more~~
20 ~~provisions of article 109 of this title only if the banking board determines~~
21 ~~that the private family trust company or proposed private family trust~~
22 ~~company does not and will not transact business with the general public.~~

23 (c) ~~For the purposes of section 11-109-1003, the banking board~~
24 ~~shall promulgate rules specifying the provisions of article 109 of this title~~
25 ~~from which a private family trust company or proposed private family~~
26 ~~trust company may or may not request an exemption from compliance.~~

27 (d) ~~The banking board shall promulgate rules to establish:~~

1 ~~(F) Procedures by which a private family trust company or~~
2 ~~proposed private family trust company may request an exemption from~~
3 ~~compliance with one or more provisions of article 109 of this title~~
4 ~~pursuant to section 11-109-1003. The procedures shall include:~~

5 ~~(A) The creation of a standard application form to be used by a~~
6 ~~private family trust company or proposed private family trust company in~~
7 ~~requesting an exemption; and~~

8 ~~(B) The designation of an application fee to be submitted by a~~
9 ~~private family trust company with each application;~~

10 ~~(H) Conditions under which the banking board may revoke an~~
11 ~~exemption granted to a private family trust company or proposed private~~
12 ~~family trust company pursuant to section 11-109-1003. The conditions,~~
13 ~~at a minimum, shall include the following acts or failures to act by the~~
14 ~~private family trust company:~~

15 ~~(A) Making a false statement on any document required to be filed~~
16 ~~pursuant to article 109 of this title or by any rule promulgated by the~~
17 ~~banking board;~~

18 ~~(B) Failing to submit to or cooperate with an investigation~~
19 ~~initiated by the banking board pursuant to section 11-109-1003 (3) (b);~~

20 ~~(C) Withholding any information from the banking board or the~~
21 ~~commissioner; or~~

22 ~~(D) Violating any provision of article 109 of this title for which~~
23 ~~the private family trust company does not possess an exemption granted~~
24 ~~by the banking board pursuant to section 11-109-1003;~~

25 ~~(H) Procedures by which a private family trust company, pursuant~~
26 ~~to section 11-109-1002 (2), is to certify that it is complying with the~~
27 ~~provisions of article 109 of this title, except for those provisions for~~

1 which the private family trust company has received an exemption from
2 the banking board pursuant to section 11-109-1003;

3 ~~(IV) Procedures by which a person who wants to transfer control~~
4 ~~of a private family trust company pursuant to section 11-109-1005 is to~~
5 ~~provide to the banking board written notice of his or her intent to transfer~~
6 ~~control of the company. The procedures shall include minimum~~
7 ~~requirements for the form of the notice of intent.~~

8 ~~(V) Procedures by which a private family trust company that~~
9 ~~intends to terminate its status as a private family trust company, convert~~
10 ~~itself to a public trust company, and start transacting business with the~~
11 ~~general public pursuant to section 11-109-1007 is to submit notice of its~~
12 ~~intent in writing to the banking board. The procedures shall include:~~

13 ~~(A) The creation of a form to be used by a private family trust~~
14 ~~company for this purpose that requires the inclusion of the name of the~~
15 ~~private family trust company; an acknowledgment that any exemption~~
16 ~~granted by the banking board pursuant to section 11-109-1003 or~~
17 ~~otherwise applicable to the private family trust company will become~~
18 ~~inapplicable upon the termination of the company's status as a private~~
19 ~~family trust company; and the name under which the company will~~
20 ~~transact business with the general public;~~

21 ~~(B) The designation of a fee that the private family trust company~~
22 ~~shall be required to submit to the banking board upon submission of the~~
23 ~~form.~~

24 **SECTION 36.** In Colorado Revised Statutes, 11-104-202, **amend**
25 **(2)** as follows:

26 **11-104-202. Acquisition of control of bank holding companies**
27 **and banks by bank holding companies in different states - interstate**

1 **banking and branching.** (2) An out-of-state bank holding company may
2 SHALL not acquire control of, or acquire all or substantially all of the
3 assets of, a Colorado depository institution having its principal place of
4 business in Colorado unless such depository institution has been in
5 operation for at least five years at the time of the acquisition of control.
6 An out-of-state bank holding company acquiring control of a Colorado
7 bank holding company ~~industrial bank holding company~~, or thrift holding
8 company may acquire control of any Colorado depository institution
9 having its principal place of business in Colorado controlled by the
10 Colorado bank holding company ~~industrial bank holding company~~, or
11 thrift holding company even though such depository institution has been
12 in operation for less than five years.

13 **SECTION 37.** In Colorado Revised Statutes, **amend** 11-105-110
14 as follows:

15 **11-105-110. Disclosure of information pursuant to legal**
16 **process.** Any bank, savings and loan association, ~~industrial bank~~, credit
17 union, or any agent or employee of such financial institutions that makes
18 a disclosure of records or information on the direction contained in a
19 lawful notice, subpoena, written request, search warrant, grand jury
20 subpoena, or other process issued by any governmental authority or by a
21 court ~~shall~~ IS not ~~be held~~ civilly or criminally liable for such disclosure,
22 nor ~~shall~~ IS the financial institution ~~be held~~ liable to the customer or any
23 other person for such disclosure.

24 **SECTION 38.** In Colorado Revised Statutes, 11-105-112, **amend**
25 (4) (b) as follows:

26 **11-105-112. Entity account - certificate of existence and**
27 **authority - definitions.** (4) As used in this section, unless the context

1 otherwise requires:

2 (b) "Financial institution" means any federal or state chartered
3 commercial bank, savings and loan association, ~~industrial bank~~, savings
4 bank, or credit union.

5 **SECTION 39.** In Colorado Revised Statutes, 11-105-602, **amend**
6 (3) (b); and **repeal** (3) (b.5) (II) as follows:

7 **11-105-602. Financial branches allowed - conversion of**
8 **financial institutions to branches - acquisitions.** (3) (b) Any bank
9 ~~industrial bank~~, or savings and loan association may, upon thirty days'
10 written notice to the banking board or commissioner, be converted to a
11 branch of any bank ~~industrial bank~~, or savings and loan association.

12 (b.5) (II) ~~This paragraph (b.5) shall not apply with respect to any~~
13 ~~industrial bank that:~~

14 ~~(A) Became an insured depository institution before October 1,~~
15 ~~2003, or pursuant to an application for deposit insurance that was~~
16 ~~approved by the federal deposit insurance corporation before such date;~~
17 ~~and~~

18 ~~(B) Is a subsidiary of a parent entity, at least eighty-five percent~~
19 ~~of whose gross revenues on a consolidated basis, including affiliates,~~
20 ~~were derived from engaging in, on an ongoing basis, activities that are~~
21 ~~financial in nature or incidental to a financial activity, as defined by the~~
22 ~~federal "Gramm-Leach-Bliley Act", as amended, Pub.L. 106-102, 113~~
23 ~~Stat. 1388, during at least three of the prior four calendar quarters.~~

24 **SECTION 40.** In Colorado Revised Statutes, 11-105-603, **amend**
25 (2) as follows:

26 **11-105-603. Financial institutions - common powers and**
27 **limitations.** (2) Nothing in this part 6 shall be construed to apply APPLIES

1 to a branch facility operating under an emergency grant pursuant to
2 section 11-103-809; ~~or 11-108-611~~; however, such a branch facility may
3 continue to operate in perpetuity as a branch without being subject to any
4 percentage limitation on branches set forth in this part 6.

5 **SECTION 41.** In Colorado Revised Statutes, 11-109-907, **amend**
6 (1) and (2) introductory portion as follows:

7 **11-109-907. Extensions of credit.** (1) A trust company ~~including~~
8 ~~a private family trust company as defined in section 11-109-1001~~, shall
9 not make any loans or extensions of credit except as provided in
10 subsection (2) of this section.

11 (2) A trust company ~~including a private family trust company as~~
12 ~~defined in section 11-109-1001~~, may:

13 **SECTION 42.** In Colorado Revised Statutes, 12-6-108, **amend**
14 (3) as follows:

15 **12-6-108. Classes of licenses.** (3) The licensing requirements of
16 this part 1 ~~shall~~ DO not apply to banks, savings banks, savings and loan
17 associations, building and loan associations, ~~industrial banks~~, or credit
18 unions or an affiliate or subsidiary of such entities in offering to sell, or
19 in the sale of, a motor vehicle that was subject to a lease or that has been
20 repossessed or foreclosed upon if the repossession or foreclosure is in
21 connection with a loan made or originated in Colorado.

22 **SECTION 43.** In Colorado Revised Statutes, 12-14-123, **amend**
23 (1) (c) as follows:

24 **12-14-123. Duties of collection agencies.** (1) A licensee shall:
25 (c) Maintain, at all times, a trust account for the benefit of its
26 clients ~~which shall contain~~ THAT CONTAINS, at all times, sufficient funds
27 to pay all sums due or owing to all of its clients. The LICENSEE SHALL

1 MAINTAIN THE trust account ~~shall be maintained~~ in a commercial bank
2 ~~industrial bank~~, or savings and loan association account in this state or
3 accessible in a branch in this state until disbursed to the creditor. ~~Such~~
4 THE account ~~shall~~ MUST be clearly designated as a trust account and shall
5 be used only for such purposes and not as an operating account. A deposit
6 of all funds received to a trust account followed by a transfer of the
7 agency share of the collection to an operating account is not a violation
8 of this section.

9 **SECTION 44.** In Colorado Revised Statutes, 12-43.3-313,
10 **amend** (2) as follows:

11 **12-43.3-313. Unlawful financial assistance.** (2) A person shall
12 not have an unreported financial interest in a license pursuant to this
13 article unless that person has undergone a fingerprint-based criminal
14 history record check as provided for by the state licensing authority in its
15 rules; except that this subsection (2) ~~shall~~ DOES not apply to banks OR
16 savings and loan associations ~~or industrial banks~~ supervised and regulated
17 by an agency of the state or federal government, or to FHA-approved
18 mortgagees, or to stockholders, directors, or officers thereof.

19 **SECTION 45.** In Colorado Revised Statutes, 12-47-308, **amend**
20 (4) (a) as follows:

21 **12-47-308. Unlawful financial assistance.** (4) (a) Except as
22 otherwise authorized, it is unlawful for any person or corporation holding
23 any license pursuant to this article or article 46 of this title or any person
24 who is a stockholder, director, or officer of any corporation holding a
25 license pursuant to this article or article 46 of this title to be a stockholder,
26 director, or officer or to be interested, directly or indirectly, in any person
27 or corporation that lends money to any person or corporation licensed

1 pursuant to this article or article 46 of this title, but this subsection (4)
2 ~~shall~~ DOES not apply to banks OR savings and loan associations ~~or~~
3 ~~industrial banks~~ supervised and regulated by an agency of the state or
4 federal government, or to FHA-approved mortgagees, or to stockholders,
5 directors, or officers thereof; and it is unlawful for any person or
6 corporation licensed pursuant to this article or article 46 of this title, or
7 any stockholder, director, or officer of such corporation, to make any loan
8 or be interested, directly or indirectly, in any loan to any other person
9 licensed pursuant to ~~the provisions of~~ this article or article 46 of this title;
10 except that this paragraph (a) ~~shall~~ DOES not apply to any financial
11 institution that comes into possession of a licensed premises by virtue of
12 a foreclosure or deed in lieu of foreclosure if such financial institution
13 does not retain such premises for longer than one year or for such time
14 exceeding one year as provided in paragraph (b) of this subsection (4).

15 **SECTION 46.** In Colorado Revised Statutes, 12-61-702, **amend**
16 (4.3) as follows:

17 **12-61-702. Definitions.** As used in this part 7, unless the context
18 otherwise requires:

19 (4.3) "Financial institution" means any "bank" or "savings
20 association" as such terms are defined in 12 U.S.C. sec. 1813, any state
21 ~~or industrial~~ bank incorporated under title 11, C.R.S., any state or
22 federally chartered credit union, or any company ~~which~~ THAT has direct
23 or indirect control over any of such entities.

24 **SECTION 47.** In Colorado Revised Statutes, 16-5-401, **amend**
25 (4.5) introductory portion and (4.5) (t); and **repeal** (4.5) (u) as follows:

26 **16-5-401. Limitation for commencing criminal proceedings**
27 **and juvenile delinquency proceedings.** (4.5) The period within which

1 a prosecution must be commenced ~~shall begin~~ BEGINS to run upon
2 discovery of the criminal act or the delinquent act for:

3 (t) Unlawful acts or omissions relating to financial institutions,
4 pursuant to section 11-107-108, C.R.S.; AND

5 (u) ~~Criminal offenses relating to industrial banks, pursuant to~~
6 ~~section 11-108-801 (3), C.R.S.; and~~

7 **SECTION 48.** In Colorado Revised Statutes, 18-5-205, **amend**
8 (1) (b), (1) (g), and (7) as follows:

9 **18-5-205. Fraud by check - definitions - penalties.** (1) As used
10 in this section, unless the context otherwise requires:

11 (b) "Drawee" means the bank upon which a check is drawn or a
12 bank, savings and loan association, ~~industrial bank~~, or credit union on
13 which a negotiable order of withdrawal or a share draft is drawn.

14 (g) "Negotiable order of withdrawal account" means an account
15 in a bank OR savings and loan association ~~or industrial bank~~, and "share
16 draft account" means an account in a credit union, on which payment of
17 interest or dividends may be made on a deposit with respect to which the
18 bank OR savings and loan association ~~or industrial bank~~ or the credit
19 union, as the case may be, may require the depositor to give notice of an
20 intended withdrawal not less than thirty days before the withdrawal is
21 made, even though in practice such notice is not required and the
22 depositor is allowed to make withdrawal by negotiable order of
23 withdrawal or share draft.

24 (7) A bank, a savings and loan association, ~~an industrial bank~~, or
25 a credit union ~~shall~~ IS not ~~be~~ civilly or criminally liable for releasing
26 information relating to the drawer's account to a sheriff, deputy sheriff,
27 undersheriff, police officer, agent of the Colorado bureau of investigation,

1 division of gaming investigator, division of lottery investigator, parks and
2 outdoor recreation officer, Colorado wildlife officer, district attorney,
3 assistant district attorney, deputy district attorney, or authorized
4 investigator for a district attorney or the attorney general investigating or
5 prosecuting a charge under this section.

6 **SECTION 49.** In Colorado Revised Statutes, 23-3.1-302, **amend**
7 (6) as follows:

8 **23-3.1-302. Definitions.** As used in this part 3, unless the context
9 otherwise requires:

10 (6) "Financial institution" means any state bank, state trust
11 company, ~~industrial bank~~, savings and loan association, credit union
12 chartered by the state of Colorado, national bank, broker-dealer, mutual
13 fund, insurance company, or other similar financial entity qualified to do
14 business in the state of Colorado.

15 **SECTION 50.** In Colorado Revised Statutes, 24-72-204, **amend**
16 (3.5) (c) introductory portion and (3.5) (c) (VII) as follows:

17 **24-72-204. Allowance or denial of inspection - grounds -**
18 **procedure - appeal - definitions.** (3.5) (c) The custodian of any records
19 described in paragraph (a) of this subsection (3.5) ~~which~~ THAT concern
20 an individual who has made a request of confidentiality pursuant to this
21 subsection (3.5) and paid any required processing fee shall deny the right
22 of inspection of the individual's address contained in such records on the
23 ground that disclosure would be contrary to the public interest; except that
24 such custodian shall allow the inspection of such records by such
25 individual, by any person authorized in writing by such individual, and by
26 any individual employed by one of the following entities who makes a
27 request to the custodian to inspect such records and who provides

1 evidence satisfactory to the custodian that the inspection is reasonably
2 related to the authorized purpose of the employing entity:

3 (VII) A bank as defined in section 11-101-401 (5), C.R.S., ~~an~~
4 ~~industrial bank as defined in section 11-108-101 (1), C.R.S.~~, a trust
5 company as defined in section 11-109-101 (11), C.R.S., a credit union as
6 defined in section 11-30-101 (1), C.R.S., a domestic savings and loan
7 association as defined in section 11-40-102 (5), C.R.S., a foreign savings
8 and loan association as defined in section 11-40-102 (8), C.R.S., or a
9 broker-dealer as defined in section 11-51-201 (2), C.R.S.;

10 **SECTION 51.** In Colorado Revised Statutes, 24-75-603, **amend**
11 (1) as follows:

12 **24-75-603. Depositories.** (1) It is lawful for the state of Colorado
13 and any of its institutions and agencies, counties, municipalities, and
14 districts; ~~and~~ any other political subdivision of the state; ~~and~~ any
15 department, agency, or instrumentality thereof; or ~~any~~ political or public
16 corporation of the state; ~~whenever any of the foregoing have funds;~~ and
17 ~~for~~ any bank, savings and loan association, ~~industrial bank,~~ credit union,
18 fraternal benefit society, trust deposit and security company, trust
19 company, or ~~any~~ other financial institution operating under the laws of
20 this state having funds in their possession or custody, respectively, to
21 deposit, or cause to be deposited either by or through the treasurer or such
22 other custodian of funds as may be appointed, such funds so eligible for
23 investment in any state bank, national bank, or state or federal savings
24 and loan association in Colorado that is, at the time the deposit is made,
25 a member of the federal deposit insurance corporation or its successor to
26 the extent that the deposit is insured by the federal deposit insurance
27 corporation or its successor or is secured by pledge of eligible collateral

1 as required by statute.

2 **SECTION 52.** In Colorado Revised Statutes, 24-75-701, **amend**
3 (4) as follows:

4 **24-75-701. Definitions.** As used in this part 7, unless the context
5 otherwise requires:

6 (4) "Financial institution" means an institution, with its primary
7 place of business in this state and authorized by its charter to exercise
8 fiduciary powers, that is a state bank, ~~an industrial bank,~~ a savings and
9 loan association, or a trust company chartered by this state, a national
10 bank organized or chartered under chapter 2 of title 12 of the United
11 States Code, or a federal savings and loan association organized or
12 chartered under chapter 12 of title 12 of the United States Code.

13 **SECTION 53.** In Colorado Revised Statutes, 26-13-128, **amend**
14 (7) (b) (I) as follows:

15 **26-13-128. Agreements with financial institutions - data match**
16 **system - limited liability - definitions.** (7) For purposes of this section:

17 (b) "Financial institution" includes:

18 (I) A state or nationally chartered bank, ~~an industrial bank,~~ a bank
19 and trust company, a trust company, a savings and loan association, a
20 savings bank, a OR credit union;

21 **SECTION 54.** In Colorado Revised Statutes, 38-10-124, **amend**
22 (1) (d) as follows:

23 **38-10-124. Credit agreements - required to be in writing.**

24 (1) As used in this section, unless the context otherwise requires:

25 (d) "Financial institution" means a bank, savings and loan
26 association, savings bank, ~~industrial bank,~~ credit union, or mortgage or
27 finance company.

1 **SECTION 55.** In Colorado Revised Statutes, 38-13-102, **amend**
2 (3) as follows:

3 **38-13-102. Definitions and use of terms.** As used in this article,
4 unless the context otherwise requires:

5 (3) "Banking organization" means a bank, trust company, savings
6 bank, ~~industrial bank~~, safe deposit company, or private banker or any
7 organization defined by other law as a bank or banking organization.

8 **SECTION 56.** In Colorado Revised Statutes, 38-38-100.3, **repeal**
9 (20) (b) as follows:

10 **38-38-100.3. Definitions.** As used in articles 37 to 39 of this title,
11 unless the context otherwise requires:

12 (20) "Qualified holder" means a holder of an evidence of debt,
13 certificate of purchase, certificate of redemption, or confirmation deed
14 that is also one of the following:

15 (b) ~~An industrial bank as defined in section 11-108-101 (1),~~
16 ~~C.R.S.;~~

17 **SECTION 57. Effective date.** This act takes effect July 1, 2013.

18 **SECTION 58. Safety clause.** The general assembly hereby finds,
19 determines, and declares that this act is necessary for the immediate
20 preservation of the public peace, health, and safety.