



COLORADO

Department of Regulatory Agencies

Division of Banking

May 18, 2023

**STATE BANKING BOARD
3 CCR 701-1 CB101.52
PERTAINING TO TITLE 11, ARTICLE 103, SECTION 201
COLORADO REVISED STATUTES**

STATEMENT OF BASIS, PURPOSE AND SPECIFIC STATUTORY AUTHORITY

Statutory Basis

The statutory basis for Banking Board Rule 3 CCR 701-1 CB101.52 is found in Section 11-103-201 of the Colorado Revised Statutes.

Purpose of this Rulemaking

The purpose of this Rule is to define risk-based capital and its components, establish risk categories and weights, and establish guidelines regarding the adequacy of risk-based capital.

The purpose of this rulemaking is to amend Rule 3 CCR 701-1 CB101.52.

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

- Re-name Rule to “Capital Standards”
- Move the minimum capital ratios, currently in 3 CCR 701-1 CB101.51 into 3 CCR 701-1 CB101.52, and to better align capital standards with the Federal Reserve Bank (member banks) and the Federal Deposit Insurance Corporation (non-member banks) through the incorporation by reference the following applicable code of federal regulations:
 - Code of Federal Regulations Title 12 - Banks and Banking Chapter II - Federal Reserve System Subchapter A - Board of Governors of the Federal Reserve System Part 217 Capital Adequacy of Bank Holding Companies, Savings and Loan Holding Companies, and State Member Banks (Regulation Q).
 - Code of Federal Regulations Title 12 - Banks and Banking Chapter II - Federal Reserve System Subchapter A - Board of Governors of the Federal Reserve System Part 208-Membership of State Banking Institutions in the Federal Reserve System (Regulation H).
 - 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.
- 11-103-201. Capital.

