

COLORADO STATE BANKING BOARD
Record of Proceedings - Regular Session
April 17, 2025

The Colorado State Banking Board (Banking Board) was called to order by Chair Sarah Auchterlonie (Chair Auchterlonie) at 10:01 am, April 17, 2025, at the DORA conference center, 1560 Broadway, Room 100D. The Chair was physically present, while Board members Tim Daly, Kim Gardner, Megan Harmon, Sid Kotwal, Jennifer Payne, and Doug Price participated via Zoom. and Glen Jammaron was absent. A quorum was declared; 10:01 am.

Commissioner Ken Boldt (Commissioner); Deputy Commissioner Kara Hunter; the Board's legal representative, Janna Fischer, Senior Assistant Attorney General; Jessica Kowalik, Applications Manager; PDPA Administrator Allison Rothermel; Financial Examiner Aden Scott; and Board Administrator Chas Siler also attended.

➤ **Record of Proceedings Approval**

Chair Auchterlonie called for a motion to approve the minutes for March 20, 2025. M. Harmon made a motion to approve the March 20th Record of Proceedings, Regular Session, as presented. Second by T. Daly. Motion carried unanimously; 10:02 am.

There were no further items for discussion in open session; therefore, Chair Auchterlonie called for a motion that the Banking Board convene in Executive Session to discuss confidential information of – and when appropriate with – the following entities with an application or request on the agenda of today's meeting of the Colorado Banking Board: stating that such matters must be kept confidential as required by the Colorado Banking Code, Sections 11-102-103(10), 11-102-305, and 11-102-306. Authorization for the Executive Session is in the Colorado Banking Code Section 11-102-103(8) and in the Open Meetings Law, Section 24-6-402(3)(a) (III), C.R.S.

1. Use of Name Request: Green Bank of Colorado, PBC (Colorado Springs CO)
2. Money Transmitter License Application: BitGo Technologies LLC (Palo Alto CA)

Motion by K. Gardner to convene in Executive Session. Second by M. Harmon. Motion carried unanimously; 10:04 am.

The Banking Board retired to Executive Session, which was digitally recorded only.

Motion by D. Price to adjourn the Executive Session and reconvene the Regular Session of the April 17, 2025, Banking Board meeting. Second by K. Gardner. Motion carried unanimously; 10:22 am.

➤ **Applications and Requests**

Use of Name Request: Green Bank of Colorado, PBC (Colorado Springs CO)

J. Kowalik stated that Green Bank of Colorado, PBC (Green Bank) filed with the Division an application for Use of the Words “Bank”, “Trust”, or “Trust Company” by a Non-Regulated Institution, after being advised their name would need Division approval. Management has submitted the required documentation and the name has been posted on the Division’s website. The comment period expired March 21, 2025; multiple objections were received.

Chair Auchterlonie asked if there were any questions or comments from the Banking Board. Hearing none, the Chair then requested the Division’s recommendation.

The Division recommended denial of the Use of Name request by Green Bank of Colorado, PBC, Colorado Springs, Colorado to use “Green Bank of Colorado, PBC” in Colorado. T. Daly so moved, and J. Payne seconded. The motion carried at 10:25 am.

Money Transmitter License Application – BitGo Technologies LLC (Palo Alto CA)

J. Kowalik stated that BitGo Technologies, Palo Alto, California, (BitGo) has filed an application to be licensed as a Money Transmitter under the Colorado Money Transmitters Act. BitGo has complied with all statutory requirements, and all documentation provided by the applicant, including biographical and financial information, was reviewed by the Division and no items of concern were found.

Chair Auchterlonie asked if there were any questions or comments from the Banking Board. Hearing none, the Chair then requested the Division’s recommendation.

The Division recommended approving the application of BitGo Technologies, Palo Alto, California, to be licensed as a Colorado money transmitter under the Colorado Money Transmitters Act. The applicant must comply with the requirements of Section 11-110-109 C.R.S. M. Harmon moved to approve the Money Transmitter application as stated in the Division’s recommendation, and K. Gardner seconded. The motion carried at 10:26 am.

➤ **Division of Banking/Commissioner’s Report**

- 1) Delegated Authority Report. Commissioner Boldt presented for ratification the delegated items processed during the month of March.
 - Four items were presented, and Chair Auchterlonie called for a motion to ratify the delegated items. Motion made by J. Payne, and second by K. Gardner. The motion carried unanimously; 10:28 am.
- 2) Activities & Outreach Report.

- During the Colorado legislative session, the Commissioner and Division staff monitor the Colorado legislature for bills that may affect the Division of Banking and its statutory responsibilities. The legislative session ends May 7, 2025.
- March 3; March 18 – The Commissioner testified on HB25-1201, Model Money Transmission Modernization Act, which passed both chambers and is awaiting the Governor's signature. Colorado joins 27 other states that adopted the money transmission model law in whole or in part.
- The Commissioner and Division staff continue to attend periodic meetings regarding money transmitters, trust companies, cryptocurrency firms, and other companies with significant regulatory issues.

➤ **Rulemaking Hearing: 3 CCR 701-6 Trust Companies Rules, 3 CCR 701-1 Commercial Banks Rules, and 3 CCR 701-10 Financial Institution Administrative Rules**

Administrator Allison Rothermel presented to the Board the proposed changes:

Trust Rules

- Rules TC7, 9, and 19 are being amended to:
 - Make grammatical and technical changes, as well as replace the term GAAP with generally accepted accounting principals (7).
 - Incorporate by reference applicable and comparable federal regulations including 12 CFR Part 1 pertaining to investment limitations (9); and,
 - Establish additional requirements and/or clarify current requirements pertaining to investments (9).
 - Modernize and align with federal standards and regulations pertaining to a trust companies investment in an operating subsidiary, and requiring the business entity to agree to Division supervision and examination (19).
- Rule TC29 is the promulgation of a new rule to:
 - Require an audit of fiduciary activities, including fiduciary governance, investment management, risk management, and compliance.

Chair Auchterlonie stated that each Trust Rule will be addressed and voted on separately.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT for TC7 Generally Accepted Accounting Principles. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for TC7 as presented. J. Payne so moved, and D. Price seconded. Motion carried unanimously, 10:33 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT for

TC9 Investment Limitations. Hyuk Jo with Etana Custody requested clarification regarding digital assets under the definitions of securities; Commissioner Boldt responded that those are not included in current federal definitions. There were no further comments, so the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENTS for TC9 as presented. M. Harmon so moved, and J. Payne seconded. Motion carried unanimously, 10:37 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT for TC19 Investment in a Subsidiary. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for TC19 as presented. T. Daly so moved, and K. Gardner seconded. Motion carried unanimously, 10:38 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed PROMULGATION of TC29 Audit of Fiduciary Activities. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed PROMULGATION for TC29 as presented. J. Payne so moved, and M. Harmon seconded. Motion carried unanimously, 10:39 a.m.

Commercial Bank Rules

- Rules 1.1, 1.11, 1.20, 101.40, 101.46, 101.48, 101.55, 101.56, and 101.62 are being repealed due to:
 - The rules are duplicative of statute or other federal regulations and guidelines, and a standalone rule is not necessary;
 - The rules are outdated or more restrictive than federal guidelines; and,
 - Verbiage in Rule 1.20 will be relocated to the Financial Institution Administrative Rules.
- Rules 101.7, 101.10, 101.24, 101.31, 101.32, 101.37, 101.41, 101.42, 101.44, 101.45, 101.47, 101.52, 101.53, 101.54, 101.58, 101.59, 101.60, 101.61, and 101.66 are being amended to:
 - Make grammatical and technical changes, including updates to rule and statutory citations (101.7, 101.31, 101.41, 101.42, 101.52, 101.61) as well as replace the term GAAP with generally accepted accounting principles (101.45).
 - Increase the late filing of notification of new or changes in executive officers, directors, and persons in control to \$100 per late day to align with the statutory change (101.47).

- Establish additional requirements and/or clarify current requirements, including prohibited parties pertaining to fiduciary self-dealing (101.10), notifications for real estate investments (101.32), capital limitations on the payments of dividends as well as clarifying the source of dividend payments (101.44), require an application to be filed for a change in location of an Loan Production Office (101.53), clarify bank branch establishment, conversion, relocation, relocation, closure, and Hours of Operation processes (101.54), as well as establishing requiring requirements for state bank board meeting frequency, absences and notification to the Division, and a review of key transactions and recordkeeping (101.66).
- Incorporate by reference applicable and comparable federal regulations; including Prompt Corrective Action definitions (101.44), 12 CFR Part 5 Subpart C pertaining to investments in agriculture credit corporations (101.24), Regulation W and Regulation O pertaining to bank-affiliate transactions (101.37), 12 CFR Part 1 pertaining to bank investment powers (101.59), and 12 CFR Part 24 pertaining to investments in community development projects and public welfare investments (101.60).
- Modernize and align with federal standards and regulations; increase parity with national banks, by allowing loan approvals to occur at a Loan Production Office rather than at a main office or bank branch (101.53), modernize the limitations of a state bank's investment in an operating subsidiary and require the business entity to agree to Division supervision and examination (101.58).

Chair Auchterlonie asked if there were any public comments on the proposed REPEAL of CB1.1 Scope. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed REPEAL of CB1.1 as presented. M. Harmon so moved, and J. Payne seconded. Motion carried unanimously, 10:44 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed REPEAL of CB1.11 Application Documents Confidential. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed REPEAL for CB1.11 as presented. M. Harmon so moved, and J. Payne seconded. Motion carried unanimously, 10:46 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed REPEAL for CB1.20 Decision and Order. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for

a motion that the Banking Board adopt the proposed REPEAL for CB1.20 as presented. K. Gardner so moved, and J. Payne seconded. Motion carried unanimously, 10:47 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT of CB101.7 Messenger Service. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for CB101.7 as presented. K. Gardner so moved, and J. Payne seconded. Motion carried unanimously, 10:48 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT for CB101.10 Fiduciary Self-Dealing. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for CB101.10 as presented. T. Daly so moved, and K. Gardner seconded. Motion carried unanimously, 10:48 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT of CB101.24 Agricultural Credit Corporations. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for CB101.24 as presented. K. Gardner so moved, and J. Payne seconded. Motion carried unanimously, 10:49 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT for CB101.31 Lease Financing. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for CB101.31 as presented. J. Payne so moved, and K. Gardner seconded. Motion carried unanimously, 10:50 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT of CB101.32 Activities That are Primarily Investments in Real Estate. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for CB101.32 as presented. K. Gardner so moved, and T. Daly seconded. Motion carried unanimously, 10:51 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT for CB101.37 Transactions with Affiliates and Loans to Executive Officers, Directors, & Principal Shareholders. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for CB101.37 as presented. K. Gardner so moved, and J. Payne seconded. Motion carried unanimously, 10:51 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed REPEAL of CB101.40 Investment in Small Business Investment Companies. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed REPEAL for CB101.40 as presented. K. Gardner so moved, and D. Price seconded. Motion carried unanimously, 10:52 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT for CB101.41 Investment in a Bank Service Corporation. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for CB101.41 as presented. T. Daly so moved, and K. Gardner seconded. Motion carried unanimously, 10:53 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT of CB101.42 Loans. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for CB101.42 as presented. D. Price so moved, and K. Gardner seconded. Motion carried unanimously, 10:54 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT of CB101.44 Dividends. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT of CB101.44 as presented. K. Gardner so moved, and M. Harmon seconded. Motion carried unanimously, 10:55 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT of CB101.45 Generally Accepted Accounting Principles. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT of CB101.45 as presented. K. Gardner so moved, & M. Harmon seconded. Motion carried unanimously, 10:55 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed REPEAL of CB101.46 Standards for Determining Value of Asset. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed REPEAL of CB101.46 as presented. T. Daly so moved, and K. Gardner seconded. Motion carried unanimously, 10:56 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT of CB101.47 Reports of New Executive Officers, Directors, and Persons in Control & Related Late Filing Penalty. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments

accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT of CB101.47 as presented. K. Gardner so moved, and M. Harmon seconded. Motion carried unanimously, 10:57 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed REPEAL of CB101.48 Investment in Federal Home Loan Bank. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed REPEAL of CB101.48 as presented. T. Daly so moved, and K. Gardner seconded. Motion carried unanimously, 10:58 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT of CB101.52 Capital Standards. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for CB101.52 as presented. J. Payne so moved, and K. Gardner seconded. Motion carried unanimously, 10:59 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT for CB101.53 Loan Production Office. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for CB101.53 as presented. T. Daly so moved, and K. Gardner seconded. Motion carried unanimously, 10:59 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT of CB101.54 Branching Practices. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for CB101.54 as presented. K. Gardner so moved, and J. Payne seconded. Motion carried unanimously, 11:00 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed REPEAL of CB101.55 Contractual Acceptance of Deposits. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed REPEAL of CB101.55 as presented. K. Gardner so moved, and T. Daly seconded. Motion carried unanimously, 11:01 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed REPEAL of CB101.56 Investment in Tax Lien Sale Certificates of Purchases. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed REPEAL of CB101.56 as presented. T. Daly so moved, and K. Gardner seconded. Motion carried unanimously, 11:02 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT for CB101.58 Investment in a Subsidiary. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT of CB101.58 as presented. J. Payne so moved, and K. Gardner seconded. Motion carried unanimously, 11:03 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT of CB101.59 Investment Powers. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT of CB101.59 as presented. J. Payne so moved, and K. Gardner seconded. Motion carried unanimously, 11:04 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT for CB101.60 Investments in Community Development Projects and Other Public Welfare Investments. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT of CB101.60 as presented. J. Payne so moved, and K. Gardner seconded. Motion carried unanimously, 11:04 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT of CB101.61 Appraisal of Other Real Estate. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for CB101.61 as presented. M. Harmon so moved, and K. Gardner seconded. Motion carried unanimously, 11:05 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed REPEAL of CB101.62 Pledging Assets. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed REPEAL of CB101.62 as presented. J. Payne so moved, and K. Gardner seconded. Motion carried unanimously, 11:06 a.m.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT of CB101.66 Frequency of Board Meetings. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT of CB101.66 as presented. K. Gardner so moved, and J. Payne seconded. Motion carried unanimously, 11:07 a.m.

Financial Institution Administrative Rule 13

- AR13 is being amended to relocate and revise verbiage from Commercial Bank Rule CB1.20 pertaining to Decision and Orders.

Chair Auchterlonie stated that The Financial Institution Administrative rule will be addressed and voted on separately.

Chair Auchterlonie asked if there were any public comments on the proposed AMENDMENT for AR13 Decision & Orders. Hearing none, the rulemaking hearing portion on this rule concluded and no further comments accepted. The Chair called for discussion; there was none, so the Chair called for a motion that the Banking Board adopt the proposed AMENDMENT for AR13 as presented. K. Gardner so moved, and M. Harmon seconded. Motion carried unanimously, 11:08 a.m.

There were no further items for discussion in open session; therefore, Chair Auchterlonie called for a motion to convene in Executive Session to discuss:

- 1) aggregate statistical data summarizing: processing of examinations, applications, PDPA, examination results and outstanding enforcement actions;
- 2) confidential information of - and when appropriate with – financial service providers that are or may be the subject of formal or informal enforcement action or have recently been examined;
- 3) the current status of applications approved by the Board at prior meetings; and
- 4) applications, requests, or consent orders submitted to the Division of Banking.

Stating that such matters must be kept confidential as required by the Colorado Banking Code, Sections 11-102-103 (10), 11-102-305, and 11-102-306, and Authorization for the Executive Session is in the Colorado Banking Code, Sections 11-102-103 (8) and the Open Meetings Law, Section 24-6-402 (3) (a) (II) and (III), and (3.5) C.R.S.

Motion by M. Harmon to reconvene the Executive Session of the April 17, 2025, Board meeting, and T. Daly seconded. Motion carried unanimously; 11:10 am.

The Banking Board retired to Executive Session, which was digitally recorded only.

Chair Auchterlonie called for a motion to adjourn from the Executive Session and reconvene the Regular Session of the April 17, 2025, Banking Board meeting. Motion by J. Payne to reconvene, and second by T. Daly. Motion carried unanimously; 11:14 am.

➤ **Other Items for Discussion**

There were no other items for discussion; therefore, Chair Auchterlonie asked for a motion to adjourn. Motion made by K. Gardner to adjourn the Regular Session of the April 17, 2025, Banking Board meeting. Second by J. Payne. Motion carried unanimously; 11:15 am. Meeting adjourned.

I certify that the foregoing information substantially reflects the substance of the discussions as transcribed from my notes.

CERSIL

April 17, 2025

Chas Siler, Board Administrator
Colorado State Banking Board

Date