



**COLORADO**

**Department of  
Regulatory Agencies**

Division of Banking

**July 17, 2025**

**DEPARTMENT OF REGULATORY AGENCIES  
DIVISION OF BANKING**

**3 CCR 701-7  
MONEY TRANSMITTERS  
EMERGENCY RULEMAKING**

**MO0.5 Definitions**  
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**MO2 Permissible Investments**  
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Section 24-4-103(6)(a), C.R.S. authorizes the Division of Banking (Division) to issue an emergency regulation if the Division finds that the immediate adoption of the regulation is imperatively necessary to comply with a state law or for the preservation of public health, safety, or welfare and compliance with the requirements of Section 24-4-103, C.R.S. would be contrary to the public interest.

**Section 1. Authority**

The Division of Banking adopts the following emergency rules according to the authority found in Section 11-102-104, C.R.S.

- **MO0.5 Definitions - Amend**
- **MO1 Surety Bond - Amend**
- **MO2 Permissible Investments - Amend**
- **MO3 Records - Amend**
- **MO4 Qualification of License Applicant - Repeal**
- **MO5 Change of Control - Amend**
- **MO6 Compliance with Federal Regulations - Repeal**
- **MO7 Customer Notice – Amend**
- **MO8 Employee Money Laundering Affirmation - Repeal**



## **Section 2. Scope and Purpose**

The Colorado State Banking Board finds that immediate adoption of the rules is imperatively necessary to comply with state law and that compliance with the rulemaking requirements of Section 24-4-103, C.R.S., applicable to non-emergency rules, including prior notice, would be contrary to the public interest. Without the immediate adoption of the emergency rules, the public's interest is not served. Wherefore, the Colorado State Banking Board, pursuant to Section 24-4-103(6), C.R.S. has an obvious and stated need to adopt the rules.

Pursuant to Section 11-102-104, C.R.S., the Colorado State Banking Board shall have the authority to amend and repeal rules for 3 CCR 701-7 Money Transmitters. The specific purpose of the emergency rulemaking is due to the repeal and reenactment, with amendments, Title 11, Article 110 of the Colorado Revised Statutes, which will be effective August 6, 2025, and the emergency rules shall take effect August 6, 2025, and shall apply to acts committed on or after said date.

## **Section 3. Applicability**

The rules apply to all Colorado state-licensed Money Transmitters, pursuant to Title 11, Article 110 of the Colorado Revised Statutes.

## **Section 4. Effective Date**

The emergency rules are effective August 6, 2025.

## MO0.5 Definitions

1. "Control" is set forth in Section 11-110-201(8)(a)(I)-(III), C.R.S.
2. "Federally Insured Depository Financial Institution" is set forth in Section 11-110-201(12), C.R.S.
3. "NMLS" is set forth in Section 11-110-201(23), C.R.S.  
**<https://nationwidelicensingsystem.org>**.
4. "Parent," when used with respect to a specified person, other than a natural person, is defined as any person, other than a natural person, which controls such specified person, directly or indirectly, through one or more intermediaries.
5. "Permissible Investment" is set forth in Section 11-110-1004, C.R.S.
6. "Person" is set forth in Section 11-110-201(28), C.R.S.
7. "Record" is the original of any record of licensee or agent that includes the data or other information comprising a record stored or transmitted in or by means of any electronic, computerized, mechanized, or other information storage or retrieval or transmission system or device that can upon request generate, regenerate, or transmit the precise data or other information comprising the record; and an original also includes the visible data or other information so generated, regenerated, or transmitted if it is legible or can be made legible by enlargement or other process. The record(s) required to be maintained may be maintained at any location, provided the licensee notifies the Division of Banking (Division) in writing of the location of its records prior to each scheduled examination.
8. "Stored Value" is set forth in Section 11-110-201(30)(a), C.R.S.

## **MO1 Surety Bond [Section 11-110-1002, C.R.S.]**

- A. The Banking Board may, following notice to the licensee and an opportunity for hearing before the Banking Board, and upon the determination that customers of the licensee are at undue risk, order the licensee to increase the bond amount up to one million dollars based on the following factors:
1. The nature and volume of the business and proposed business of the licensee in Colorado;
  2. The amount, nature, quality, and liquidity of the assets of the licensee;
  3. The amount and nature of the liabilities (including contingent liabilities) of the licensee;
  4. The nature and sufficiency of the licensee's cash flow;
  5. The licensee's net worth;
  6. The history of, and prospects for, the licensee to earn and retain income;
  7. The quality of the operations of the licensee;
  8. The quality of the management of the licensee;
  9. The nature and quality of the controlling person or persons of the licensee; and
  10. Such other factors as are, in the opinion of the Banking Board, relevant.
- B. Generally accepted accounting principles shall be used, where applicable, by the Banking Board in connection with its consideration of such factors.

**MO2 Permissible Investments [Section 11-110-1003 and 1004, C.R.S.]**

**A. Ownership of Permissible Investments**

1. A licensee shall be deemed to own a Permissible Investment only if:
  - a. The licensee owns the Permissible Investment solely and exclusively in its own right, both of record and beneficially,
  - b. The Permissible Investment is not subject to any pledge, lien, or security interest, and
  - c. The licensee can freely negotiate, assign, or otherwise transfer the Permissible Investment.
2. A licensee shall not be deemed to be able freely to transfer a Permissible Investment that consists of a deposit in a financial institution unless such licensee is able freely to withdraw such deposit. However, if the deposit is a savings or time deposit, as the case may be, the licensee shall not, on account of such restrictions, be deemed unable freely to withdraw the deposit.
3. A licensee shall not be deemed to be able freely to negotiate, assign, or otherwise transfer a Permissible Investment if any other transfer of such Permissible Investment would constitute a breach or event of default by such licensee or by any affiliate of the licensee under a contract, obligation, note, or other security issued by the licensee or by any affiliate of the licensee. For example, a licensee shall not be deemed to be able freely to negotiate, assign, or otherwise transfer a Permissible Investment that consists of a deposit in a bank if such licensee's failure to maintain such deposit would constitute a breach of any provision for compensating balances set forth in a loan contract between such bank and the licensee or a parent of the licensee.

### **MO3 Quarterly NMLS Reports [Section 11-110-701 and 11-110-703, C.R.S.]**

#### **A. Quarterly NMLS Money Service Business Call Reports (MSBCRs)**

All licensees must submit, using the NMLS portal, the NMLS MSBCR on a calendar quarterly basis, with all sections completed accurately. Failure to properly submit a NMLS MSBCR in a timely manner as outlined in 11-110-701(1), C.R.S. , may result in a Late Filing Fee as set forth in the Division's Fee Schedule.

#### **B. Quarterly NMLS Authorized Agent Report**

All licensees must submit, using the NMLS portal, the Authorized Agent Roster Report on a quarterly basis, as outlined in 11-110-703, C.R.S.

**MO4 - REPEALED**

## **MO5 Change of Control [Section 11-110-601, C.R.S.]**

- A. An applicant which is a publicly traded corporation or a direct or indirect subsidiary of a publicly traded corporation shall provide the Commissioner with written notice within 15 days after knowledge of a change in control as that term is defined in 11-110-601 C.R.S.
- B. An applicant which is not a publicly traded corporation shall provide through the NMLS portal or other acceptable means all the required information, which at a minimum includes:
  - a. A detailed description of the proposed transaction.
  - b. The information required by 11-11-504 for new key individuals as that term is defined in 11-110-601 C.R.S.
  - c. The information required by 11-110-501(1)(a-d) and 11-110-501(2)(f)-(i) for a new applicant.
  - d. Any other information the Banking Board deems relevant, but not more than required of the licensee or key individuals of the licensee as part of its original license application.
- C. The Banking Board may disapprove any person who has a history of material litigation, criminal convictions, or pleas of nolo contendere.



**MO6 - REPEALED**

**MO7 Customer Notice [Section 11-110-904, C.R.S.]**

- A. Every licensee shall post and maintain at its establishment and at each agent location, or other facility located in Colorado where exchange is sold or issued, or the business of money transmission is conducted, a notice furnished by the Commissioner that provides consumer information concerning the Act and how to file a consumer complaint with the Division. Such notice must be posted conspicuously in an easily accessible and well-lighted area that is available to the consumer.
- B.
  - 1. If the exchange transaction is conducted through an electronic text medium, the licensee shall communicate the text of the customer notice to the consumer's electronic address, make the disclosure available at another location such as an internet web site, or provide the information in conjunction with other disclosures.
  - 2. Notice is not required if the exchange transaction is conducted orally by telephone.

**MO8 - REPEALED**