



COLORADO
Department of
Regulatory Agencies
Division of Banking

August 21, 2025

BEFORE THE
COLORADO STATE BANKING BOARD

IN THE MATTER OF)
)
RULE REPEAL) **NOTICE OF PROPOSED RULEMAKING**

I. Notice of hearing

PLEASE BE ADVISED THAT, as required by Section 24-4-103, C.R.S., of the State Administrative Procedures Act, the Colorado State Banking Board (Banking Board) hereby gives notice of proposed rulemaking. A **virtual and in-person** hearing is scheduled for October 16, 2025, commencing at 10:00 a.m. at 1560 Broadway, Room 100D, Denver, Colorado, 80202. The virtual hearing is available via the link posted on the Division of Banking's website at <https://banking.colorado.gov/public-notice>. Please access the posted link on the day of the hearing.

II. Purpose of the proposed rulemaking

The purpose of the hearing is to hear comments concerning the proposed repeal of the following Banking Board Rules:

3 CCR 701-5 Electronic Funds Act, repeal in its entirety, including:

- EFT1 Definitions - **Repeal**
- EFT9 Liability for Unauthorized Use - **Repeal**
- EFT13 Liability of the Bank of Account - **Repeal**

The purpose of the repeal is to eliminate redundant rules that are governed by other regulations.

A Statement of Basis, Purpose, and Specific Statutory Authority for each rule follows this notice and is incorporated by reference.



III. Statutory authority for proposed rulemaking

The proposed repeals of the rules are being held under the authority given the Banking Board by the Colorado Banking Code in accordance with Section 11-102-104(1), C.R.S., which states “the banking board is the policy-making and rule-making authority for the division of banking and has the power to: (a) make, modify, reverse, and vacate rules for the proper enforcement and administration of this code...”

IV. Opportunity to testify and submit written comments

Any interested person(s) has the right to submit written comments or data, view, or argument. Written information should be filed with the Division **no later than October 6, 2025**. To submit written comments, please contact Charles Siler, Banking Board Administrator, at charles.siler@state.co.us. In addition, any interested person(s) has the right to make a virtual presentation at the Hearing, unless the Banking Board deems any oral presentation unnecessary.

SUBMITTED ON BEHALF OF THE
COLORADO STATE BANKING BOARD



Kara Hunter, State Bank Commissioner



COLORADO

**Department of
Regulatory Agencies**

Division of Banking

August 21, 2025

STATE BANKING BOARD

3 CCR 701-5

PERTAINING TO TITLE 11, ARTICLE 102, SECTION 104

COLORADO REVISED STATUTES

STATEMENT OF BASIS, PURPOSE AND SPECIFIC STATUTORY AUTHORITY

Statutory Basis

The statutory basis for Banking Board Rule 3 CCR 701-5 is found in Section 11-102-104 of the Colorado Revised Statutes.

Purpose of this Rulemaking

The purpose of this proposed rule is to set forth definitions pertaining to electronic funds transfers, as well as requirements for liability of unauthorized use and liability of the bank of account.

The purpose of this rulemaking is to repeal Rule 3 CCR 701-5 Electronic Funds Act, in its entirety, due to the rule being governed by other regulations and a standalone rule is unnecessary.

The Division finds the repeal of this rule is necessary due to:

- Electronic funds transfers (EFTs) are regulated by the 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 205 Electronic Fund Transfers (Regulation E).
- Consumer protection pertaining to EFTs is outlined in Section 11-105-208, C.R.S.

Rulemaking Authority

11-101-102. Declaration of policy.

11-102-104. Powers and duties of the banking board.

