

Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

**REENGROSSED**

*This Version Includes All Amendments  
Adopted in the House of Introduction*

LLS NO. 24-0578.01 Richard Sweetman x4333

**HOUSE BILL 24-1381**

**HOUSE SPONSORSHIP**

**Kipp and Soper**, deGruy Kennedy, Garcia, Joseph, Lindstedt, Snyder, Hamrick, Ricks

**SENATE SPONSORSHIP**

**Hansen and Mullica**,

**House Committees**

Finance  
Appropriations

**Senate Committees**

**A BILL FOR AN ACT**

101 **CONCERNING THE CONTINUATION OF THE DIVISION OF FINANCIAL**  
102 **SERVICES IN THE DEPARTMENT OF REGULATORY AGENCIES, AND,**  
103 **IN CONNECTION THEREWITH, IMPLEMENTING THE**  
104 **RECOMMENDATIONS CONTAINED IN THE 2023 SUNSET REPORT**  
105 **BY THE 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://leg.colorado.gov/>.)*

**Sunset Process - House Finance Committee.** The bill implements the recommendations of the department of regulatory agencies (DORA)

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters or bold & italic numbers indicate new material to be added to existing law.*  
*Dashes through the words or numbers indicate deletions from existing law.*

HOUSE  
3rd Reading Unamended  
April 19, 2024

HOUSE  
Amended 2nd Reading  
April 18, 2024

in its sunset review and report on the division of financial services (division), which is created within DORA. Specifically:

- **Sections 1 through 3** of the bill continue the division and the financial services board (board) for 15 years, until 2039;
- **Section 4** authorizes a credit union to merge with a credit union that is chartered in another state;
- **Sections 5 and 8** increase the maximum civil penalty for violating a cease-and-desist order or suspension order from \$1,000 per day to \$5,000 per day;
- **Section 6** repeals a provision that prohibits credit unions from having overlapping geographic fields of membership and repeals a requirement that the board send hearing notices by certified or registered mail;
- **Section 7** authorizes a credit union to determine the dates upon which its fiscal year ends and its board of directors annually meets;
- **Section 9** repeals an obsolete statute; and
- **Sections 4, 7, and 10 through 59** replace gender-specific language with gender-neutral language.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-34-104, **repeal**  
3 (25)(a)(I); and **add** (34)(a)(IX) as follows:

4 **24-34-104. General assembly review of regulatory agencies**  
5 **and functions for repeal, continuation, or reestablishment - legislative**  
6 **declaration - repeal.** (25) (a) The following agencies, functions, or both,  
7 are scheduled for repeal on September 1, 2024:

8 (I) ~~The division of financial services created in article 44 of title~~  
9 ~~11;~~

10 (34) (a) The following agencies, functions, or both, are scheduled  
11 for repeal on September 1, 2033:

12 (IX) THE DIVISION OF FINANCIAL SERVICES CREATED IN ARTICLE  
13 44 OF TITLE 11.

14 **SECTION 2.** In Colorado Revised Statutes, **add** 11-44-124 as

1 follows:

2 **11-44-124. Repeal of article - review of functions.** THIS ARTICLE  
3 44 IS REPEALED, EFFECTIVE SEPTEMBER 1, 2033. BEFORE THE REPEAL, THE  
4 DIVISION AND THE BOARD ARE SCHEDULED FOR REVIEW IN ACCORDANCE  
5 WITH SECTION 24-34-104.

6 **SECTION 3.** In Colorado Revised Statutes, **repeal** 11-44-101.5  
7 as follows:

8 **11-44-101.5. Division subject to termination - repeal of article.**

9 ~~(1) The provisions of section 24-34-104, C.R.S., concerning the~~  
10 ~~termination schedule for regulatory bodies of the state unless extended as~~  
11 ~~provided in that section, are applicable to the division of financial~~  
12 ~~services created by section 11-44-101.~~

13 ~~(2) This article is repealed, effective September 1, 2024.~~

14 **SECTION 4.** In Colorado Revised Statutes, 11-30-122, **amend**  
15 (5); and **add** (8) as follows:

16 **11-30-122. Merger.** (5) The duplicate of the certificate of merger  
17 with the board's certificate of approval attached shall be filed with the  
18 secretary of state who shall make a record of ~~said~~ THE certificate and  
19 return it, with ~~his~~ THE SECRETARY OF STATE'S certificate of record  
20 attached, to the board for permanent record. The fee for ~~said~~ THE filing  
21 shall be determined and collected pursuant to section 24-21-104 (3).  
22 ~~C.R.S.~~

23 (8) A CREDIT UNION MAY MERGE WITH A CREDIT UNION THAT IS  
24 CHARTERED IN ANOTHER STATE SO LONG AS THE MERGER IS APPROVED BY  
25 THE BOARD OF DIRECTORS OF EACH CREDIT UNION, THE COMMISSIONER,  
26 AND THE FEDERAL NATIONAL CREDIT UNION ADMINISTRATION. BEFORE  
27 APPROVING A MERGER, THE COMMISSIONER SHALL CONSIDER THE

1       CONDITION OF EACH CREDIT UNION THAT IS A PARTY TO THE MERGER AND  
2       WHETHER THE MERGER POSES ANY RISKS TO THE MEMBERS OF EACH  
3       CREDIT UNION.

4               **SECTION 5.** In Colorado Revised Statutes, 11-30-106.5, **amend**  
5       (3) as follows:

6               **11-30-106.5. Assessment of civil money penalties.** (3) In  
7       determining the amount of ~~the~~ A civil money penalty to be assessed, the  
8       commissioner shall consider the good faith of the person AGAINST WHOM  
9       THE PENALTY IS assessed, the gravity of the violation, any previous  
10      violations by the person AGAINST WHOM THE PENALTY IS assessed, and  
11      ~~such~~ other matters ~~as~~ THAT the commissioner may deem appropriate.  
12      ~~except that~~ The AMOUNT OF THE civil money penalty ~~shall be~~ MUST not  
13      ~~more than one~~ EXCEED FIVE thousand dollars per day for each day the  
14      person assessed is determined by the commissioner to be in violation of  
15      a cease-and-desist order or an order of suspension or removal.  
16      Alternatively, the commissioner may assess a civil money penalty for  
17      ~~such~~ A violation in a lump-sum amount not to exceed fifty thousand  
18      dollars.

19              **SECTION 6.** In Colorado Revised Statutes, 11-30-101.7, **amend**  
20      (3)(a), (5) introductory portion, (5)(b), and (5)(c); and **repeal** (5)(d) as  
21      follows:

22              **11-30-101.7. Hearing procedures for community field of**  
23      **membership credit unions.** (3) (a) The board shall give notice of a  
24      hearing on a community field of membership application at least thirty  
25      days before the hearing date ~~by registered or certified mail~~, to the  
26      principal office of each credit union, savings and loan association, or  
27      bank within the neighborhood, community, or rural district sought to be

1 served by the proposed community credit union and to ~~such~~ other persons  
2 or credit unions, savings and loan associations, or banks ~~as~~ THAT the  
3 board may designate.

4 (5) Within ninety days ~~following the conclusion of~~ AFTER a  
5 hearing, the board shall issue a written order granting a community field  
6 of membership if the board finds:

7 (b) That the credit union would benefit its members or proposed  
8 members, consistent with the purposes of this ~~article~~, ARTICLE 30; that the  
9 general character and fitness of the incorporators is appropriate; and that  
10 it is advisable from an economic standpoint to establish the proposed  
11 credit union; AND

12 (c) That the neighborhood, community, or rural district is  
13 politically, geographically, socially, or economically well defined. ~~and~~

14 (d) ~~That the members of other credit unions within the~~  
15 ~~neighborhood, community, or rural district are specifically excluded from~~  
16 ~~membership, except as otherwise provided by the board for good cause.~~

17 **SECTION 7.** In Colorado Revised Statutes, **amend** 11-30-107 as  
18 follows:

19 **11-30-107. Fiscal year - meetings.** (1) ~~The fiscal year of all~~  
20 ~~credit unions shall end December 31 of each year. The annual meeting~~  
21 ~~shall be held within five months after the close of said fiscal year~~ A  
22 BOARD OF DIRECTORS OF A CREDIT UNION MAY DETERMINE THE DATE  
23 UPON WHICH THE CREDIT UNION'S FISCAL YEAR ENDS, SO LONG AS THE  
24 DATE COINCIDES WITH THE END OF A STANDARD FISCAL QUARTER.

25 (2) A BOARD OF DIRECTORS OF A CREDIT UNION MAY DETERMINE  
26 THE DATE OF THE CREDIT UNION'S ANNUAL MEMBERSHIP MEETING. Special  
27 meetings may be held in the manner indicated in the bylaws. At all

1 meetings, a member ~~shall have but a single~~ HAS ONLY ONE vote, ~~whatever~~  
2 ~~his~~ REGARDLESS OF THE MEMBER'S share holdings. There shall NOT be ~~no~~  
3 voting by proxy, but a member other than a natural person may cast a  
4 single vote through a delegated agent.

5 **SECTION 8.** In Colorado Revised Statutes, 11-44-123, **amend**  
6 (3) as follows:

7 **11-44-123. Assessment of civil money penalties.** (3) In  
8 determining the amount of ~~the~~ A civil money penalty to be assessed, the  
9 commissioner shall consider the good faith of the person AGAINST WHOM  
10 THE PENALTY IS assessed, the gravity of the violation, any previous  
11 violations by the person AGAINST WHOM THE PENALTY IS assessed, and  
12 ~~such~~ other matters ~~as~~ THAT the commissioner may deem appropriate.  
13 ~~except that~~ The AMOUNT OF THE civil money penalty ~~shall be~~ MUST not  
14 ~~more than one~~ EXCEED FIVE thousand dollars per day for each day the  
15 person assessed is determined by the commissioner to be in violation of  
16 a cease-and-desist order or an order of suspension or removal.  
17 Alternatively, the commissioner may assess a civil money penalty for  
18 ~~such~~ A violation in a lump-sum amount not to exceed fifty thousand  
19 dollars.

20 **SECTION 9.** In Colorado Revised Statutes, **repeal** 11-30-124 as  
21 follows:

22 **11-30-124. Transfer of functions - conforming of statutes.**  
23 ~~(1) As of April 11, 1988, the powers, duties, and functions of the state~~  
24 ~~bank commissioner under this article are transferred to the state~~  
25 ~~commissioner of financial services.~~

26 ~~(2) On April 11, 1988, all employees of the division of banking~~  
27 ~~whose principal duties are concerned with the powers, duties, and~~

1 functions transferred to the state commissioner of financial services and  
2 whose employment in the division of financial services is deemed  
3 necessary by the executive director of the department of regulatory  
4 agencies to carry out the purposes of this article are transferred to the  
5 division of financial services and shall become employees thereof. Such  
6 employees shall retain all rights to state personnel system and retirement  
7 benefits under the laws of this state, and their services shall be deemed to  
8 have been continuous.

9 (3) ~~On April 11, 1988, all items of property, real and personal,~~  
10 ~~including office furniture and fixtures, books, documents, and records of~~  
11 ~~the division of banking pertaining to the powers, duties, and functions~~  
12 ~~transferred to the state commissioner of financial services pursuant to this~~  
13 ~~section shall be transferred to the division of financial services and shall~~  
14 ~~become the property thereof.~~

15 (4) ~~Whenever the state bank commissioner or the division of~~  
16 ~~banking is referred to or designated by any contract or other document in~~  
17 ~~connection with the powers, duties, and functions transferred to the state~~  
18 ~~commissioner of financial services, such reference or designation shall be~~  
19 ~~deemed to apply to the state commissioner of financial services or the~~  
20 ~~division of financial services, as the case may be. All contracts entered~~  
21 ~~into by the state bank commissioner or the division of banking prior to~~  
22 ~~April 11, 1988, in connection with the powers, duties, and functions~~  
23 ~~transferred to the state commissioner of financial services are hereby~~  
24 ~~validated, with the state commissioner of financial services succeeding to~~  
25 ~~all the rights and obligations of such contracts.~~

26 (5) ~~On April 11, 1988, any unexpended appropriations of funds~~  
27 ~~for the current fiscal year made to the division of banking and allocated~~

1 for the administration and enforcement of this article shall be transferred  
2 to the division of financial services. The executive director of the  
3 department of regulatory agencies shall have the final authority to  
4 determine the allocation of funds for purposes of the transfer under this  
5 subsection (5).

6 (6) The revisor of statutes is authorized to change all references  
7 to the state bank commissioner in this article to refer to the state  
8 commissioner of financial services and to change all references to the  
9 division of banking in this article to refer to the division of financial  
10 services.

11 **SECTION 10.** In Colorado Revised Statutes, 11-30-101, **amend**  
12 (5) as follows:

13 **11-30-101. Definitions - organization - charter - investigation.**

14 (5) After the ~~said~~ INCORPORATORS FILE A certified copy of articles of  
15 incorporation ~~have been filed~~ with the commissioner ~~he~~ AS DESCRIBED IN  
16 SUBSECTION (4) OF THIS SECTION, THE COMMISSIONER shall issue a charter  
17 for ~~such~~ THE credit union, at which time the credit union ~~shall become~~  
18 BECOMES a body corporate ~~having~~ AND HAS the powers enumerated in  
19 section 7-103-102, ~~C.R.S.~~, except as otherwise provided or limited in this  
20 ~~article~~ ARTICLE 30.

21 **SECTION 11.** In Colorado Revised Statutes, 11-30-106, **amend**  
22 (6) as follows:

23 **11-30-106. Examinations - reports - powers of commissioner**  
24 **- rules - penalty.** (6) (a) The commissioner ~~has the power to~~ MAY:

25 (I) Issue subpoenas and require attendance of any ~~and all officers,~~  
26 ~~directors, agents, and employees~~ OFFICER, DIRECTOR, AGENT, OR  
27 EMPLOYEE of any credit union and ~~such~~ ANY other witnesses ~~as he~~ THAT



1 THE COMMISSIONER may deem necessary in relation to ~~its~~ THE CREDIT  
2 UNION'S affairs, transactions, and conditions; ~~and may~~

3 (II) Require ~~such~~ witnesses to ~~appear and~~ answer ~~such~~ questions  
4 ~~as~~ THAT THE COMMISSIONER may ~~be~~ put to them; ~~by the commissioner,~~  
5 ~~and may~~

6 (III) Require ~~such~~ witnesses to produce ~~such~~ books, papers, or  
7 documents in their possession. ~~as may be required by the commissioner.~~

8 (b) Upon application of the commissioner, any person served with  
9 a subpoena issued by ~~him~~ THE COMMISSIONER may be required, by order  
10 of the district court of the county where the credit union has its principal  
11 office, to:

12 (I) Appear and answer ~~such~~ questions ~~as~~ THAT THE COMMISSIONER  
13 may ~~be~~ put to ~~him~~ ~~by the commissioner~~ THE PERSON; ~~and be required to~~

14 (II) Produce ~~such~~ books, papers, or documents in ~~his~~ THE  
15 PERSON'S possession ~~as may be required by~~ THAT the commissioner MAY  
16 REQUIRE.

17 **SECTION 12.** In Colorado Revised Statutes, 11-30-109, **amend**  
18 (3) as follows:

19 **11-30-109. Directors and officers - compensation.** (3) A credit  
20 union may reasonably compensate a director for ~~his or her~~ THE  
21 DIRECTOR'S services to the credit union. Providing reasonable life, health,  
22 accident, and similar insurance protection is not considered  
23 compensation. Directors, officers, and committee members may be  
24 reimbursed for necessary expenses incidental to the performance of the  
25 official business of the credit union.

26 **SECTION 13.** In Colorado Revised Statutes, **amend** 11-30-110  
27 as follows:

1           **11-30-110. Credit committee - credit officer.** The credit  
2 committee or credit officer ~~shall have the~~ HAS general supervision of all  
3 loans to members. Applications for loans ~~shall~~ MUST be on a form  
4 approved by the credit committee or the credit officer. At least a majority  
5 of the members of the credit committee or the credit officer shall pass and  
6 approve or disapprove all loans; except that the credit committee or the  
7 credit officer may ~~appoint~~ DELEGATE TO one or more loan officers ~~and~~  
8 ~~delegate to the same~~ the power to approve or disapprove loans ~~which~~  
9 THAT are within limits prescribed by the credit committee or the credit  
10 officer. Each loan officer shall furnish to the credit committee or the  
11 credit officer a record of each loan application received by ~~him~~ THE LOAN  
12 OFFICER within seven days after the date ~~of filing of~~ the application IS  
13 FILED. All loans not approved by a loan officer may be considered by the  
14 credit committee or the credit officer. ~~No~~ A member of the credit  
15 committee shall NOT receive any compensation as a loan officer or be  
16 employed by the credit union in any other capacity. A credit officer may  
17 receive compensation in connection with the performance of ~~his~~ THE  
18 CREDIT OFFICER'S duties. The credit committee shall meet as often as may  
19 be necessary after due notice to each member. Vacancies in the credit  
20 committee shall be filled pursuant to section 11-30-109 (1)(e).

21           **SECTION 14.** In Colorado Revised Statutes, **amend** 11-30-112  
22 as follows:

23           **11-30-112. Capital.** The capital of a credit union ~~shall consist~~  
24 CONSISTS of the payments that have been made to it in shares by the  
25 several members ~~thereof~~ OF THE CREDIT UNION. The credit union has a  
26 lien on the shares and deposits of a member for any sum due to the credit  
27 union from ~~said~~ THE member or for any loan endorsed by ~~him~~ THE

1 MEMBER. A credit union may charge an entrance fee and an annual  
2 membership fee, but ~~such~~ THE fees ~~shall~~ MUST be uniform to all members.

3 **SECTION 15.** In Colorado Revised Statutes, **amend** 11-30-113  
4 as follows:

5 **11-30-113. Minors.** Shares may be issued and deposits received  
6 in the name of a minor. A member who is a minor ~~shall be entitled to~~  
7 MAY withdraw or pledge any shares owned by ~~him~~ THE MINOR and to  
8 receive from the credit union any ~~and all~~ dividends or other ~~moneys,~~  
9 MONEY at any time the ~~same become~~ DIVIDENDS OR OTHER MONEY  
10 BECOMES due, in the same manner and subject to the same conditions as  
11 an adult, and any receipt or acquittance signed by ~~such a~~ THE minor ~~shall~~  
12 ~~constitute~~ CONSTITUTES a valid release and discharge to the credit union  
13 for the payment of such ~~moneys~~ MONEY. The board of directors of the  
14 credit union may provide in the bylaws of the credit union a minimum age  
15 of any minor to be eligible for membership in the credit union and to vote  
16 at any meeting of the members.

17 **SECTION 16.** In Colorado Revised Statutes, 11-30-120, **amend**  
18 (1)(a), (1)(c), and (2) as follows:

19 **11-30-120. Suspension - liquidation - procedures.** (1) (a) If it  
20 appears that any credit union is insolvent, ~~or~~ that it has willfully violated  
21 any provision of this ~~article~~ ARTICLE 30, or that it is operating in an unsafe  
22 or unsound manner, the commissioner may ~~issue his order for such~~ THE  
23 credit union to show cause why its operations should not be suspended  
24 until ~~such~~ THE insolvency, violation, or manner of operation is rectified  
25 and afford the credit union an opportunity for a hearing not less than ten  
26 days nor more than twenty days after ~~such~~ THE DATE THE order ~~Such~~ IS  
27 ISSUED. THE order ~~shall~~ MUST be in writing and delivered by registered or

1 certified mail. If the credit union fails to answer ~~such~~ THE order, or if any  
2 officer or director of or attorney for the credit union fails to appear at the  
3 time set for the hearing, the commissioner MAY either ~~may~~ revoke the  
4 certificate of incorporation of the credit union or ~~may~~ order the immediate  
5 suspension of operations of the credit union, except FOR the collection of  
6 payments on outstanding loans or other obligations due TO the credit  
7 union, or both, and may enforce ~~any such~~ THE order by an action filed in  
8 the district court of the judicial district ~~wherein~~ WHERE the principal  
9 office of the credit union is located, seeking to enjoin further operations  
10 or to appoint a receiver for ~~such~~ THE credit union.

11 (c) If the commissioner revokes the charter of the credit union, ~~he~~  
12 THE COMMISSIONER shall appoint a liquidating agent to liquidate the  
13 assets of the credit union pursuant to subsection (3) of this section.

14 (2) Any credit union may be voluntarily dissolved and liquidated  
15 upon majority vote of the entire membership ~~thereof~~ OF THE CREDIT  
16 UNION at a meeting especially called for ~~the~~ THAT purpose or at the annual  
17 meeting where notice of ~~such~~ THE proposed action is mailed to the  
18 members at least thirty days ~~prior to such~~ BEFORE THE meeting. In either  
19 event, a copy of the notice shall be delivered to the commissioner not less  
20 than ten days ~~prior to such~~ BEFORE THE meeting. Any member of a credit  
21 union may cast ~~his~~ THE MEMBER'S ballot for or against ~~such~~ THE  
22 dissolution and liquidation by mail within twenty days after ~~such~~ THE  
23 meeting. If a majority of the members of the credit union vote in favor of  
24 dissolution and liquidation, the board of directors, within five days after  
25 the close of voting, shall notify the commissioner of ~~such~~ THE action and  
26 specify the names and addresses of the directors and officers of the credit  
27 union who will conduct the dissolution and liquidation of the credit

1 union. Upon ~~such~~ THE favorable vote, the credit union shall cease to do  
2 business except for the collection of payments on outstanding loans or  
3 other obligations due TO the credit union.

4 **SECTION 17.** In Colorado Revised Statutes, 11-40-105, **amend**  
5 (2) as follows:

6 **11-40-105. File annual reports.** (2) If ~~any~~ AN association fails  
7 to file ~~such~~ A report AS DESCRIBED IN SUBSECTION (1) OF THIS SECTION, or  
8 if ~~any~~ ~~such~~ THE report is delayed or withheld beyond the day when the  
9 report should be ~~so~~ filed, ~~such~~ THE association shall ~~forfeit and~~ pay the  
10 sum of ten dollars for every day ~~such~~ THE report is withheld or delayed or  
11 not completed, and any member of any association or any party in interest  
12 may maintain an action in ~~his or her~~ THE MEMBER'S OR OTHER PARTY'S  
13 own name to receive ~~such~~ THE penalty, and the penalty shall be paid to  
14 the state treasurer.

15 **SECTION 18.** In Colorado Revised Statutes, **amend** 11-40-109  
16 as follows:

17 **11-40-109. Suits interfering with business of association.** ~~No~~  
18 AN order, A judgment, or A decree providing for an accounting of, or  
19 enjoining, restraining, or interfering with the transaction of, the business  
20 of any savings and loan association organized or doing business under ~~the~~  
21 ~~provisions of~~ articles 40 to 46 of this ~~title~~ TITLE 11 shall NOT be made or  
22 granted otherwise than upon the application of the attorney general, after  
23 ~~his or her~~ THE ATTORNEY GENERAL'S approval of a written request  
24 ~~therefor~~ by the commissioner FOR THE ORDER, JUDGMENT, OR DECREE,  
25 except in an action by a judgment creditor or in proceedings  
26 supplementary to execution.

27 **SECTION 19.** In Colorado Revised Statutes, 11-41-107, **amend**

1 (2) introductory portion and (3) as follows:

2 **11-41-107. Documents deposited with commissioner.** (2) Upon  
3 receipt of ~~such~~ THE documents DESCRIBED IN SUBSECTION (1) OF THIS  
4 SECTION, the commissioner shall immediately examine and investigate  
5 ~~into~~ the advisability of issuing a certificate of approval for ~~such~~ THE  
6 association, and ~~he~~ THE COMMISSIONER shall issue ~~such~~ A certificate of  
7 approval if, upon examination, the commissioner finds:

8 (3) If the ~~commissioner's finding is adverse to the association in~~  
9 ~~any of the particulars recited in~~ COMMISSIONER FINDS THAT THE  
10 ASSOCIATION DOES NOT MEET ANY OF THE REQUIREMENTS OF subsection  
11 (2) of this section, ~~he~~ THE COMMISSIONER shall not issue a certificate of  
12 approval.

13 **SECTION 20.** In Colorado Revised Statutes, **amend** 11-41-108  
14 as follows:

15 **11-41-108. Refusal of certificate - appeal.** If the commissioner,  
16 after an examination, believes for any reason that a certificate of approval  
17 should not be issued and refuses to issue ~~the same, he~~ A CERTIFICATE OF  
18 APPROVAL, THE COMMISSIONER shall file a written statement with ~~a board~~  
19 ~~consisting of~~ the governor, the attorney general, and the state treasurer,  
20 ~~of the state of Colorado~~ giving in detail ~~his~~ THE COMMISSIONER'S reasons  
21 for ~~such~~ THE refusal. After notice to all concerned and after a hearing,  
22 ~~said board~~ THE GOVERNOR, ATTORNEY GENERAL, AND STATE TREASURER  
23 may order the commissioner to issue the certificate of approval or may  
24 approve ~~his~~ THE COMMISSIONER'S action in refusing a certificate of  
25 approval.

26 **SECTION 21.** In Colorado Revised Statutes, 11-41-109, **amend**  
27 (1) introductory portion, (1)(a), (1)(c), and (2) as follows:

1           **11-41-109. Certificate of approval - where articles filed.** (1) If  
2 the commissioner finds affirmatively for the association upon all the  
3 matters set forth in section 11-41-107, ~~he~~ THE COMMISSIONER shall issue  
4 a certificate of approval ~~under his hand and seal, executed~~ in duplicate  
5 within sixty days ~~thereafter, in~~ AFTER THE FINDING, which ~~shall be recited~~  
6 CERTIFICATE RECITES in substance the following:

7           (a) That the articles of incorporation and bylaws have been filed  
8 in ~~his~~ THE COMMISSIONER'S office;

9           (c) That ~~he~~ THE COMMISSIONER has approved the ~~same~~ ARTICLES  
10 OF INCORPORATION AND BYLAWS.

11           (2) The commissioner shall attach one of ~~said~~ THE certificates to  
12 each copy of the articles of incorporation, ~~and shall~~ retain one copy of the  
13 articles of incorporation and bylaws in ~~his~~ THE COMMISSIONER'S office,  
14 and return the other copy of the articles and bylaws, with the certificate  
15 of approval attached, ~~thereto,~~ to the association. Upon receipt ~~from the~~  
16 ~~commissioner~~ of the articles of incorporation, the association shall file the  
17 ~~same~~ ARTICLES OF INCORPORATION with the secretary of state, and  
18 certified copies of the articles of incorporation shall be filed by the  
19 association in the office of the county clerk and recorder of each county  
20 in this state in which ~~said~~ THE association may own real estate. The  
21 failure to file a certified copy in the office of the clerk and recorder of any  
22 county in this state ~~shall~~ DOES not affect the validity of the incorporation  
23 of any association ~~which~~ THAT has made its filing with the secretary of  
24 state and has obtained a certificate of approval. In the event a true copy  
25 of ~~such~~ THE articles of incorporation is presented to the secretary of state  
26 with the request that the ~~same~~ ARTICLES OF INCORPORATION be certified,  
27 ~~he~~ THE SECRETARY OF STATE shall certify the ~~same~~ ARTICLES OF

1 INCORPORATION for a fee ~~which shall be~~ IN AN AMOUNT THAT IS  
2 determined and collected pursuant to section 24-21-104 (3). ~~C.R.S.~~;  
3 ~~which~~ THE certificate ~~shall~~ MUST contain, in addition to the usual  
4 statement, a statement that the ~~same~~ ATTACHED COPY is a true copy of the  
5 original articles of incorporation on file in ~~his~~ THE SECRETARY OF STATE'S  
6 office and a statement as to the date of the filing of ~~such~~ THE articles of  
7 incorporation. When articles of incorporation or amendments ~~thereto~~ TO  
8 ARTICLES OF INCORPORATION have been filed in the office of the secretary  
9 of state, ~~he~~ THE SECRETARY OF STATE shall record and carefully preserve  
10 ~~the same~~ THEM in ~~his~~ THE SECRETARY OF STATE'S office, and a copy  
11 ~~thereof~~ OF THE ARTICLES OF INCORPORATION OR AMENDMENTS, duly  
12 certified by the secretary of state under the great seal of the state of  
13 Colorado, ~~shall be~~ IS evidence of the existence of ~~such~~ THE association  
14 and prima facie evidence of the contents of ~~said~~ THE articles of  
15 incorporation or ~~such~~ amendments. ~~thereto~~.

16 **SECTION 22.** In Colorado Revised Statutes, 11-41-114, **amend**  
17 (1) introductory portion and (1)(i)(III) as follows:

18 **11-41-114. How funds invested.** (1) ~~Any~~ A savings and loan  
19 association may invest any portion of its funds in any of the following:

20 (i) (III) ~~No~~ AN association organized under the laws of this state  
21 shall NOT acquire the capital stock, obligations, or other securities of any  
22 ~~such~~ corporation DESCRIBED IN SUBSECTION (1)(i)(I) OF THIS SECTION  
23 until ~~there~~ THE CORPORATION has ~~been~~ filed in the office of the  
24 commissioner a statement ~~by such corporation~~ agreeing to permit and pay  
25 all costs of ~~such~~ ANY examinations or audits of the corporation by the  
26 commissioner ~~as he~~ THAT THE COMMISSIONER deems necessary in order  
27 to confirm compliance with ~~the provisions of this paragraph (i)~~



1 SUBSECTION (1)(i).

2 **SECTION 23.** In Colorado Revised Statutes, 11-41-117, **amend**  
3 (2) as follows:

4 **11-41-117. Insurance of shares.** (2) The commissioner, in  
5 connection with all such insured associations, shall furnish ~~said~~ THE  
6 FEDERAL DEPOSIT insurance corporation with reports of THE ISSUANCE OF  
7 examination, orders, and requirements ~~issued in connection therewith~~  
8 RELATING TO INSURED ASSOCIATIONS and other information ~~coming to his~~  
9 THAT COMES TO THE COMMISSIONER'S attention ~~bearing on~~ AND CONCERNS  
10 the financial condition and administration ~~and~~ OF INSURED ASSOCIATIONS.  
11 THE COMMISSIONER may collaborate with ~~said~~ THE FEDERAL DEPOSIT  
12 INSURANCE corporation in any merger, reorganization, dissolution,  
13 liquidation, or examination and audit of any ~~such~~ insured association.

14 **SECTION 24.** In Colorado Revised Statutes, 11-41-117.5,  
15 **amend** (4) as follows:

16 **11-41-117.5. Insurance of obligations.** (4) The commissioner or  
17 ~~his duly designated representative~~ THE COMMISSIONER'S DESIGNEE may  
18 investigate the affairs and examine the books, accounts, records, and files  
19 of the insurer at ~~such~~ intervals ~~as~~ THAT the commissioner deems prudent,  
20 but not less than once a year, and ~~shall~~ have free access for such purposes.  
21 Costs of ~~such~~ investigations and examinations shall be paid by the  
22 insurer. If any ~~such~~ investigation or examination reveals that the insurer  
23 is not conducting its affairs in accordance with this section or that the  
24 insurer is not actuarially sound or is impaired and may be unable to fulfill  
25 its obligations, the commissioner may exercise any powers available  
26 under article 44 of this ~~title~~ TITLE 11 until ~~such time as~~ compliance is  
27 restored or the impairment is terminated.

1           **SECTION 25.** In Colorado Revised Statutes, 11-41-119, **amend**  
2 (5) as follows:

3           **11-41-119. Loans to members and other loans.** (5) (a) ~~Loans~~  
4 A LOAN secured by ~~first lien trust deeds or mortgages~~ A FIRST-LIEN TRUST  
5 DEED OR MORTGAGE upon improved real estate shall not be made until:

6           (I) A signed application for ~~such~~ THE loan has been submitted; ~~nor~~  
7 ~~until~~

8           (II) A signed appraisal has been submitted; ~~nor until~~ AND

9           (III) The loan has been approved by the board of directors or by  
10 a committee authorized by the board of directors.

11           (b) Appraisals may be made by any two of the association's  
12 directors, officers, employees, or attorneys or by an independent appraiser  
13 who is not a director, officer, employee, or attorney of the association; ~~but~~  
14 ~~no such~~ EXCEPT THAT AN officer, A director, AN employee, or AN attorney  
15 shall NOT act as an appraiser ~~nor~~ OR act on any committee approving a  
16 loan ~~in which he~~ IF THE OFFICER, DIRECTOR, EMPLOYEE, OR ATTORNEY has  
17 an interest ~~either~~ in EITHER the property tendered as security or ~~in~~ the sale  
18 of the property.

19           (c) ~~The association shall furnish to each borrower;~~ Upon the  
20 closing of the loan, THE ASSOCIATION SHALL FURNISH TO EACH BORROWER  
21 a loan settlement statement ~~indicating~~ THAT INDICATES in detail the  
22 charges or fees ~~such~~ THE borrower has paid or obligated ~~himself~~ THE  
23 BORROWER to pay to the association or to any other person in connection  
24 with ~~such~~ THE loan, and THE ASSOCIATION SHALL RETAIN a copy of ~~such~~  
25 THE statement. ~~shall be retained in the records of the association.~~

26           **SECTION 26.** In Colorado Revised Statutes, 11-41-121, **amend**  
27 (1.5)(c), (3), (4), and (6); and **repeal** (5) as follows:

1           **11-41-121. Merger, consolidation, and transfer.**

2           (1.5) (c) Whenever a foreign association ~~which~~ THAT meets the criteria  
3           established by this subsection (1.5) proposes to merge with a domestic  
4           association, the foreign association shall make an application for prior  
5           approval to the commissioner in ~~such~~ THE form and with ~~such~~ THE  
6           information that the commissioner may require, and ~~such~~ THE application  
7           ~~shall~~ MUST be accompanied by a nonrefundable filing fee in ~~such~~ AN  
8           amount ~~as~~ determined by the commissioner. Upon receipt of a properly  
9           submitted application for merger, the commissioner shall proceed to  
10          investigate the application in accordance with ~~the provisions of~~ this  
11          section. The commissioner shall not grant approval of the merger until ~~he~~  
12          THE COMMISSIONER is satisfied that the criteria imposed by this section  
13          have been met and that the merger is not contrary to the public interest.

14          (3) Copies of the proposed agreement of merger, signed by the  
15          president or vice president of ~~such~~ THE association and verified by ~~his~~  
16          THE PRESIDENT'S OR VICE PRESIDENT'S affidavit and attested by the  
17          secretary or assistant secretary ~~thereof~~ OF THE ASSOCIATION, with the seal  
18          of the association ~~thereunto~~ affixed, shall be submitted together with a fee  
19          in the amount established by the commissioner to the commissioner for  
20          ~~his~~ THE COMMISSIONER'S approval or disapproval, and ~~he~~ THE  
21          COMMISSIONER shall cause a certificate of approval or disapproval to be  
22          attached to ~~said~~ THE copies of the proposed agreement, one copy to be  
23          filed in the division and one returned to each of the associations.

24          (4) If ~~approved by~~ the commissioner ~~such approved~~ APPROVES AN  
25          AGREEMENT OF MERGER, THE agreement shall be presented to the  
26          members of each of the merging associations at special meetings called  
27          for the purpose of considering and voting upon ~~such approved~~ THE

1 agreement; but, in the case of associations having permanent stock, only  
2 the holders of the permanent stock ~~shall be~~ ARE entitled to any notice  
3 other than the published notice of ~~such~~ THE special meeting or to vote  
4 upon the agreement of merger. The complete agreement of merger, as  
5 adopted by the boards of directors and approved by the commissioner,  
6 shall be furnished TO each member entitled to vote on ~~such~~ THE merger  
7 at the time THAT notice of ~~such~~ THE meetings, as required by section  
8 11-41-123, is given. If at ~~such meetings~~ A MEETING two-thirds of all votes  
9 of the members present in person or by proxy and entitled to vote on ~~such~~  
10 THE merger are in favor of ~~such~~ THE approved agreement, the associations  
11 may proceed to merge. ~~in accordance therewith.~~ The proceedings of ~~such~~  
12 THE meetings shall be submitted to the commissioner for ~~his~~ THE  
13 COMMISSIONER'S approval in the same manner as required for the  
14 submission of the agreement by the boards of directors. Unless the  
15 agreement of merger fixes a later effective date, ~~thereof,~~ the effective date  
16 of THE merger ~~shall be~~ IS the date upon which the commissioner accepts  
17 for filing the certified copies of the proceedings of the meetings of  
18 members adopting the approved agreement of merger.

19 (5) ~~In the event any association involved in a proposed merger is~~  
20 ~~a federal savings and loan association, the commissioner shall transmit to~~  
21 ~~the federal office of thrift supervision or its successor, a copy of the~~  
22 ~~proposed agreement of merger and shall not approve the agreement of~~  
23 ~~merger unless and until he or she has been advised in writing by the~~  
24 ~~federal office of thrift supervision or its successor that said office has no~~  
25 ~~objection to the agreement.~~

26 (6) (a) ~~No such~~ A transfer ~~shall~~ DOES NOT:

27 (I) Prejudice the right of any creditor of any ~~such~~ association to

1 have payment of ~~his~~ THE CREDITOR'S debt out of the assets and property  
2 thereof, nor shall any creditor be thereby deprived of or prejudiced OF THE  
3 ASSOCIATION; OR

4 (II) DEPRIVE ANY CREDITOR OF, OR CREATE ANY PREJUDICE  
5 AGAINST ANY CREDITOR in, any right of action then existing against the  
6 officers or directors of ~~said~~ AN association for any neglect or misconduct.  
7 ~~and the~~

8 (b) A reorganized association ~~shall be~~ IS liable for all obligations  
9 to members of the associations existing prior to ~~such~~ A consolidation.

10 **SECTION 27.** In Colorado Revised Statutes, 11-41-123, **amend**  
11 (2), (4), and (5) as follows:

12 **11-41-123. Directors and meetings.** (2) Public notice of the time  
13 and place of holding ~~such~~ elections DESCRIBED IN SUBSECTION (1) OF THIS  
14 SECTION and also of all special meetings of the members shall be  
15 published at least once, not more than thirty days nor less than ten days  
16 ~~prior to~~ BEFORE the date ~~fixed for said~~ OF EACH meeting, in a newspaper  
17 of general circulation printed in the county where the principal office of  
18 ~~said~~ THE corporation is located, and, if there is no such newspaper, then  
19 in a newspaper printed in an adjoining county, and, with respect to any  
20 special meeting or any annual meeting to be held at a time or place other  
21 than as specified in the articles of incorporation or bylaws of the  
22 association, by delivering personally to each member or depositing in the  
23 post office at least thirty days before ~~such~~ THE meeting a copy of ~~said~~ THE  
24 notice, addressed to each member entitled to vote, ~~thereat, with~~  
25 INCLUDING the signature of the president or secretary, ~~printed thereon,~~  
26 stating the time and, in case of special meetings, the objects of ~~said~~ THE  
27 meeting. ~~and no~~ Business shall NOT be transacted at any special meeting

1     except ~~such as shall be~~ BUSINESS THAT IS mentioned in ~~said~~ THE notice.  
2     If any member fails to furnish the secretary with ~~his~~ THE MEMBER'S  
3     correct post-office address, ~~he shall~~ THE MEMBER IS not ~~be~~ entitled to  
4     separate notice.

5             (4) Members who are entitled to vote may vote either in person or  
6     by proxy at ~~such~~ meetings. Any number of members present in person or  
7     by proxy at a regular or special meeting of the members ~~shall constitute~~  
8     CONSTITUTES a quorum unless otherwise specifically provided in articles  
9     40 to 46 of this ~~title~~ TITLE 11. If a majority of the votes represented at any  
10    annual or special meeting are in favor of adjournment, ~~such~~ THE meeting  
11    may be adjourned for a period not to exceed sixty days at one  
12    adjournment. Each member entitled to vote ~~shall be permitted to~~ MAY  
13    cast, in person or by proxy, one vote for each one hundred dollars, or  
14    fraction thereof, of the total certificate value of all ~~his~~ THE MEMBER'S  
15    shares and stock. A borrowing member holding a membership certificate  
16    ~~shall be permitted~~ MAY, as a borrower, ~~to~~ cast one vote and has such  
17    voting right in all cases where articles 40 to 46 of this ~~title~~ TITLE 11 give  
18    such right to shareholders.

19             (5) A majority of all votes cast at any meeting of members ~~shall~~  
20    ~~determine~~ DETERMINES any question unless otherwise specifically  
21    provided. The members who are entitled to vote at any meeting of the  
22    members shall be those of record on the books of the association at the  
23    end of the calendar month next preceding the date of the meeting of  
24    members, except those who have ceased to be members. In balloting for  
25    directors, members may vote for as many directors as are to be elected, or,  
26    in case the certificate of incorporation of the association permits  
27    cumulative voting, each member may cumulate ~~his~~ THE MEMBER'S votes

1 and give one candidate as many votes as the number of directors  
2 multiplied by the number of ~~his~~ THE MEMBER'S votes or distribute them  
3 on the same principle among as many candidates as ~~he~~ THE MEMBER may  
4 desire, and the person having the highest number of votes in consecutive  
5 order ~~shall be declared~~ IS elected. By the unanimous vote of all the  
6 members represented at ~~such~~ THE meeting, the secretary of the meeting  
7 may be authorized and instructed to cast one ballot for one or more of all  
8 the directors to be elected.

9           **SECTION 28.** In Colorado Revised Statutes, **amend** 11-41-126  
10 as follows:

11           **11-41-126. Bonds of officers.** Every officer, employee, and agent  
12 handling or having custody or charge of funds or securities belonging to  
13 a savings and loan association, before entering upon the discharge of ~~his~~  
14 THE OFFICER'S, EMPLOYEE'S, OR AGENT'S duties, shall give a good and  
15 sufficient bond in ~~such~~ THE sum ~~as may be~~ fixed by the board of directors  
16 of any such association. ~~Such~~ THE bond ~~shall~~ MUST be in ~~such~~ THE form  
17 and provide ~~such~~ coverage as the commissioner may direct and ~~shall~~  
18 MUST be made by a surety corporation authorized to do business in this  
19 state. The amount of ~~such~~ THE bond as to each person ~~shall be~~ IS subject  
20 to the approval of the commissioner. In lieu of individual bonds, a blanket  
21 bond covering all active officers, agents, and employees of ~~such~~ AN  
22 association may be executed, subject to approval by the commissioner.  
23 Every ~~such~~ bond ~~shall be~~ IS in force until ten days after notice IS  
24 PROVIDED to ~~such~~ THE commissioner that the ~~same~~ BOND is to be  
25 canceled.

26           **SECTION 29.** In Colorado Revised Statutes, **amend** 11-41-128  
27 as follows:

1           **11-41-128. Acknowledgments.** ~~No~~ A notary public or other  
2 public officer qualified to take acknowledgments or proof of written  
3 instruments shall NOT be disqualified from taking the acknowledgment or  
4 proof of an instrument in writing in which a savings and loan association  
5 is interested by reason of ~~his~~ THE NOTARY PUBLIC'S OR OTHER PUBLIC  
6 OFFICER'S employment by, or ~~his~~ THE NOTARY PUBLIC OR OTHER PUBLIC  
7 OFFICER being a member or officer of, the savings and loan association  
8 interested in ~~such~~ THE instrument.

9           **SECTION 30.** In Colorado Revised Statutes, 11-41-129, **amend**  
10 (4) as follows:

11           **11-41-129. Amendment of articles of incorporation.** (4) A  
12 certificate setting forth ~~such~~ AN amendment and the adoption ~~thereof~~ OF  
13 THE AMENDMENT, signed by the president or vice president of ~~such~~ THE  
14 association, verified by ~~his~~ THE PRESIDENT'S OR VICE PRESIDENT'S  
15 affidavit, and attested by the secretary or assistant secretary ~~thereof~~ OF  
16 THE ASSOCIATION, with the seal of the association ~~thereunto~~ affixed, shall  
17 be submitted ~~together~~ TO THE COMMISSIONER with ~~the~~ A fee IN AN  
18 AMOUNT established by the commissioner. ~~to the commissioner for his~~  
19 ~~approval or disapproval, and;~~ If ~~he~~ THE COMMISSIONER approves ~~he~~ THE  
20 PROPOSED AMENDMENT, THE COMMISSIONER shall ~~cause~~ ATTACH a  
21 certificate of approval ~~to be attached to said~~ THE proposed amendment,  
22 and then the ~~same~~ AMENDMENT shall be filed in the same manner as THE  
23 articles of incorporation. ~~and~~ Thereafter, ~~said~~ THE amendment ~~shall be~~ IS  
24 in full force and effect, ~~to the same extent,~~ except as provided in section  
25 11-41-130.5, as if the ~~same~~ AMENDMENT had been included in the original  
26 articles of incorporation. ~~No~~ AN amendment to the articles of  
27 incorporation shall NOT be filed in the office of the secretary of state ~~of~~



1 ~~the state of Colorado~~ or received by the secretary of state unless a  
2 certificate of approval by the commissioner is attached ~~thereto~~ TO THE  
3 AMENDMENT.

4 **SECTION 31.** In Colorado Revised Statutes, 11-41-130, **amend**  
5 (1), (2), and (6) as follows:

6 **11-41-130. Reorganization.** (1) The board of directors of ~~any~~ AN  
7 association ~~at a meeting called for that purpose,~~ may adopt a plan of  
8 reorganization of the association AT A MEETING CALLED FOR THAT  
9 PURPOSE. Two copies of the proposed plan of reorganization, signed by  
10 the president or vice president of ~~such~~ THE association, verified by ~~his~~  
11 THE PRESIDENT'S OR VICE PRESIDENT'S affidavit, and attested by the  
12 secretary or assistant secretary ~~thereof~~ OF THE ASSOCIATION, with the seal  
13 of the association ~~thereunto~~ affixed, shall be submitted to the  
14 commissioner for ~~his~~ THE COMMISSIONER'S approval, ~~or disapproval,~~ and  
15 ~~he~~ THE COMMISSIONER shall ~~cause~~ ATTACH a certificate of approval or  
16 disapproval ~~to be attached to said~~ THE proposed plan, one copy to be filed  
17 in the division and one returned to the association. If A PLAN IS approved  
18 by the commissioner, ~~such approved plan~~ IT shall be presented to the  
19 members at a special meeting called for the purpose of considering and  
20 voting upon ~~such approved~~ THE plan. The complete plan of  
21 reorganization, as adopted by the board of directors and approved by the  
22 commissioner, shall be furnished TO each member at the time notice of  
23 ~~such~~ THE meeting IS GIVEN, as required by section 11-41-123. ~~is given.~~ If  
24 at ~~such~~ THE meeting two-thirds of all votes of the members present in  
25 person or by proxy are in favor of ~~such~~ THE approved plan, the  
26 association may proceed to reorganize. ~~in accordance therewith.~~

27 (2) The proceedings of ~~such~~ A meeting TO APPROVE A

1 REORGANIZATION PLAN shall be submitted to the commissioner for his  
2 THE COMMISSIONER'S approval in the same manner as required for the  
3 submission of the plan by the board of directors. Unless the plan of  
4 reorganization fixes a later effective date, ~~thereof~~, the effective date of  
5 reorganization ~~shall be~~ IS the date upon which the commissioner accepts  
6 for filing the certified copies of the proceedings of the meetings of  
7 members adopting the approved plan of reorganization.

8 (6) The reorganization of ~~such~~ AN association ~~shall~~ DOES not  
9 prejudice the right of any creditor of ~~any such~~ THE association to have  
10 payment of ~~his~~ THE CREDITOR'S debt out of the assets and property ~~thereof~~  
11 OF THE ASSOCIATION, nor ~~shall~~ DOES THE REORGANIZATION OF AN  
12 ASSOCIATION DEPRIVE any creditor ~~be thereby deprived of~~, or ~~prejudiced~~  
13 PREJUDICE ANY CREDITOR in, any right of action then existing against the  
14 officers or directors of ~~said~~ THE association for any neglect or  
15 misconduct. All obligations to any ~~such~~ prior association ~~shall~~ inure to the  
16 benefit of the reorganized association and ~~shall be~~ ARE enforceable by it  
17 and in its name, and demands, claims, and rights of action against any  
18 ~~such~~ PRIOR association may be enforced against it as fully and completely  
19 as they might have been enforced ~~theretofore~~; ~~and~~ BEFORE THE  
20 ASSOCIATION'S REORGANIZATION. All deeds, notes, mortgages, contracts,  
21 judgments, transactions, and proceedings whatsoever ~~theretofore~~ made,  
22 received, entered into, carried on, or done by ~~such~~ AN association before  
23 ~~such~~ ITS reorganization ~~shall be as~~ ARE good, valid, and effectual in law  
24 as though ~~such~~ THE association had never been reorganized.

25 **SECTION 32.** In Colorado Revised Statutes, 11-41-130.5,  
26 **amend** (1), (3)(a)(I), and (3)(b) as follows:

27 **11-41-130.5. Cessation of business as an association -**

1 **amendment of articles.** (1) Notwithstanding any provision of this ~~article~~  
2 ARTICLE 41 to the contrary, in connection with the sale of all or a  
3 substantial part of its assets, the board of directors of any savings and loan  
4 association may propose an amendment to its articles of incorporation to  
5 amend the objects and purposes to conform to those authorized in the  
6 "Colorado Business Corporation Act", articles 101 to 117 of title 7,  
7 ~~C.R.S.~~, and to make ~~such~~ other amendments authorized by and not  
8 inconsistent with ~~the provisions of~~ article 110 of title 7. ~~C.R.S.~~ ~~Such~~  
9 Proposed amendments shall be submitted to the members or, if the  
10 savings and loan association has permanent stock, to the stockholders of  
11 ~~said~~ THE association for their approval. Upon approval, ~~said~~ PROPOSED  
12 amendments shall be submitted to the commissioner, ~~together~~ with a plan  
13 pursuant to subsection (2) of this section, for ~~his~~ THE COMMISSIONER'S  
14 approval.

15 (3) (a) The commissioner shall approve a plan only if:

16 (I) ~~He~~ THE COMMISSIONER determines that an association has paid  
17 or has made provision through an assumption agreement or otherwise for  
18 its known and unclaimed liabilities to its depositors and account holders;

19 (b) In approving a plan, the commissioner may impose ~~such~~ terms  
20 and conditions as ~~he~~ THE COMMISSIONER deems necessary to protect the  
21 depositors, account holders, stockholders, members, and creditors of the  
22 savings and loan association.

23 **SECTION 33.** In Colorado Revised Statutes, 11-41-131, **amend**  
24 (1), (3), and (4) as follows:

25 **11-41-131. Dissolution.** (1) ~~Any~~ A domestic association may  
26 elect to abandon its certificate of authority, liquidate its affairs, and  
27 dissolve as provided in this section. The affirmative vote of at least a

1 majority of the BOARD OF directors must be cast in favor of ~~such proposal~~  
2 A PROPOSED DISSOLUTION at a special meeting ~~thereof~~ OF THE BOARD. A  
3 certified copy of ~~such action shall~~ THE VOTE MUST be furnished to the  
4 commissioner, who shall ~~forthwith~~ PROMPTLY examine ~~said~~ THE  
5 association, and, if ~~he~~ THE COMMISSIONER determines that ~~such~~ THE  
6 association is solvent and that it is ~~to~~ IN the best interests of the members  
7 that ~~such~~ liquidation be accomplished ~~in the manner provided in~~  
8 ACCORDING TO this section, ~~he~~ THE COMMISSIONER shall certify ~~his~~ THE  
9 COMMISSIONER'S approval ~~thereto. Upon the granting of such~~ OF THE  
10 LIQUIDATION. AFTER THE COMMISSIONER'S approval, a special meeting of  
11 all members entitled to vote shall be called ~~in the manner provided by~~  
12 PURSUANT TO section 11-41-123. If a majority vote of all such members  
13 of the association is cast in favor of the proposal to liquidate and  
14 ultimately dissolve ~~such~~ THE association under ~~the provisions of this~~  
15 section, ~~such~~ THE proposal ~~shall be~~ IS deemed adopted. A certified copy  
16 of all proceedings taken prior to and at ~~such~~ THE meeting shall be filed  
17 with the commissioner, who shall determine whether ~~or not such~~ THE  
18 proceedings have been conducted in accordance with law. If the  
19 commissioner finds that ~~such~~ THE proceedings are legal and proper, ~~he~~  
20 THE COMMISSIONER shall certify ~~his~~ THE COMMISSIONER'S approval  
21 ~~thereon~~ OF THE PROCEEDINGS and authorize ~~said~~ THE association to  
22 proceed with the liquidation in the manner provided in this section.

23 (3) ~~The association,~~ During the liquidation of ~~the~~ ITS assets, ~~of the~~  
24 AN association ~~shall be~~ IS subject to the supervision of the commissioner  
25 and shall pay ~~such~~ THE fees and assessments ~~as are provided for~~  
26 REQUIRED in articles 40 to 46 of this ~~title~~ TITLE 11 in the case of active  
27 associations and shall report the progress of ~~such~~ THE liquidation to the

1 commissioner as ~~he~~ THE COMMISSIONER may require. Upon completion  
2 of liquidation, a final report and accounting of the affairs of the  
3 association shall be made to the commissioner. Upon the approval of ~~such~~  
4 THE report by the commissioner, the board of directors, without the  
5 necessity of further action by the members of the association, shall  
6 proceed to dissolve ~~such~~ THE association in the manner provided by law  
7 in the case of general corporations.

8 (4) Nothing in this section ~~shall prejudice the rights~~ PREJUDICES  
9 THE RIGHT of the commissioner to take possession of any association  
10 under the authority vested in ~~him~~ THE COMMISSIONER by ~~the provisions~~  
11 ~~of~~ section 11-44-110, upon determining that ~~such~~ THE procedure is ~~to~~ IN  
12 the best interest of the members.

13 **SECTION 34.** In Colorado Revised Statutes, 11-41-132, **amend**  
14 (3) as follows:

15 **11-41-132. Escheat proceedings.** (3) After thirty days from the  
16 date of the last publication, the commissioner shall pay to the state  
17 treasurer any ~~such~~ liquidating dividends in ~~his~~ THE COMMISSIONER'S  
18 possession, less the costs of publication and mailing, and shall file with  
19 the state treasurer the affidavit of publication by the publisher and the  
20 affidavit of mailing by the commissioner, showing the dates of ~~such~~ THE  
21 publications and mailing. The state shall be answerable for ~~such funds~~  
22 THE MONEY, without interest, anytime within twenty-one years after the  
23 ~~same have~~ MONEY HAS been paid into the treasury, to ~~such~~ persons as  
24 ~~shall be~~ THAT ARE legally entitled ~~thereto~~ TO THE MONEY. After ~~the lapse~~  
25 ~~of~~ twenty-one years from the time ~~any such moneys have~~ THE MONEY HAS  
26 been paid into the state treasury, IF no claim ~~therefor having~~ FOR THE  
27 MONEY HAS been made and established by any person entitled ~~thereto~~,

1 ~~said moneys shall become~~ TO THE MONEY, THE MONEY BECOMES the  
2 property of the state and shall be transferred to the general fund.

3 **SECTION 35.** In Colorado Revised Statutes, 11-41-133, **amend**  
4 (3) introductory portion and (6)(c) as follows:

5 **11-41-133. Acquisition of majority control over an existing**  
6 **association - definitions.** (3) After receipt of an application, the  
7 commissioner shall make an investigation and shall issue the certificate  
8 of approval only after ~~he~~ THE COMMISSIONER has determined:

9 (6) (c) ~~Whenever~~ IF a foreign association ~~which~~ THAT meets the  
10 criteria established by this subsection (6) proposes to acquire control of  
11 a domestic association, the foreign association shall make an application  
12 for prior approval to the commissioner in ~~such~~ THE form and ~~with such~~  
13 INCLUDING ANY information that the commissioner ~~shall require~~  
14 REQUIRES, and ~~such~~ THE application ~~shall~~ MUST be accompanied by a  
15 nonrefundable filing fee in ~~such~~ AN amount ~~as~~ determined by the  
16 commissioner. Upon receipt of a properly submitted application to  
17 acquire control of a domestic association, the commissioner shall proceed  
18 to investigate the application in accordance with ~~the provisions of this~~  
19 section. The commissioner shall not grant approval of the merger until ~~he~~  
20 THE COMMISSIONER is satisfied that the criteria imposed by this section  
21 have been met and that the acquisition is not contrary to the public  
22 interest.

23 **SECTION 36.** In Colorado Revised Statutes, 11-42-108, **amend**  
24 (1) as follows:

25 **11-42-108. Assessment to restore impaired permanent stock.**  
26 (1) Stockholders, after their stock has been fully paid, are not liable to  
27 creditors or for assessments upon their stock issued on or after July 1,

1 1981, except as provided by this section. If the commissioner, as a result  
2 of any examination or from any report made to ~~him~~ THE COMMISSIONER,  
3 finds that the permanent stock of ~~any~~ AN association is impaired, ~~he~~ THE  
4 COMMISSIONER shall notify the association that ~~such~~ THE impairment  
5 exists. In the event the amount of the impairment, as determined by the  
6 commissioner, is questioned by the association, then, upon application  
7 filed within ten days, the value of the assets in question shall be  
8 determined by appraisals made by independent appraisers acceptable to  
9 the commissioner and the association.

10 **SECTION 37.** In Colorado Revised Statutes, 11-42-109, **amend**  
11 (1) as follows:

12 **11-42-109. Sale of delinquent stock.** (1) If ~~any~~ A stockholder  
13 refuses or neglects to pay the assessment specified in ~~such~~ A notice  
14 PROVIDED PURSUANT TO SECTION 11-42-108 (2) within sixty days ~~from~~  
15 AFTER the date of mailing, the directors of ~~such~~ THE association ~~shall have~~  
16 ~~the right to~~ MAY sell to the highest bidder at public auction any part or all  
17 of the stock necessary to pay the assessment of ~~such~~ THE stockholder,  
18 after giving a previous notice of ~~such~~ THE sale for ten days in a newspaper  
19 of general circulation published in the county where the principal office  
20 of ~~such~~ THE association ~~in this state~~ is located. ~~and~~ A copy of ~~such~~ THE  
21 notice of sale shall also be served on ~~such~~ THE stockholder by mailing a  
22 copy of the notice to ~~his~~ THE STOCKHOLDER'S last known address ten days  
23 before the day fixed for ~~such~~ THE sale. ~~or such~~ THE stock may ALSO be  
24 sold at a private sale ~~and~~ without public notice; ~~but~~ EXCEPT THAT, before  
25 making ~~such~~ A private sale, ~~thereof~~; THE BOARD OF DIRECTORS SHALL  
26 OBTAIN an offer in writing ~~shall first be obtained~~ and SERVE a copy  
27 ~~thereof served~~ OF THE OFFER upon the owner of record of the stock ~~to be~~

1 sold by mailing a copy of ~~such~~ THE offer to ~~his~~ THE OWNER'S last known  
2 address. ~~and~~, If, after service of ~~such~~ THE offer, ~~such~~ THE owner still  
3 refuses or neglects to pay ~~such~~ THE assessment ~~within~~ FOR thirty days,  
4 ~~from the time of the service of such offer~~, the directors may accept the  
5 offer and sell ~~such~~ THE stock to the person making ~~such~~ THE offer or to  
6 any other person making ~~a larger~~ AN offer ~~than the~~ IN A LARGER amount.  
7 ~~named in the offer submitted to the stockholder, but such stock in no~~  
8 ~~event shall be sold~~ THE BOARD OF DIRECTORS SHALL NOT SELL THE STOCK  
9 for less than the amount of ~~such~~ THE assessment ~~so-called~~ for and the  
10 expense of the sale.

11 **SECTION 38.** In Colorado Revised Statutes, 11-42-112, **amend**  
12 (2) and (3) as follows:

13 **11-42-112. Requirements for sale of permanent stock.** (2) If  
14 ~~he~~ THE COMMISSIONER finds that the proposed issue ~~is such as~~ OF STOCK  
15 will not mislead the public as to the nature of the investment or will not  
16 work a fraud upon the purchaser ~~thereof~~ OF THE STOCK, the commissioner  
17 shall issue to the association a permit authorizing it to issue and dispose  
18 of its stock in ~~such~~ THE amounts ~~as~~ PROVIDED BY the commissioner ~~may~~  
19 ~~in such permit provide~~ IN THE PERMIT; otherwise, ~~he~~ THE COMMISSIONER  
20 shall deny the application and notify the association in writing of ~~his~~ THE  
21 COMMISSIONER'S decision.

22 (3) Every permit ~~shall recite~~ MUST STATE in bold type that the  
23 issuance ~~thereof~~ OF THE PERMIT is permissive only and does not constitute  
24 a recommendation or endorsement of the stock permitted to be issued.  
25 The commissioner may ~~impose conditions requiring~~ REQUIRE the  
26 impoundment of the proceeds from the sale of ~~such~~ stock, ~~and limiting~~  
27 LIMIT the expense in connection with the sale ~~thereof~~ OF STOCK, and ~~such~~



1 IMPOSE ANY other conditions as ~~he may deem~~ THE COMMISSIONER DEEMS  
2 reasonable and necessary or advisable to ~~insure the disposition of~~ ENSURE  
3 THAT the proceeds from the sale of ~~such~~ stock ARE DISPOSED in the  
4 manner and for the purposes provided in ~~such~~ THE permit. The  
5 commissioner ~~from time to time~~ may amend, alter, or revoke any permit  
6 issued by ~~him~~ THE COMMISSIONER or temporarily suspend the rights of  
7 ~~such~~ AN association under ~~such~~ ITS permit. The commissioner ~~has the~~  
8 ~~power to~~ MAY establish ~~such~~ rules and regulations ~~as may be~~ THAT ARE  
9 reasonable or necessary to carry out ~~the purposes and provisions of~~ this  
10 section.

11 **SECTION 39.** In Colorado Revised Statutes, 11-42-115, **amend**  
12 (1) as follows:

13 **11-42-115. Power to issue shares to minors or in trust.**

14 (1) ~~Every~~ AN association ~~has the power to~~ MAY issue stock or shares to  
15 a minor of any age ~~and either sex~~ and receive payments ~~thereon~~ ON THE  
16 STOCK OR SHARES from, by, or for the minor. ~~He shall be entitled to~~ A  
17 MINOR MAY withdraw, transfer, or pledge any ~~such~~ shares owned by ~~him~~  
18 THE MINOR and ~~to~~ receive from ~~such~~ THE association any dividends or  
19 other ~~moneys at any time becoming~~ MONEY THAT BECOMES due ~~thereon~~  
20 ON THE SHARES in the same manner and subject to the same conditions as  
21 an adult, and ~~his~~ THE MINOR'S receipt or acquittance ~~therefor shall~~  
22 ~~constitute~~ OF SUCH MONEY CONSTITUTES a valid release and discharge to  
23 the association for the payment of ~~such moneys~~ THE MONEY. The dealing  
24 of an association with a minor ~~shall have~~ HAS the same effect upon the  
25 association's liability as if the minor were of full legal capacity ~~until his~~  
26 UNLESS THE MINOR'S guardian or conservator files with the association a  
27 certified copy of the order of a Colorado court having jurisdiction

1 appointing the guardian or conservator and directing otherwise.

2 **SECTION 40.** In Colorado Revised Statutes, **amend** 11-42-123  
3 as follows:

4 **11-42-123. Matured shares.** If, at the time shares in a savings  
5 and loan association have matured, the association has withdrawal notices  
6 on file to such an extent that the funds of the association, applicable to  
7 withdrawals, are not sufficient to pay ~~off~~ all shareholders desiring to  
8 withdraw, as well as shares ~~which~~ THAT have matured and are unpaid,  
9 and the holder of the matured shares desires to withdraw, ~~he~~ THE HOLDER  
10 OF THE MATURED SHARES shall file a notice of intention to withdraw. ~~and~~  
11 Thereafter, ~~be~~ THE HOLDER OF THE MATURED SHARES IS subject to all the  
12 rights and liabilities of articles 40 to 46 of this ~~title~~ TITLE 11 governing  
13 withdrawing shareholders; except that ~~he shall be~~ THE HOLDER OF THE  
14 MATURED SHARES IS entitled to the full amount of any dividends declared  
15 on like shares during the time ~~he~~ THE HOLDER OF THE MATURED SHARES  
16 has a withdrawal notice on file on THE same.

17 **SECTION 41.** In Colorado Revised Statutes, 11-44-102, **amend**  
18 (3) as follows:

19 **11-44-102. Commissioner - duties - employees.** (3) The deputy  
20 commissioner, the secretary, and all other employees of the division ~~shall~~  
21 ~~be~~ ARE under the direct supervision of the commissioner. ~~who shall have~~  
22 ~~full power and control over such employees.~~ Neither the commissioner  
23 nor any officer or employee of the division ~~shall be~~ IS personally liable  
24 for any ~~acts done~~ ACT PERFORMED in good faith IF THE COMMISSIONER,  
25 OFFICER, OR EMPLOYEE PERFORMED THE ACT while in the performance of  
26 ~~his~~ THE COMMISSIONER'S, OFFICER'S, OR EMPLOYEE'S duties as prescribed  
27 by law.

1           **SECTION 42.** In Colorado Revised Statutes, **amend** 11-44-103  
2 as follows:

3           **11-44-103. Powers of commissioner.** The commissioner has  
4 general supervision and control over all domestic and foreign savings and  
5 loan associations doing business in this state and ~~has full power to~~ MAY  
6 grant, refuse, or revoke a permit or license to any association to do  
7 business in this state when ~~such~~ THE association is not conducting its  
8 business in conformity with the laws of the state or is conducting its  
9 business in ~~such~~ an unsafe manner ~~as to render~~ THAT RENDERS its further  
10 operations hazardous to the public or any of ~~its~~ THE ASSOCIATION'S  
11 shareholders. All articles of incorporation and amendments ~~thereto~~ TO  
12 THE ARTICLES, all bylaws and amendments ~~thereto~~ TO THE BYLAWS, and  
13 all certificates of stock and shares of associations subject to articles 40 to  
14 46 of this ~~title~~ TITLE 11 shall be submitted to ~~said~~ THE commissioner for  
15 ~~his~~ THE COMMISSIONER'S approval or disapproval, and ~~said~~ THE  
16 commissioner ~~has the authority to~~ MAY approve, modify, or reject any  
17 ~~such~~ articles of incorporation or amendments, ~~thereto~~, bylaws or  
18 amendments, ~~thereto~~, and OR certificates of stock or shares. The  
19 commissioner ~~has full power and authority to~~ MAY prescribe all necessary  
20 and proper rules and regulations for the conduct and operation of savings  
21 and loan associations in this state and shall prescribe the manner in which  
22 the books and records of associations doing business in this state ~~shall be~~  
23 ARE kept.

24           **SECTION 43.** In Colorado Revised Statutes, **amend** 11-44-103.5  
25 as follows:

26           **11-44-103.5. Record retention by the commissioner.** The  
27 commissioner shall retain records pursuant to part 1 of article 80 of title

1 24 C.R.S., and may, in ~~his or her~~ THE COMMISSIONER'S discretion, destroy  
2 records pursuant to said part 1.

3 **SECTION 44.** In Colorado Revised Statutes, **amend** 11-44-104  
4 as follows:

5 **11-44-104. Commissioner may delegate powers.** The  
6 commissioner may delegate such of ~~his~~ THE COMMISSIONER'S powers and  
7 authority to ~~his~~ THE COMMISSIONER'S deputies as ~~he may deem~~ THE  
8 COMMISSIONER DEEMS necessary for proper administration of the division  
9 and may designate appropriate titles for ~~his~~ THE COMMISSIONER'S deputies  
10 and any of ~~his~~ THE COMMISSIONER'S employees. Any ~~such~~ delegation or  
11 designation ~~made~~ may be rescinded by the commissioner at any time. ~~All~~  
12 WRITTEN RECORDS OF such actions shall be ~~in writing and of record~~  
13 RETAINED in the files of the division. The acts of deputies ~~performing~~  
14 ~~such~~ WHO HAVE delegated powers and authority ~~shall be of~~ HAVE the  
15 same legal effect as if THE ACTS WERE performed personally by the  
16 commissioner.

17 **SECTION 45.** In Colorado Revised Statutes, **amend** 11-44-105  
18 as follows:

19 **11-44-105. Commissioner may institute suits.** The  
20 commissioner shall report to the attorney general, and ~~he~~ THE ATTORNEY  
21 GENERAL shall institute and prosecute suits and actions to enjoin  
22 violations of articles 40 to 46 of this ~~title~~ TITLE 11 or violations of orders  
23 or decisions of the commissioner rendered pursuant to said articles and  
24 to enforce any civil penalties provided by said articles. The commissioner  
25 shall notify the proper district attorney of any violation of ~~the provisions~~  
26 ~~of~~ articles 40 to 46 of this ~~title which~~ TITLE 11 THAT constitutes a felony  
27 or misdemeanor, and ~~such~~ THE district attorney shall ~~forthwith~~ PROMPTLY

1 prosecute the person charged with ~~such~~ THE offense. Upon THE failure or  
2 refusal of the district attorney to ~~so~~ prosecute, ~~it shall be the duty of the~~  
3 attorney general ~~to conduct such prosecution~~ SHALL PROSECUTE THE  
4 MATTER.

5 **SECTION 46.** In Colorado Revised Statutes, **amend** 11-44-106  
6 as follows:

7 **11-44-106. Issuance of subpoenas.** (1) The commissioner ~~has~~  
8 ~~the power to~~ MAY:

9 (a) Issue subpoenas and require attendance of any ~~and all officers,~~  
10 ~~directors, agents, salesmen, collectors, and employees~~ OFFICER, DIRECTOR,  
11 AGENT, SALESPERSON, COLLECTOR, OR EMPLOYEE of any association and  
12 ~~such~~ ANY other witnesses ~~as he~~ THAT THE COMMISSIONER may deem  
13 necessary in relation to ~~its~~ THE ASSOCIATION'S affairs, transactions, and  
14 conditions; ~~and may~~

15 (b) Require ~~such~~ witnesses to ~~appear and~~ answer ~~such~~ questions  
16 ~~as~~ THAT THE COMMISSIONER may ~~be~~ put to them; ~~by the commissioner,~~  
17 ~~and may~~

18 (c) Require ~~such~~ witnesses to produce ~~such~~ books, papers, or  
19 documents in their possession. ~~as may be required by the commissioner.~~

20 (2) Upon application of the commissioner, any person served with  
21 a subpoena issued by ~~him~~ THE COMMISSIONER may be required, by order  
22 of the district court of the county where the association has its principal  
23 office, to:

24 (a) Appear and answer ~~such~~ questions ~~as~~ THAT THE  
25 COMMISSIONER may ~~be~~ put to ~~him by the commissioner~~ THE PERSON; and  
26 ~~be required to~~

27 (b) Produce ~~such~~ books, papers, or documents in ~~his~~ THE PERSON'S

1 possession ~~as may be required by~~ THAT the commissioner MAY REQUIRE.

2 **SECTION 47.** In Colorado Revised Statutes, 11-44-106.5,  
3 **amend** (2)(b) as follows:

4 **11-44-106.5. Suspension or removal of directors, officers, or**  
5 **employees - penalty.** (2) (b) If the commissioner determines that a  
6 specific case involves extraordinary circumstances ~~which~~ THAT require  
7 immediate action, ~~he~~ THE COMMISSIONER may suspend or remove a  
8 person under subsection (1) of this section without notice or a hearing,  
9 but ~~he~~ THE COMMISSIONER shall conduct a hearing under section 24-4-105  
10 ~~C.R.S.~~, within thirty days after ~~such~~ THE suspension or removal.

11 **SECTION 48.** In Colorado Revised Statutes, 11-44-109, **amend**  
12 (1), (1.5), (2), (3), and (4) as follows:

13 **11-44-109. Examination by commissioner - procedure -**  
14 **penalty.** (1) ~~The commissioner, in person or by his deputy or one or~~  
15 ~~more of his or her employees;~~ At such intervals as the commissioner shall  
16 ~~determine~~ DETERMINES to be necessary or desirable in order to ascertain  
17 that each association is conducting its business in a safe and authorized  
18 manner, THE COMMISSIONER OR THE COMMISSIONER'S DEPUTY OR  
19 EMPLOYEE shall visit the home office and ~~such~~ branch offices ~~as~~ THAT the  
20 commissioner deems necessary and examine ~~into~~ the affairs of every  
21 domestic association doing business in this state. The commissioner's  
22 deputy or ~~any~~ employee, ~~of the commissioner, before being entitled to~~  
23 ~~make~~ BEFORE MAKING such AN examination, shall produce ~~under the hand~~  
24 A DOCUMENT THAT INCLUDES THE SIGNATURE and seal of the  
25 commissioner ~~his or her~~ AND A STATEMENT CONCERNING THE  
26 COMMISSIONER'S authority to make ~~such~~ THE examination. The  
27 commissioner ~~and his~~ OR THE COMMISSIONER'S deputy ~~have the power to~~

1 MAY administer oaths and ~~to~~ examine under oath any director, officer,  
2 employee, or agent of any association concerning the business and affairs  
3 ~~thereof~~ OF THE ASSOCIATION. If the association has neither been audited  
4 by a registered or certified public accountant, in ~~such~~ THE manner and by  
5 auditors satisfactory to the commissioner, within the twelve-month period  
6 immediately preceding the date of ~~such~~ THE examination or within the  
7 period that has elapsed since ~~such~~ THE last ~~preceding~~ examination,  
8 whichever is greater, nor adopted and maintained an internal audit  
9 program acceptable to the federal deposit insurance corporation or its  
10 successor and the division, the examination by the division ~~shall~~ MUST  
11 include an audit. The cost, as computed by the division, of ~~any such~~ THE  
12 audit shall be paid by the association audited; except that ~~there shall be no~~  
13 ~~charge by~~ the division SHALL NOT CHARGE for making an audit when ~~such~~  
14 THE audit has been made by reason of collaboration as provided in section  
15 11-41-117.

16 (1.5) In lieu of making ~~his or her~~ THE COMMISSIONER'S own  
17 examination, the commissioner may accept the examination report  
18 prepared by ~~the federal office of thrift supervision or its successor or~~  
19 ~~other~~ AN appropriate FEDERAL regulatory authority.

20 (2) When, in the judgment of the commissioner, the condition of  
21 ~~any~~ AN association renders it necessary or expedient to make an extra  
22 examination or ~~to~~ devote any ~~such~~ extraordinary attention to ~~its~~ THE  
23 ASSOCIATION'S affairs, the commissioner ~~has authority to~~ MAY make any  
24 extra examinations and ~~to~~ devote any necessary extra attention to the  
25 conduct of ~~its~~ THE ASSOCIATION'S affairs and may cause a registered or  
26 certified public accountant, appointed by the commissioner, to make an  
27 audit or examination of ~~such~~ THE association's business and affairs. In any

1 such case, the association shall pay a reasonable fee based on actual cost  
2 to be affixed by the commissioner for all ~~such~~ extra services rendered by  
3 the division or by ~~such~~ THE accountant. A copy of the commissioner's  
4 report on each examination must be furnished to the association  
5 examined, and each director must note ~~thereon~~ ON THE REPORT that ~~he~~  
6 THE DIRECTOR has read the ~~same~~ REPORT.

7 (3) The commissioner or ~~his~~ THE COMMISSIONER'S deputy shall  
8 annually examine ~~into~~ the affairs of every foreign association doing  
9 business in this state, and for every such examination made outside this  
10 state, a reasonable expense and the actual traveling expenses incurred  
11 shall be paid by the association ~~so~~ examined. If the commissioner deems  
12 it necessary, ~~he~~ THE COMMISSIONER may cause a public accountant,  
13 appointed by the commissioner, to make an audit or examination of ~~such~~  
14 THE association's business and affairs, and, in any such case, ~~such~~ THE  
15 association shall pay a reasonable price to be fixed by the commissioner  
16 for ~~such~~ THE extra services rendered by ~~such~~ THE accountant. ~~Should~~ IF  
17 ~~any~~ A foreign association ~~fail~~ FAILS to pay the costs incurred in ~~any such~~  
18 THE examination, ~~such~~ THE costs shall be paid by the state treasurer upon  
19 the order of the commissioner, and the amount ~~so~~ paid ~~shall be~~ BECOMES  
20 a first lien upon all the assets and property of ~~such~~ THE association and  
21 may be recovered by suit by the attorney general on behalf of the state of  
22 ~~Colorado~~ and restored to the fund from which THE COSTS WERE paid.

23 (4) For the purpose of the examinations provided for in this  
24 section, the commissioner and ~~his~~ THE COMMISSIONER'S deputy or any  
25 other person authorized by ~~him~~ THE COMMISSIONER to make the  
26 examination:

27 (a) Has free access to all books and papers of the association



1 ~~which~~ THAT relate to its business and to the books and papers kept by any  
2 officer, agent, or employee relating ~~thereto~~ TO THE ASSOCIATION or upon  
3 which any record of its business is kept; ~~and~~

4 (b) May summon witnesses and administer oaths or affirmations  
5 in the examination of the directors, officers, agents, or employees of any  
6 ~~such~~ association or any other person in relation to ~~its~~ AN ASSOCIATION'S  
7 affairs, transactions, and conditions; ~~He~~ AND

8 (c) May require and compel the production of records, books,  
9 papers, contracts, or other documents by court action if necessary.

10 **SECTION 49.** In Colorado Revised Statutes, 11-44-110, **amend**  
11 (1), (2), and (4)(e) as follows:

12 **11-44-110. Power to take possession of association.** (1) If the  
13 commissioner ~~as the result of any examination or from any report made~~  
14 ~~to him,~~ finds that ~~any~~ AN association doing business in this state is  
15 violating ~~the provisions of~~ its articles of incorporation or bylaws or ~~of the~~  
16 laws of this state provided for ~~its~~ THE ASSOCIATION'S government, or is  
17 conducting its business in an unsafe or unauthorized manner, ~~by an~~ THE  
18 COMMISSIONER MAY order ~~addressed to such~~ THE association ~~he may~~  
19 ~~direct a discontinuance of such~~ TO DISCONTINUE THE violations or unsafe  
20 or unauthorized practices. ~~and a conformity with all the requirements of~~  
21 law.

22 (2) If ~~such~~ AN association refuses or neglects to comply with ~~such~~  
23 AN order OF THE COMMISSIONER within the time specified ~~therein~~ IN THE  
24 ORDER, or if it appears to the commissioner that ~~any~~ AN association is in  
25 an unsafe condition or is conducting its business in an unsafe manner  
26 ~~such as to render~~ THAT RENDERS its further proceedings hazardous to the  
27 public or to any of ~~its~~ THE ASSOCIATION'S members, or if ~~he~~ THE

1 COMMISSIONER finds that ~~its~~ THE ASSOCIATION'S assets are impaired to  
2 such an extent that it threatens loss to the withdrawable shares, or if ~~any~~  
3 AN association refuses to submit its books, papers, and accounts to the  
4 inspection of the commissioner or any of ~~his~~ THE COMMISSIONER'S  
5 examiners, ~~his deputy~~ DEPUTIES, or ~~his~~ assistants, or if any officer refuses  
6 to be examined ~~upon~~ UNDER oath concerning the affairs of ~~such~~ THE  
7 OFFICER'S association, then the commissioner may revoke the certificate  
8 of authority of ~~such~~ THE association, which ~~shall act~~ REVOCATION SERVES  
9 as an injunction against the association issuing any new shares or stock,  
10 making any new loans, transferring any shares or stock, or making any  
11 change in its managerial or directorial personnel during the time ~~such~~ THE  
12 revocation is in effect.

13 (4) (e) If a conservator is appointed, and THE CONSERVATOR is  
14 other than the federal deposit insurance corporation ~~the office of thrift~~  
15 ~~supervision or its successors~~, or an employee of the division of financial  
16 services, the conservator and any assistants shall provide a bond, payable  
17 to the association and executed by a surety company authorized to do  
18 business in this state, which SURETY COMPANY meets with the approval  
19 of the financial services board, for the faithful discharge of ~~their~~ ITS  
20 duties in connection with ~~such~~ THE conservatorship and the accounting  
21 for all ~~moneys~~ MONEY coming into ~~their hands~~ ITS POSSESSION. The cost  
22 of ~~such~~ THE bond shall be paid from the assets of the association. Suit  
23 may be maintained on ~~such~~ THE bond by any person injured by a breach  
24 of the conditions ~~thereof~~ OF THE BOND. This requirement ~~may be deemed~~  
25 IS met if the financial services board determines that the association's  
26 fidelity bond covers the conservator and any assistants.

27 **SECTION 50.** In Colorado Revised Statutes, 11-44-113, **amend**

1 (1) and (3) as follows:

2 **11-44-113. Procedure under court order.** (1) The commissioner  
3 may retain possession of ~~any~~ A savings and loan association for the  
4 purpose of liquidating its affairs, but before doing so, ~~he~~ THE  
5 COMMISSIONER shall furnish a bond, executed by ~~some~~ A surety company  
6 authorized to do business in this state and running to the people of the  
7 state of Colorado, in a penal sum equal to the value of the negotiable  
8 assets of the association, as nearly as may be determined, for the faithful  
9 discharge of ~~his~~ THE COMMISSIONER'S duties in connection with  
10 liquidating the affairs of the association and accounting for all ~~moneys~~  
11 MONEY coming into ~~his hands.~~ ~~Such~~ THE COMMISSIONER'S POSSESSION.  
12 THE bond ~~shall~~ MUST be approved by the governor and ~~be~~ filed in the  
13 office of the secretary of state. The cost of ~~such~~ THE bond shall be paid  
14 from the assets of the association. Suits may be maintained on ~~such~~ THE  
15 bond by any person injured by a breach of the conditions ~~thereof~~ OF THE  
16 BOND.

17 (3) If the commissioner is in possession of the business, property,  
18 and assets of ~~any~~ AN association, regardless of whether ~~or not he~~ THE  
19 COMMISSIONER is liquidating the affairs of ~~such~~ THE association, the  
20 commissioner ~~in his discretion,~~ may apply to the district court of the  
21 county in which the principal office ~~in this state~~ of ~~such~~ THE association  
22 is located for an order confirming any action taken by the commissioner  
23 or authorizing the commissioner to do any act or to execute any  
24 instrument not expressly authorized by articles 40 to 46 of this ~~title~~ TITLE  
25 11, which order shall be made after a hearing, on such notice as the court  
26 shall prescribe. ~~He~~ THE COMMISSIONER may pay and discharge any  
27 secured claims against ~~such~~ THE association, and, within six months after

1 taking ~~such~~ possession ~~he~~ OF THE ASSOCIATION, THE COMMISSIONER may  
2 disaffirm any executory contracts, including leases, to which ~~such~~ THE  
3 association is a party and disaffirm any partially executed contracts,  
4 including leases, to the extent that they remain executory.

5 **SECTION 51.** In Colorado Revised Statutes, **amend** 11-44-115  
6 as follows:

7 **11-44-115. Officers to furnish schedule of property.** (1) Upon  
8 taking possession of the property, business, and assets of ~~any~~ AN  
9 association, the commissioner shall require the president and secretary of  
10 ~~such~~ THE association to:

11 (a) Make a schedule of all ~~its~~ OF THE ASSOCIATION'S property and  
12 assets and ~~of~~ all collateral held by ~~it~~ THE ASSOCIATION as security for  
13 loans; ~~and to make~~

14 (b) STATE UNDER oath that ~~such~~ THE schedule sets forth all ~~such~~  
15 property, assets, and collateral ~~which such~~ THAT THE association owns or  
16 to which it is entitled; and ~~to~~

17 (c) Deliver ~~such~~ TO THE COMMISSIONER THE schedule and the  
18 possession of all ~~such~~ property and collateral ~~as may not have~~ THAT HAS  
19 NOT been ~~so~~ previously delivered to the commissioner. ~~who~~

20 (2) THE COMMISSIONER may examine ~~under oath such~~ THE  
21 president and secretary, the other officers of ~~such~~ THE association, or the  
22 directors, agents, or employees ~~thereof~~ UNDER OATH at any time to  
23 determine whether ~~or not~~ all the property, assets, and collateral ~~which~~  
24 ~~such~~ THAT THE association owns or to which it is entitled have been  
25 transferred and delivered ~~into his possession~~ TO THE COMMISSIONER.

26 **SECTION 52.** In Colorado Revised Statutes, 11-44-116, **amend**  
27 (1), (3), (5), (6), (7), (8), and (11) as follows:

1           **11-44-116. Liquidation powers of commissioner.** (1) In  
2 liquidating the affairs of an association, the commissioner ~~has the power~~  
3 ~~to~~ MAY:

4           (a) Collect all ~~moneys~~ MONEY due to and all claims of ~~such~~ THE  
5 association and give full receipt ~~therefor, to~~ FOR THE MONEY AND CLAIMS;

6           (b) Release or reconvey all real or personal property pledged,  
7 hypothecated, or transferred in trust as security for loans; ~~to~~

8           (c) Approve and pay all just and equitable claims; ~~to~~

9           (d) Commence and prosecute all actions and proceedings  
10 necessary to enforce liquidations; ~~to~~

11           (e) Compound bad or doubtful debts and ~~to~~ compound and settle  
12 with any debtor or creditor of ~~such~~ THE association or with the persons  
13 having possession of its property or being in any way responsible at law  
14 or in equity to ~~such~~ THE association, upon such terms and conditions and  
15 in such manner as ~~he~~ THE COMMISSIONER deems just and beneficial to  
16 ~~such~~ THE association;

17           (f) In case of mutual dealings between the association and any  
18 person, ~~to~~ allow just setoffs in favor of such ~~persons~~ A PERSON in all cases  
19 in which ~~the same ought to~~ JUST SETOFFS SHOULD be allowed according  
20 to law and equity;

21           (g) In case of borrowers holding shares of the association pledged  
22 to the association as security for ~~said~~ A loan, ~~to~~ allow the amount paid in  
23 on ~~said~~ THE shares, together with all dividends legally declared ~~thereon~~  
24 ON THE SHARES, to be set off against the amount due on ~~said~~ THE loan;  
25 and ~~to~~

26           (h) Sell, convey, and transfer real and personal property.

27           (3) For the purpose of executing and performing any of the

1 powers and duties conferred upon ~~him~~ THE COMMISSIONER, the  
2 commissioner, in the name of ~~such~~ AN association or in ~~his~~ THE  
3 COMMISSIONER'S own name, may:

4 (a) Prosecute and defend any ~~and all suits and other legal~~  
5 ~~proceedings~~ SUIT OR OTHER LEGAL PROCEEDING; and

6 (b) ~~in the name of such association or in his own name, as~~  
7 ~~commissioner, may~~ Execute, acknowledge, and deliver any deeds,  
8 assignments, releases, and other instruments necessary and proper to  
9 effectuate any sale of real or personal property or other transaction in  
10 connection with the liquidation of ~~such~~ THE association. Any deed,  
11 assignment, release, or other instrument executed pursuant to ~~the~~  
12 ~~authority given shall be~~ THIS SUBSECTION (3)(b) IS valid and effectual for  
13 all purposes as ~~though the same had been~~ IF IT WERE executed by the  
14 officers of ~~such~~ THE association by authority of its board of directors.

15 (5) Upon determining to liquidate an association, the  
16 commissioner shall ~~cause~~ REQUIRE an inventory of all the assets of ~~such~~  
17 THE association to be made in duplicate, the original to be filed with the  
18 court and the duplicate in the office of the commissioner. ~~He~~ THE  
19 COMMISSIONER shall cause due notice to be given, by publication once a  
20 week for four successive weeks in ~~some~~ A newspaper of general  
21 circulation published at or near the principal place of business of ~~such~~  
22 THE association in this state, to all persons having claims against ~~it~~ THE  
23 ASSOCIATION as creditors, ~~or~~ investors, or otherwise, to present and file  
24 ~~same~~ THE CLAIMS and make legal proof ~~thereof~~ OF THEM at a place and  
25 within a time to be designated in ~~such~~ THE publication, which time ~~shall~~  
26 MUST be not less than two months after ~~such~~ THE first publication. Within  
27 ten days after ~~such~~ THE first publication, ~~he~~ THE COMMISSIONER shall

1 cause a copy of ~~such~~ THE notice to be mailed to all persons whose names  
2 appear of record upon ~~its~~ THE ASSOCIATION'S books as creditors or  
3 investors. ~~and~~; Upon the expiration of the time fixed for the presentation  
4 of claims, the commissioner shall prepare or cause to be prepared in  
5 duplicate a full and complete schedule of all claims presented, specifying  
6 by classes those that have been approved and those that have been  
7 disapproved, and shall file the original with the court and the duplicate in  
8 the office of the commissioner. Not later than five days after ~~the time of~~  
9 filing ~~such~~ THE schedule with the court, THE COMMISSIONER SHALL MAIL  
10 written notice ~~shall be mailed~~ to all claimants whose claims have been  
11 rejected.

12 (6) Action to enforce the payment of any rejected claim must be  
13 brought and ~~service had~~ PROCESS SERVED within four months after the  
14 date of filing of the schedule of claims with the proper court; otherwise,  
15 all such actions ~~shall be forever~~ ARE barred. All claims of creditors,  
16 investors, or other persons against the association or against any property  
17 owned or held by ~~it~~ THE ASSOCIATION must be presented to the  
18 commissioner in writing AND verified by the claimant or someone ~~in his~~  
19 ACTING ON THE CLAIMANT'S behalf within the TIME period ~~limited~~ FIXED  
20 in the notice ~~mentioned~~ DESCRIBED in subsection (5) of this section for  
21 the presentation of claims. ~~and~~ Any claims not ~~so~~ presented ~~shall be~~  
22 ~~forever~~ ARE barred; ~~but the claim of~~ EXCEPT THAT any investor ~~appearing~~  
23 WHO MAKES A CLAIM THAT APPEARS upon the books of the association as  
24 a valid claim AND IS presented after the expiration of the time fixed in  
25 ~~said~~ THE notice ~~shall be entitled to~~ MAY share in any dividends declared  
26 subsequent to the presentation of ~~such~~ THE claim.

27 (7) (a) The commissioner ~~under his hand and official seal~~ may:

1 (I) Appoint one or more special deputies to assist in the duties of  
2 liquidation and distribution under ~~his~~ THE COMMISSIONER'S direction; ~~and~~  
3 ~~may also~~

4 (II) Employ ~~such special~~ legal counsel, accountants, and assistants  
5 as ~~may be needful and requisite~~ NECESSARY; and

6 (III) Fix the salaries and compensation to be allowed and paid to  
7 ~~each, all to be in a reasonable and commensurate sum~~ SPECIAL DEPUTIES,  
8 LEGAL COUNSEL, ACCOUNTANTS, AND ASSISTANTS.

9 (b) All ~~such~~ salaries, ~~and~~ compensation, and ~~such~~ other reasonable  
10 and necessary expenses ~~as may be~~ incurred in the liquidation OF AN  
11 ASSOCIATION shall be paid by the commissioner from the funds of ~~such~~  
12 THE association. ~~in his hands.~~

13 (8) From the net realization of ~~such~~ AN ASSOCIATION'S assets in  
14 excess of ~~such~~ salaries, compensation, and expenses, the commissioner  
15 shall first pay all approved claims other than to investors, and thereafter  
16 ~~he~~ THE COMMISSIONER shall distribute and pay dividends in liquidation to  
17 the shareholders and investors in the association, other than holders of  
18 permanent stock, until ~~their~~ THE SHAREHOLDERS' AND INVESTORS' claims  
19 are fully paid or ~~such~~ THE assets or funds are exhausted. ~~Such~~  
20 Distributions shall be made as funds are available, ~~therefor,~~ to the extent  
21 of ten percent or more of the approved claims of the class of claimants  
22 then entitled to distribution, and shall continue until all the assets have  
23 been realized upon and a final dividend in liquidation is declared and  
24 paid.

25 (11) Whenever, in case of ~~any~~ AN association ~~which~~ THAT has  
26 issued permanent stock, the commissioner has fully liquidated all claims  
27 other than claims of ~~such~~ THE stockholders and has made due provision



1 for any and all known or unclaimed liabilities, excepting claims of  
2 permanent stockholders, and has paid all expenses of liquidation, ~~he~~ THE  
3 COMMISSIONER shall call a meeting of the stockholders of ~~said savings~~  
4 ~~and loan~~ THE association by giving notice ~~thereof~~ OF THE MEETING for  
5 thirty days in one or more newspapers published in the county in which  
6 the principal office of the association is located. At ~~such~~ THE meeting, the  
7 commissioner shall deliver to ~~such~~ THE stockholders all the property and  
8 effects of ~~said~~ THE association remaining in ~~his~~ THE COMMISSIONER'S  
9 possession, except its records, which THE COMMISSIONER shall ~~be retained~~  
10 ~~by him as part of the records of his office, and, upon~~ RETAIN. AFTER such  
11 transfer and delivery, ~~he shall be~~ THE COMMISSIONER IS discharged from  
12 any ~~and all~~ further liability to ~~said~~ THE association or its creditors, and  
13 ~~thereupon~~ the association shall ~~be~~ IS in the same position ~~as though it~~  
14 THAT IT WOULD BE IN IF IT had never been authorized to transact a savings  
15 and loan business.

16 **SECTION 53.** In Colorado Revised Statutes, **amend** 11-44-117  
17 as follows:

18 **11-44-117. Setoffs.** Credits on loan shares of all persons indebted  
19 to any savings and loan association in the possession of the  
20 commissioner, whether ~~such~~ THE indebtedness is due or to become due,  
21 shall be applied by ~~him~~ THE COMMISSIONER on account of ~~such~~ THE  
22 indebtedness.

23 **SECTION 54.** In Colorado Revised Statutes, **amend** 11-44-118  
24 as follows:

25 **11-44-118. Commissioner and deputy not to accept gifts.**  
26 Neither the commissioner nor ~~his~~ THE COMMISSIONER'S deputy shall  
27 receive or accept any bribe, gratuity, or reward from any person or

1 association for any purpose ~~whatever~~ or knowingly and willfully make  
2 any false or fraudulent report of the condition of any association for any  
3 purpose. ~~whatsoever~~. One or more of the directors of ~~any~~ AN association  
4 may be present at ~~any~~ AN examination of the affairs ~~thereof~~ OF AN  
5 ASSOCIATION, but the absence of any or all of the officers or directors  
6 ~~shall~~ DOES not ~~operate to~~ prevent the commissioner or ~~his~~ THE  
7 COMMISSIONER'S deputy from proceeding with ~~such~~ AN examination.

8 **SECTION 55.** In Colorado Revised Statutes, 11-44-120, **amend**  
9 (1) as follows:

10 **11-44-120. Records of commissioner.** (1) The commissioner  
11 shall maintain annually revised summaries disclosing:

12 (a) The names of the officers and directors of all savings and loan  
13 associations doing business in the state ~~of Colorado~~ during the preceding  
14 year;

15 (b) The financial condition of ~~such~~ THE savings and loan  
16 associations, ~~together with~~ INCLUDING a statement of the assets, liabilities,  
17 and reserves of the associations; and

18 (c) ~~Such~~ ANY other information concerning the ~~same~~ SAVINGS  
19 AND LOAN ASSOCIATIONS as ~~he may see~~ THE COMMISSIONER DEEMS fit TO  
20 INCLUDE.

21 **SECTION 56.** In Colorado Revised Statutes, **amend** 11-46-106  
22 as follows:

23 **11-46-106. Effect of lessee's death or incompetence.** ~~Where~~ IF  
24 a lessor, without written notice or actual knowledge of the death or of a  
25 determination of legal incompetence of the lessee, deals with ~~said~~ THE  
26 lessee or ~~his~~ THE LESSEE'S agent pursuant to a written power of attorney  
27 signed by ~~such~~ THE lessee, the transaction binds the lessor and the estate

1 of the lessee.

2 **SECTION 57.** In Colorado Revised Statutes, 11-46-108, **amend**  
3 (1) introductory portion and (1)(a) as follows:

4 **11-46-108. Adverse claims to contents of safe deposit box.**

5 (1) A lessor shall not deny access to a safe deposit box to IT'S A lessee  
6 unless the LESSEE'S claim ~~of said lessee~~ is adverse within the terms of this  
7 section. A claim ~~shall be considered~~ IS adverse when:

8 (a) The lessor is directed to deny ~~such~~ access by a court order  
9 issued in an action in which the lessee is served with process and named  
10 as a party by a name ~~which~~ THAT identified ~~him~~ THE LESSEE with the  
11 name in which the safe deposit box is leased; or

12 **SECTION 58.** In Colorado Revised Statutes, 11-49-101, **amend**  
13 (4), (6), (7), (8), and (10) as follows:

14 **11-49-101. Definitions.** As used in this article 49, unless the  
15 context otherwise requires:

16 (4) "Entrance fee" means the total of any initial or deferred  
17 transfer to or for the benefit of a provider, ~~of a sum of money or other~~  
18 ~~property~~ WHICH TRANSFER:

19 (a) IS made or promised to be made as full or partial consideration  
20 for the acceptance or maintenance of a specified individual as a resident  
21 in a facility; and

22 (b) IS IN THE FORM OF:

23 (I) PROPERTY; OR

24 (II) A SUM OF MONEY IN AN AMOUNT THAT IS GREATER THAN FOUR  
25 TIMES THE AMOUNT OF A REGULAR PERIODIC CHARGE UNDER A LIFE CARE  
26 CONTRACT AT THE FACILITY.

27 (6) "Life care" means care provided, pursuant to a life care

1 contract, for the life of an aged person, including but not limited to  
2 services such as OCCUPANCY OF A LIVING UNIT, health care, NUTRITION  
3 ASSISTANCE, medical services, ~~board, lodging, or other necessities~~ AND  
4 NURSING SERVICES WITHIN A LIVING UNIT.

5 (7) "Life care contract" means a written contract to provide life  
6 care to a person for the duration of the person's life conditioned upon the  
7 transfer of an entrance fee to the provider of the services in addition to or  
8 in lieu of the payment of regular periodic charges for the care and  
9 services involved. ~~Any~~ A life care contract UNDER WHICH THE ENTRANCE  
10 FEE IS payable to or for the provider in four or more installments ~~shall be~~  
11 IS subject to the provisions of the "Uniform Consumer Credit Code",  
12 articles 1 to 9 of title 5.

13 (8) "Living unit" means a room, apartment, or other area THAT IS  
14 within a facility AND set aside for the ~~exclusive use or control~~ of one or  
15 more identified residents AND WITHIN WHICH LIFE CARE IS PROVIDED BY  
16 THE PROVIDER. A RESIDENT'S LIVING UNIT MAY CHANGE BASED ON THE  
17 APPROPRIATE CARE NEEDS OF THE RESIDENT.

18 (10) (a) "Provider" means a person who undertakes to provide  
19 services in a facility pursuant to a life care contract.

20 (b) "PROVIDER" DOES NOT INCLUDE A UNIT OWNERS' ASSOCIATION,  
21 AS DEFINED IN SECTION 38-33.3-103 (3).

22 **SECTION 59.** In Colorado Revised Statutes, 11-49-102, **amend**  
23 (1) introductory portion as follows:

24 **11-49-102. Escrow account for entrance fees.** (1) Each provider  
25 shall establish an escrow account that provides that all of any entrance fee  
26 received by the provider prior to the date the resident is permitted to  
27 occupy ~~his or her~~ THE RESIDENT'S living unit in the facility be placed in

1 escrow with a bank, trust company, or other licensed corporate escrow  
2 agent located in Colorado and approved by the commissioner, subject to  
3 the condition that the ~~funds~~ MONEY may be released only as follows:

4 **SECTION 60.** In Colorado Revised Statutes, 11-49-103, **amend**  
5 (1) as follows:

6 **11-49-103. Withdrawal or dismissal of person - refund.** (1) If  
7 ~~the~~ AN agreement permits withdrawal or dismissal of ~~the~~ A resident from  
8 ~~the~~ A life care institution prior to the expiration of the agreement, with or  
9 without cause, an amount equal to the difference between the amount paid  
10 in and the amount used for the care of the resident during the time ~~he or~~  
11 ~~she~~ THE RESIDENT remained in the institution, based upon the per capita  
12 cost to the institution as determined in a manner acceptable to the  
13 commissioner, shall be refunded to the resident; but in cases where a  
14 consideration greater than the minimum charge has been paid for  
15 accommodations above standard, a sum equal to the difference between  
16 the amount paid in and the ratio of the amount paid to the minimum  
17 consideration for standard accommodations times the current per capita  
18 cost to the institution applied to the period the resident remained in the  
19 institution shall be refunded to the resident. If the per capita cost to the  
20 institution during the period cannot be established otherwise, the cost  
21 during the period ~~shall be~~ IS deemed to be the cost at the time of the  
22 withdrawal or dismissal. AS USED IN THIS SECTION, for refund purposes,  
23 "cost" ~~shall include~~ INCLUDES a reasonable profit to the provider.

24 **SECTION 61.** In Colorado Revised Statutes, 11-41-112, **amend**  
25 (1)(l) and (1)(m) as follows:

26 **11-41-112. Powers of savings and loan associations.**  
27 (1) Savings and loan associations have the following powers:

1           (1) To act as a trustee, custodian, or manager, or in any other  
2 fiduciary capacity to the same extent authorized and permitted ~~from time~~  
3 ~~to time~~ by the laws and regulations applicable to federal savings and loan  
4 associations in Colorado, and, upon specific approval by the  
5 commissioner, ~~by permission granted such federal associations by the~~  
6 ~~federal office of thrift supervision or its successor, including specifically,~~  
7 ~~but without limitation, the power~~ to act as the trustee, custodian, or  
8 manager of any trust created or organized in the United States and  
9 forming a part of a stock bonus, pension, profit-sharing, or retirement  
10 plan that is qualified for specific tax treatment under ~~the provisions of the~~  
11 federal "Self-Employed Individuals Tax Retirement Act of 1962", 26  
12 U.S.C. SEC. 401 ET SEQ., as ~~from time to time~~ amended or supplemented,  
13 or under ~~the provisions of~~ any other act of congress enacted after June 2,  
14 1971, as a substitute or replacement for the federal "Self-Employed  
15 Individuals Tax Retirement Act of 1962" or under ~~the provisions of the~~  
16 federal "Employee Retirement Income Security Act of 1974", 29 U.S.C.  
17 sec. 1001 et seq., as ~~from time to time~~ amended or supplemented. The  
18 association managing funds of any such plan, trust, or fund ~~shall have~~  
19 HAS, to the extent applicable to federal savings and loan associations in  
20 Colorado, all of the rights, powers, privileges, and immunities and ~~shall~~  
21 ~~be~~ IS subject to the same obligations and duties as an individual fiduciary  
22 under like circumstances with power to make investments. All funds held  
23 in such fiduciary capacity by any association may be commingled for  
24 appropriate purposes of investment, but individual records shall be kept  
25 by the fiduciary for each participant and ~~shall~~ MUST show in proper detail  
26 all transactions engaged in under the authority of this ~~paragraph (1)~~  
27 SUBSECTION (1)(1). An association acting as a trustee may control

1 accounts in or securities of ~~such~~ AN association pursuant to the exercise  
2 of its authority as a trustee. The exercise by an association of any  
3 authority vested in it ~~shall~~ DOES not affect any other authority of ~~such~~ THE  
4 association.

5 (m) To ESTABLISH, subject to the regulations of the ~~United States~~  
6 FEDERAL treasury department, ~~and the federal office of thrift supervision~~  
7 ~~or its successor, establish~~ a tax and loan account and serve as a depository  
8 for federal taxes or as a treasury tax and loan depository, and to satisfy  
9 any ASSOCIATED requirement; ~~in connection therewith;~~

10 **SECTION 62.** In Colorado Revised Statutes, 11-41-113, **amend**  
11 (1) as follows:

12 **11-41-113. Federal home loan bank membership.** (1) Any  
13 savings and loan association organized and incorporated under the laws  
14 of this state as a savings and loan association that is eligible to become a  
15 member of the federal home loan bank, in accordance with ~~the provisions~~  
16 ~~of the act of congress known and cited as the "Federal Home Loan Bank~~  
17 ~~Act", 12 U.S.C. sec. 1421 et seq., approved July 22, 1932 AS AMENDED,~~  
18 is authorized to subscribe for stock of the federal home loan bank for the  
19 district in which it is located and to invest its funds in such stock for the  
20 purpose and to the extent required and permitted by ~~the provisions of the~~  
21 ~~"Federal Home Loan Bank Act", 12 U.S.C. sec. 1421 et seq., or any~~  
22 ~~amendment thereto~~ AS AMENDED, and is further authorized to furnish to  
23 ~~the federal office of thrift supervision or its successor and to the federal~~  
24 home loan bank reports of examinations of ~~such~~ associations made by the  
25 commissioner, and is further authorized to consent to an examination to  
26 be made by the ~~federal office of thrift supervision or its successor or the~~  
27 federal home loan bank, and is further authorized to do all other things as

1 may be required by the "Federal Home Loan Bank Act", 12 U.S.C. sec.  
2 1421 et seq., or any amendment thereto AS AMENDED, necessary to obtain  
3 and to continue membership in the federal home loan bank and to obtain  
4 advances therefrom FROM THE FEDERAL HOME LOAN BANK or that may be  
5 incidental to acquiring or holding membership and to obtaining advances  
6 therefrom FROM THE FEDERAL HOME LOAN BANK, and is authorized to  
7 assume all the duties, obligations, responsibilities, and liabilities and  
8 become entitled to all the benefits provided in the "Federal Home Loan  
9 Bank Act", 12 U.S.C. sec. 1421 et seq., AS AMENDED.

10 **SECTION 63.** In Colorado Revised Statutes, 11-42-111, amend  
11 (14) as follows:

12 **11-42-111. Reserves and distribution of earnings.**  
13 (14) Notwithstanding any other provision of the Colorado "Savings and  
14 Loan Association Law", ~~article 40~~ ARTICLES 40 TO 46 of this title TITLE  
15 11, any association may distribute earnings on its shares on such other  
16 dates, on such other bases, and in accordance with such other terms and  
17 conditions as may from time to time be authorized by regulations made  
18 by the federal office of thrift supervision or its successor or the federal  
19 deposit insurance corporation or its successor for federal savings and loan  
20 associations when such THE regulations are approved by the  
21 commissioner.

22 **SECTION 64.** In Colorado Revised Statutes, 11-44-107, amend  
23 (1)(c) and (1)(f) as follows:

24 **11-44-107. Confidentiality.** (1) Neither the commissioner, the  
25 commissioner's deputy, nor any other person appointed by the  
26 commissioner shall divulge any information acquired in the discharge of  
27 the person's duties; except that:



1 (c) The commissioner may furnish information as to the condition  
2 of a savings and loan association to the federal office of thrift supervision  
3 or its successors, a federal home loan bank, the savings and loan  
4 departments of other states, an insurer authorized to insure obligations or  
5 accounts pursuant to articles 40 to 47 of this title TITLE 11, the executive  
6 director of the department of regulatory agencies, or AND the division of  
7 banking;

8 (f) Notwithstanding any provision contained in this article  
9 ARTICLE 44 to the contrary, the commissioner, the commissioner's  
10 deputies, or other persons appointed by the commissioner may disclose  
11 any information in the records of the division of financial services or  
12 acquired in the discharge of the person's duties that is available from the  
13 federal office of thrift supervision or its successors or IF the disclosure of  
14 which THE INFORMATION has been specifically authorized by the board of  
15 directors of the association to which such THE information relates.  
16 Nothing in this section shall be construed to authorize the board of  
17 directors of an association to waive any privileges that belong solely to  
18 the financial services board OR TO the division of financial services, or its  
19 employees.

20 **SECTION 65.** In Colorado Revised Statutes, 11-45-101, amend  
21 (1) introductory portion and (1)(c) as follows:

22 **11-45-101. Conversion into federal association.** (1) Any  
23 savings and loan association or other home-financing organization, by  
24 whatever name or style it may be designated, which THAT is eligible to  
25 become a federal savings and loan association may convert itself into a  
26 federal savings and loan association by the following procedure:

27 (c) Within a reasonable time and without any unnecessary delay

1 after the adjournment of ~~such~~ THE meeting of shareholders, the  
2 association shall take ~~such~~ ANY action ~~as~~ THAT may be necessary to make  
3 it a federal savings and loan association. ~~and, within ten days after receipt~~  
4 ~~of the federal charter, there shall be filed in the office or division of this~~  
5 ~~state having supervision of such association a copy of said charter issued~~  
6 ~~to such association by the office of thrift supervision or its successor or~~  
7 ~~a certificate showing the organization of such association as a federal~~  
8 ~~savings and loan association certified by, or on behalf of, the office of~~  
9 ~~thrift supervision or its successor. Upon the filing of such instrument,~~  
10 ~~such association shall cease to be a state association and shall thereafter~~  
11 ~~be a federal savings and loan association.~~

12 **SECTION 66.** In Colorado Revised Statutes, 11-45-103, **amend**  
13 (1) as follows:

14 **11-45-103. Conversion into state association.** (1) Any federal  
15 savings and loan association may convert itself into an association under  
16 articles 40 to 46 of this ~~title~~ TITLE 11 by the majority vote of all members  
17 present in person or by proxy at an annual meeting or at any special  
18 meeting called to consider ~~such~~ THE action. Copies of the minutes of the  
19 proceedings of ~~such~~ THE meeting of members, verified by the affidavit of  
20 the secretary or an assistant secretary, shall be filed in the office of the  
21 commissioner ~~and mailed to the office of thrift supervision, or its~~  
22 ~~successor, within ten days after such~~ THE meeting. ~~Such~~ THE verified  
23 copies of the proceedings of the meeting when ~~so~~ filed ~~shall be~~ ARE prima  
24 facie evidence of the holding and action of ~~such~~ THE meeting.

25 **SECTION 67. Act subject to petition - effective date -**  
26 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
27 the expiration of the ninety-day period after final adjournment of the

1 general assembly; except that, if a referendum petition is filed pursuant  
2 to section 1 (3) of article V of the state constitution against this act or an  
3 item, section, or part of this act within such period, then the act, item,  
4 section, or part will not take effect unless approved by the people at the  
5 general election to be held in November 2024 and, in such case, will take  
6 effect on the date of the official declaration of the vote thereon by the  
7 governor.

8 (2) This act applies to the operations of the division of financial  
9 services, the commissioner of financial services, the financial services  
10 board, credit unions, savings and loan associations, and life care  
11 institutions on or after the applicable effective date of this act, including  
12 the imposition of fines by the commissioner of financial services against  
13 a person who violates a cease-and-desist order or a suspension or removal  
14 order.