

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 25-0137.01 Brita Darling x2241

SENATE BILL 25-080

SENATE SPONSORSHIP

Amabile and Bright,

HOUSE SPONSORSHIP

Lindstedt,

Senate Committees
Finance

House Committees

A BILL FOR AN ACT

101 CONCERNING AUTHORIZING CREDIT UNIONS TO PURCHASE BANK
102 ASSETS.

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>.)

The bill authorizes a credit union to purchase the assets and liabilities of a state bank. The banking board may approve up to 5 purchases by credit unions per year.

Prior to approving a purchase, a prospective credit union purchaser must conduct an analysis of the anticipated impacts to small business and agricultural lending and the intended prospective credit union purchaser's

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.

current and anticipated lending data for low- and moderate-income areas, including demonstrating that the purchase will meet the needs of the community. The analyses shall be reviewed by the department of regulatory agencies and made available to the public; except that any trade secrets or other privileged information protected by the "Colorado Open Records Act" incorporated into the analyses shall not be made publicly available.

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

2 **SECTION 1.** In Colorado Revised Statutes, 11-103-709, **amend**
3 (1), (3), (4), (5), and (6); and **add** (7) as follows:

4 **11-103-709. Sale of all assets of bank, branch, or department.**

5 (1) ~~Any~~ EXCEPT AS PROVIDED IN SUBSECTION (7) OF THIS SECTION, a state
6 bank may sell to any other bank OR CREDIT UNION all, or substantially all,
7 of the selling bank's assets and business or all, or substantially all, of the
8 assets and business of any department or branch of the selling bank.

9 (3) ~~The~~ AN agreement of purchase and sale shall be authorized
10 and approved by the banking board and by the vote of a majority of the
11 stockholders of the purchasing BANK OR A MAJORITY OF THE BOARD OF
12 DIRECTORS OF THE PURCHASING CREDIT UNION, AS APPLICABLE, and OF
13 THE selling ~~banks~~ BANK at meetings called for the purpose in like manner
14 as meetings to approve mergers are called and filed with the
15 commissioner, accompanied by evidence of such stockholders' OR
16 DIRECTORS' approval in like manner as agreements of merger are filed.
17 After such approval is given by the stockholders OR DIRECTORS, a notice
18 of such sale shall be published once a week for three successive weeks in
19 a newspaper of general circulation in the county in which the selling bank
20 has its principal office. Proof of such publication shall be filed with the
21 division.

22 (4) Notwithstanding any term of the agreement, or of ~~his or her~~ A

1 DEPOSITOR'S contract of deposit, any depositor whose business is thus
2 sold has the right, upon payment of any indebtedness owing by the
3 depositor to the bank, to withdraw ~~his or her~~ THE DEPOSITOR'S deposit in
4 full on demand after such sale unless, by dealing with the purchasing
5 bank OR CREDIT UNION with knowledge of the purchase, the depositor
6 ratifies the transfer.

7 (5) The agreement of sale may provide for the transfer to the
8 purchasing bank OR CREDIT UNION of all fiduciary positions held by the
9 selling bank pursuant to section 11-106-105.

10 (6) ~~No~~ A right against, or obligation of, the selling bank, in
11 respect of the assets or business sold, shall NOT be released or impaired
12 by the sale until one year ~~from~~ AFTER the last date of publication of the
13 notice, pursuant to subsection (3) of this section, but, after the expiration
14 of such year, ~~no~~ action shall NOT be brought against the selling bank on
15 account of any deposit, obligation, trust, or asset transferred to or liability
16 assumed by the purchasing bank OR CREDIT UNION.

17 (7) (a) NOTWITHSTANDING ANY PROVISION OF THE "COLORADO
18 BANKING CODE", ARTICLES 101 TO 109 AND ARTICLE 10.5 OF THIS TITLE
19 11, TO THE CONTRARY, THE BANKING BOARD MAY APPROVE UP TO FIVE
20 TRANSACTIONS PER YEAR IN WHICH A CREDIT UNION PURCHASES EITHER
21 ALL, OR SUBSTANTIALLY ALL, OF THE SELLING BANK'S ASSETS AND
22 BUSINESS OR ALL, OR SUBSTANTIALLY ALL, OF THE ASSETS AND BUSINESS
23 OF ANY DEPARTMENT OR BRANCH OF THE SELLING BANK.

24 (b) (I) EXCEPT AS PROVIDED IN SUBSECTION (7)(b)(II) OF THIS
25 SECTION, PRIOR TO ANY APPROVAL OF A PURCHASE BY THE BANKING
26 BOARD, A PROSPECTIVE CREDIT UNION PURCHASER MUST CONDUCT THE
27 FOLLOWING ANALYSES, REVIEWED BY THE RELEVANT DIVISIONS OF THE

1 DEPARTMENT OF REGULATORY AGENCIES PRIOR TO THE SALE AND MADE
2 AVAILABLE TO THE PUBLIC:

3 (A) AN ANALYSIS OF THE ANTICIPATED IMPACTS TO SMALL
4 BUSINESS AND AGRICULTURAL LENDING; AND

5 (B) AN ANALYSIS OF THE PROSPECTIVE PURCHASING CREDIT
6 UNION'S CURRENT AND ANTICIPATED LENDING DATA FOR LOW- AND
7 MODERATE-INCOME AREAS, INCLUDING A DEMONSTRATION THAT THE
8 PURCHASE WILL MEET THE NEEDS OF THE COMMUNITY.

9 (II) NOTHING IN THIS SUBSECTION (7)(b) AUTHORIZES PUBLIC
10 INSPECTION OF A RECORD THAT IS PROTECTED FROM INSPECTION
11 PURSUANT TO SECTION 24-72-204 (3)(a)(IV) OR ANOTHER PROVISION OF
12 THE "COLORADO OPEN RECORDS ACT", PART 2 OF ARTICLE 72 OF TITLE
13 24.

14 **SECTION 2. Act subject to petition - effective date.** This act
15 takes effect at 12:01 a.m. on the day following the expiration of the
16 ninety-day period after final adjournment of the general assembly; except
17 that, if a referendum petition is filed pursuant to section 1 (3) of article V
18 of the state constitution against this act or an item, section, or part of this
19 act within such period, then the act, item, section, or part will not take
20 effect unless approved by the people at the general election to be held in
21 November 2026 and, in such case, will take effect on the date of the
22 official declaration of the vote thereon by the governor.