

CHAPTER 78

**FINANCIAL INSTITUTIONS**

**HOUSE BILL 02-1280**

BY REPRESENTATIVE(S) Rhodes, Dean, Harvey, Jameson, Mace, Mitchell, Rippy, Scott, White, and Williams T.;  
also SENATOR(S) Taylor, Fitz-Gerald, Hernandez, and Teck.

**AN ACT**

**CONCERNING THE PROHIBITION OF THE REGULATION OF BANKING BY A POLITICAL SUBDIVISION.**

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

**SECTION 1.** 11-1-105, Colorado Revised Statutes, is amended to read:

**11-1-105. Application of code.** (1) The provisions of this code shall govern the incorporation, organization, corporate functions, merger, consolidation, sale of assets, liquidation, dissolution, and reorganization procedures of corporations operating as banks (whether or not, as a part of and in conjunction with such operations, they engage in the trust or safe deposit business) in the state of Colorado; but the provisions of articles 1 to 11 of this title only apply to industrial banks and trust companies organized and operating under the provisions of articles 22 and 23 of this title when specifically provided in said articles 1 to 11, 22, or 23 of this title, and articles 22 and 23 of this title shall otherwise govern exclusively industrial banks and trust companies.

(2) (a) (I) THE REGULATION OF BANKING IS A MATTER OF STATEWIDE CONCERN, AND IN ORDER TO MAINTAIN A UNIFORM STATEWIDE SYSTEM OF BANKING AND BANK REGULATORY POLICY IN COLORADO, THE REGULATION BY A POLITICAL SUBDIVISION OF DEPOSITS, LENDING, OR OTHER SERVICES OR PRODUCTS PROVIDED BY BANKS IN ACCORDANCE WITH APPLICABLE STATE OR FEDERAL LAW SHALL BE PROHIBITED.

(II) NOTHING IN THIS SUBSECTION (2) SHALL PRECLUDE A POLITICAL SUBDIVISION FROM ENACTING AND ENFORCING LAWS OR RULES OF GENERAL APPLICABILITY CONCERNING PUBLIC HEALTH, SAFETY, OR WELFARE.

(b) FOR THE PURPOSES OF THIS SECTION, "POLITICAL SUBDIVISION" MEANS AND INCLUDES EVERY COUNTY, CITY AND COUNTY, CITY, TOWN, SCHOOL DISTRICT,

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

SPECIAL DISTRICT, AND HOUSING AUTHORITY WITHIN THE STATE.

**SECTION 2. Effective date.** This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: April 3, 2002