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The Honorable Colorado State House of Representatives
The 74th General Assembly
First Regular Session
State Capitol
200 E. Colfax Ave.
Denver, CO 80203

Dear Honorable Members of the Colorado State House of Representatives:

Today I signed into law HB24-1351, "Sunset Division Banking & Board." This bill implements the recommendations in the 2023 sunset report by the Department of Regulatory Agencies (DORA) for the Division of Banking & the State Banking Board.

This is critical, must-pass legislation to ensure the continued functioning of a major state regulatory body. The Division of Banking protects the public interest and preserves public trust in the Colorado banking industry through its essential regulatory functions.

Each year, DORA issues several sunset review reports, which evaluate key functions of state government to make recommendations based on statutory criteria on both their continuation and how they might be improved, consistent with the least restrictive form of regulation. This year, the sunset report recommended that credit unions be authorized to purchase the assets and liabilities of state-chartered banks, along with several other recommendations – all of which my administration stands behind in an effort to keep the state charter competitive. From day one, my administration has championed employee and customer ownership models including employee stock ownership plans (ESOPs), co-operatives, and credit unions.

Unfortunately, while HB24-1351 extends the Banking Division's work through 2033 and implements other recommendations from the sunset report, the final version omits the above-mentioned recommendation regarding credit unions. I expect and encourage the General Assembly to act on a stand-alone bill on this topic during the 2025 legislative session, and I expect both members and stakeholders to work during the interim to find a path forward. To that end, I am directing my office and DORA to convene interested parties in the coming months to discuss this policy and other strategies to keep the state charter competitive among the dual charter system of financial institutions and facilitate agreement on recommendations for future legislation.

I thank the sponsors and proponents for bringing this legislation forward.

Sincerely,

A handwritten signature in blue ink that reads "Jared Polis".

Jared Polis
Governor
State of Colorado