

FINAL

## NO FISCAL IMPACT

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**Drafting Number:** LLS 07-0290**Date:** May 11, 2007**Prime Sponsor(s):** Rep. Balmer  
Sen. Sandoval**Bill Status:** Signed into Law**Fiscal Analyst:** David Porter (303-866-4375)

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**TITLE:** CONCERNING THE EXCHANGE OF INFORMATION BY SPECIFIED STATE BANKING OFFICIALS WITH THE UNITED STATES SECRETARY OF THE TREASURY REGARDING CERTAIN ENTITIES THAT TRANSMIT MONEY, AND, IN CONNECTION THEREWITH, AUTHORIZING THE STATE BANK COMMISSIONER TO EXCHANGE INFORMATION PERTAINING TO THE CONDITION OF MONEY TRANSMITTERS AND FOREIGN CAPITAL DEPOSITORIES WITH THE TREASURY SECRETARY AND ALLOWING THE STATE BANK COMMISSIONER, THE BANKING BOARD, OR THEIR DESIGNEES TO EXCHANGE INFORMATION ABOUT THE ACTIVITIES OF SUCH ENTITIES WITH THE TREASURY SECRETARY.

### Summary of Assessment

Currently, the Commissioner of Banking in the Department of Regulatory Agencies may exchange information about the financial condition and viability of banks to the U.S. Treasury, which includes the IRS. Such information may include a review of asset quality and loan portfolios, and a financial analysis of the bank's condition and overall operations.

This bill allows the state Commissioner of Banking to exchange criminal background information about money transmitters and foreign capital depositories with the U.S. Treasury. Money transmitters are organizations that transfer money using means such as facsimile, wire, or electronic transfer. Western Union and PayPal are examples of commonly known money transmitters. Foreign capital depositories are organizations that provide legal non-U.S. residents a safe place to hold foreign capital. Colorado is the only state that authorizes this type of depository institution.

Extending the authority of the commissioner allows the Division of Banking, within the Department of Regulatory Agencies, to enter into a memorandum of understanding with the U.S. Treasury to exchange findings about the financial condition and activities of the organization. Information given to the U.S. Treasury includes examination, audit, and monitoring reports and may be used to investigate money laundering.

This bill does not impose any additional requirements on the division. No state or local expenditures or revenues result from this bill and it is assessed as having no fiscal impact. The bill was signed by the Governor and became law on April 2, 2007.

### Departments Contacted

Regulatory Agencies