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Procedures for Industrial Bank Participation in the Colorado Guaranteed Student Loan Program (CGSLP) [Section 11-108-204, C.R.S.]

- A. This Rule is necessary to establish uniform procedures by which industrial banks may participate in the CGSLP so as to improve the services provided to depositors and customers.
 - 1. The Rule shall assist the Commissioner in promoting and maintaining a sound industrial banking system, the security of deposits and depositors, and the protection of other customers.
- B. No industrial bank that participates in the GSL or PLUS programs administered by CGSLP shall make or hold loans to students and parents under the GSL and PLUS programs that total more than one-half of its consumer credit loan dollar volume including home mortgages.
- C. No industrial bank shall be required to maintain a reserve against bad debts for any loans that have been made pursuant to approval of the Director of CGSLP.
- D. Loans of an industrial bank made pursuant to the approval of the director of CGSLP may not be included in the bank's reserves against deposit liability required by Section 11-108-401(7)(a), C.R.S.

Amended Effective October 31, 2005

Amendments correct minor grammatical and technical errors.

Amended Effective March 1, 2004

Statutory reference amendment to conform Rule to recodified statutes; update terminology to conform to recodified statutes; formatting changes to comply with Colorado Secretary of State guidelines.

Amended Effective June 1, 1998

To eliminate reference to repealed Section 11-22-108, C.R.S., and reference to the 1973 Colorado Revised Statutes.