

The Division has received the following comments via the Firearms Dealer Division Rulemaking email. The Division will respond to certain parties' comments should the Division implement their recommendations into the rule. Some comments submitted were not directed at the proposed rules, but rather to the legislation (HB24-1353). These comments are not able to be considered as the General Assembly passed this bill and it is the duty of the Firearms Dealer Division to implement the new law as written.

Lincoln Wilson

Hale Store

RE: Follow up to Submission of Written Response for Session #3 Rules

Received November 22, 2024

I appreciate your responses. They indicate and demonstrate that your words, "we value your input," stem from a foundation of integrity rather than merely adhering to legislative statutes.

While this integrity does not make the legislation before us any more palatable, it does render it more inclusive and considerate for those of us who must operate within its framework.

You have been very deliberate in not committing to addressing our concerns to the legislature but simply working within the framework of the statute. When it becomes time to present your work product for review, is it possible to "ask" for reconsideration and modifications to the statute that does not alter legislative intent but does provide Colorado Firearms Dealers with a less burdensome path of duplicative tasks, allowing us to remain in compliance with the laws?

I look forward to the continuing development of the rules and regulations of this legislation. The growing members of our support group, the Colorado Federal Firearms Licensee Association, continue to provide encouragement and a voice for our business livelihoods.

Jerry Rainbolt

Nutz4Junk Antiques & Collectibles

RE: Fingerprints for state license

Received November 8, 2024

Regarding state fingerprints for our state firearms license through the CBI. It may be in the bill, but the CBI currently has a copy of our current FFL, and we are in the CBI system.

I think as an industry we can streamline this licensing process by "piggy backing" from what CBI database has on all of us FFL's. Having to take an additional fingerprint card (and pay for that) is not something I feel is necessary based on what data the CBI has on us FFL's.

Jane Gustafson

Goods for the Woods

RE: New Law Passed

Received November 8, 2024

so the 6.5 tax was approved and we understand this is an excise tax not a sales tax so how is that handled for example take smith & wesson as a firearm co, are they paying this tax when their firearms are shipped to colorado? also, what is involved in this 6.5 meaning the products included. the dept of rev said firearms and parts but the word parts is very broad. will there be official information sent out to clarify this new headache just voted in.

Division's response November 8, 2024:

Thank you for your questions. Unfortunately, the Division cannot provide answers to those questions. This new tax is administered by the Colorado Division of Taxation. You will have to contact that division.

Scott Bell

Meridian Aircraft

RE: Today Meeting - Updated Rule 2-100

Received November 8, 2024

I have several questions about the updated rule 2-100,

- 1) Are you going to require electronic fingerprints, if so our Sheriff in Weld county does not have that option? Please allow paper ones.
- 2) The log book for firearm sales and transfers is property of the ATF and am told the State does not have authority to review them, without permission from the ATF, please address this.
- 3) if you have several FFL's under the same name will they fall under the one State application? Meaning an import export FFL and a -7. or -8.?

Division's response November 8, 2024:

Hopefully, some of your questions were answered during today's meeting. Since the Division is still in the process of drafting rules, not all answers are available at this time. Your questions and comments will be taken under consideration and answers will be forthcoming soon.

The Division appreciates your questions and recommendations, please do not hesitate to submit any additional inquiries, recommendations, or comments you may have.

Lincoln Wilson

Hale Store

RE: Comments to Session #3 Proposed Rules

Received on November 7, 2024

I apologize for submitting this form so late and in a format that I hope is not too difficult to follow.

I do appreciate the opportunity to access it online. I will be traveling and hope to be able to make a connection.

[See attached document: [Hale Store November 7, 2024 Response to Draft Rules](#)]

Division's response November 15, 2024:

The Division appreciates your comments and will consider them seriously when drafting the rules that will guide the implementation of HB24-1353. The Division has limited flexibility and is required to draft rules that are in compliance with the statutes contained within HB24-1353 and other relevant statutes, even if they duplicate federal requirements.

The questions related to "gender" and "race" will be removed from the permit application; however, this information is required by statute to be reported to the legislature annually. These questions will be requested from the Responsible Persons and employees who are required to be fingerprinted. There will be an option to not disclose if the applicant so chooses.

Fingerprinting of individuals who handle firearms is required by statute, and the Division does not have the ability to waive or substitute this requirement.

Your concern about the Division not accepting a renewal application after the permit has expired is noted, but again this is a statutory requirement. However, if a renewal application is received prior to the permit expiration date the dealer will receive a letter from the Division that will enable continued operation of the business while the renewal application is processed. The Division cannot issue a renewal until the dealer possesses a valid FFL, but if the FFL renewal is delayed the dealer can continue to operate under the provisions of the aforementioned letter, unless BATFE regulations otherwise prohibit continued operation of the business.

The "time to act" is established in statute, and the Division must comply with the statutory timelines. The Division will make every effort to process all applications in a timely manner and approve initial and renewal applications prior to the established timelines. However, there may be circumstances, such as the delayed issuance of an FFL, that could adversely impact the timeline. The longer time period provided in the statute could be mutually beneficial to the applicant and the Division.

Again, the Division appreciates your comments and recommendations. Please do not hesitate to submit additional comments as we move forward with rulemaking and starting up the new Division.

RE: Follow up to Submission of Written Response for Session #3 Rules
Received November 22, 2024

Greetings, Madam Director, and Staff.

I appreciate your responses. They indicate and demonstrate that your words, "we value your input," stem from a foundation of integrity rather than merely adhering to legislative statutes.

While this integrity does not make the legislation before us any more palatable, it does render it more inclusive and considerate for those of us who must operate within its framework.

You have been very deliberate in not committing to addressing our concerns to the legislature but simply working within the framework of the statute. When it becomes time to present your work product for review, is it possible to "ask" for reconsideration and modifications to the statute that does not alter legislative intent but does provide Colorado Firearms Dealers with a less burdensome path of duplicative tasks, allowing us to remain in compliance with the laws?

I look forward to the continuing development of the rules and regulations of this legislation. The growing members of our support group, the Colorado Federal Firearms Licensee Association, continue to provide encouragement and a voice for our business livelihoods.

Thank you again; you and your work are appreciated.

Rich Koeppe
Frugal Firearms

Email to Tax Division and response thereto forwarded on November 7, 2024:

Please see the below email from the Colorado Excise Tax department

If you could please share this with the rest of the Firearm community, I am sure they would appreciate the little bit of information

Before the meeting tomorrow afternoon, that would be 1 less question that would be asked

Message to Excise Tax Unit:

Since Prop KK or House Bill 24-1349 passed the Nov 5 vote for the 6.5% tax on firearms, parts, ammo

How is this going to work? and how will ALL the Co Firearm / Ammo dealers/ manufacturers get notified on what to do?

Response:

At this point, implementation of the tax collection is ongoing, therefore specific information may change before the final roll out.

The excise tax of 6.5% of the net taxable sales from the retail sale of any firearm, firearm precursor part, or ammunition will begin on April 1, 2025. A Firearm & Ammunition Tax Return Form will be electronically submitted each month through the Revenue Online system. Payments will also be made electronically through the same portal.

Registration as a vendor must be completed on the Colorado Sales Tax and Withholding Account Application and renewed on or before January 1 of each even-numbered year. even

Paperwork is being finalized as we speak and more details are expected in the launch of a new webpage during January. Please check our website, tax.colorado.gov/excise-fuel-tax in the upcoming weeks for more communication.

RE: question on Prop KK - House Bill 23-1349

Received on November 6, 2024

Since Prop KK or House Bill 24-1349 passed the Nov 5 vote for the 6.5% tax on firearms, parts, ammo

Is your division going to handle this as well ? or another department?

As This will be another set of hoops and regulations that we will have to endure

Division's response November 7, 2024:

The Firearms Dealer Division will not be involved with this new tax. Taxes are handled by the Colorado Division of Taxation.

Denise Landin

EZPawn Colorado, Inc. and EZCORP

RE: Comments to Session #3 Proposed Rules
Received on November 7, 2024

In preparation of tomorrow's Working Group Meeting, attached please find comments and proposed revisions submitted on behalf of EZPAWN. Should you have any questions, please do not hesitate to contact me directly.

[See attached document: [EZPAWN November 7, 2024 Comments submitted for Working Group #3](#)]

Frank Manthei

Second Amendment Service

Public Comment: New Law

Received on November 5, 2024

I have been a small FFL dealer for about 5 years. I just checked my account. With all expenses that were deducted from my account the final total is \$1200.00 . This is what I have made in the 5 years I have been in business. I have made no personal draws.I believe this new law is nothing more than a woke legislature wanting to put small businesses out of business.

This legislation does nothing to stop gun violence. Also the rules are redundant as all FFLs have much more stringent checks in order to get a licence. I served my country for 22 years, that was nearly 40 years ago. THIS IS NOT THE COUNTRY THAT I RISKED MY LIFE TO DEFEND. What have we become?

Polberry Services (sender's name not provided)

MTM Armory

Public Comment: Application and Renewal Process Requirements - Comments

Received on November 5, 2024

My comment is regarding RENEWALS;

Requirement C-g:

Requiring all responsible persons to be fingerprinted for the renewal process is redundant and excessive. For instance, if a Dealer submits their application within the 90-day window, prior to permit expiration, the applicant and all responsible person's fingerprints are still valid. Dealers should only be required to submit fingerprints for first time applicants, or if their permit were to expire. Non-compliance will likely be a factor if there is no incentive to renew the permit prior to the expiration date.

Additionally, does a Dealer need to notify the state if a responsible person on the permit is no longer a responsible person for the FFL during an active permit period?

Section D-H states; *A responsible party shall notify the Division when they want to voluntarily surrender their firearms dealer permit on forms provided by the department.*

1. FFL's can have multiple responsible persons on one license. What if there are multiple responsible persons on the FD permit? How is this notice provided - in writing? Upon renewal of the permit?
 - a. This would also include mailing address changes - something likely to change during a permit cycle

Division's response November 7, 2024:

COMMENT: *Dealers should only be required to submit fingerprints for first time applicants, or if their permit were to expire.*

The requirement that all firearms dealer employees "who, in the course of the person's duties, handles firearms, processes the sale, loan, or transfer of firearms, or otherwise has access to firearms," be fingerprinted every three years is established in statute [18-12-407(3)(h)]. There are no exceptions or waivers provided for this requirement. The recommendation offered in your comment would require a statutory change through the state legislature.

COMMENT: *Does a Dealer need to notify the state if a responsible person on the permit is no longer a responsible person for the FFL during an active permit period?*

1. *FFL's can have multiple responsible persons on one license. What if there are multiple responsible persons on the FD permit? How is this notice provided - in writing? Upon renewal of the permit?*
 - a. *This would also include mailing address changes - something likely to change during a permit cycle*

The Division is currently constructing a multi-use form that will enable dealers to report changes in their business operations including:

- > **Personnel changes in Responsible Persons and employees,**
- > **Contact information such as email, mailing address, and telephone number, and**
- > **Other changes that affect the operation of the firearms business**

This form will be available online and can be submitted electronically when the change occurs.

John Meeker

Business affiliation not provided

Public Comment: Small "transfer only" dealers

Received on August 16, 2024

The definition of "Dealer" needs to be clarified. Will it include people who do not sell or otherwise dispose of, but merely facilitate the transfer of firearms that have been sold by someone else? If the facilitation of the transfer does not fall within the definition of a Dealer, does the new permitting process apply?

Division's response November 4, 2024:

The Division and Colorado Statutes use the same definition of firearms dealer as the ATF. This definition is found in Title 18 Section 921 of the U.S. Code:

The term "dealer" means (A) any person engaged in the business of selling firearms at wholesale or retail, (B) any person engaged in the business of repairing firearms or of making or fitting special barrels, stocks, or trigger mechanisms to firearms, or (C) any person who is a pawnbroker. The term "licensed dealer" means any dealer who is licensed under the provisions of this chapter.

If you currently hold an FFL, you must obtain a State Permit to continue to operate your business.

Follow up received November 4, 2024:

If the determination is simply that anyone with a FFL is required to obtain a permit, that is the wording that should be used. Confusing the determination with the below definitions is not clarifying, nor logical.

My business does not fall within the definition of "dealer" as provided below as that definition does NOT include simple transaction facilitation that does not include wholesale or retail sales. Additionally, holding a FFL allows one to open wholesale accounts for optics and other accessories that are not firearms.

"Licensed Dealer" and "Dealer" as described below are separately defined terms in the rules and are not necessarily equal.

Again, if the State's determination is that any and all FFLs have to have a permit to operate, that is what the rules should say. Requiring "Dealers" to be permitted is not a clear instruction.

Clarifying language would be appreciated.