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May 30, 2023

BULLETIN 23-03

REFERENCE: Bulletin 23-03 - Festival Updates per SB23-264

On May 17th, Governor Polis signed <u>SB23-264</u> into law, changing certain aspects of the festival permit and festival permit application process. The changes that will occur on **June 1, 2023** are as follows:

- The timing to file a festival application has increased from 10 business days notice to 30 calendar days before the festival is to be held;
- The State processing fee for a festival permit has increased from \$25.00 to \$50.00, for the first festival application and each subsequent festival application;
- An authorized participating licensee can participate in up to 52 festivals in a calendar year.

Beginning on January 1, 2024, a permittee may hold up to 9 festivals in a calendar year. Currently, the permittee may hold up to 9 festivals during a 12 month period after the festival permit is issued with the first festival. The Division will continue to post a list of the festival counts on our webpage.

The festival permit application, <u>DR8420</u>: <u>Alcohol Beverage Festival Permit Application</u>, has been updated and will be made available on June 1, 2023, on our website. The processing fee for each festival permit application can be paid online at your convenience using this <u>link</u> or by check to the Division. The application is not complete for consideration until the payment and all application materials are received and approved.

Increase in Joint Participation

Beginning June 1, 2023, an eligible licensee can participate in *up to fifty-two festivals per calendar year*. An eligible licensee is still limited to holding up to, but no more than, nine (9) festival permits during the twelve month period after the festival permit is issued. They can, however, participate in additional festivals under the permit issued to another licensee up to the fifty-two (52) per calendar year limit.

Examples:

Licensee A applies for a festival permit on June 2, 2023, and plans to hold 9 festivals (assuming other requirements are met) before December 31, 2023. Licensee A may also jointly participate in 43 other festivals for a total of 52 before December 31, 2023. Licensee A may apply for a festival permit on January 1, 2024, may hold up to 9 subsequent festivals (assuming other requirements are met) under that festival permit, and may participate in up to 52 festivals during the calendar year of 2024, which includes any festivals held by Licensee A.

Licensee B applies for a festival permit on September 1, 2023, and plans to hold 3 festivals over a 12 month period, but only holds two additional festivals before December 31, 2023 - for a total of three festivals held by Licensee B by the end of 2023. Licensee B may still jointly participate in up to 49 festivals held by other licensees before December 31, 2023. Licensee B may apply for a festival permit on January 1, 2024, may hold up to 9 subsequent festivals (assuming other requirements are met), and may participate in up to 52 festivals during the calendar year of 2024, which includes any festivals held by Licensee B.

Notification of canceled event:

If a permittee cancels a festival event and notifies the Division prior to the event's scheduled start date, the event will not count towards the nine allowed festivals. If notification occurs after the event date it will be counted towards the nine allowed festivals.

The Division will be updating regulation 47-405 Festival Permits during a working group session this summer. The topic will be discussed on Tuesday, June 20, 2023 from 1:30 pm to 4:00 pm.

Join Zoom Meeting:

https://zoom.us/j/94720913501

Meeting ID: 947 2091 3501

The Division reserves the right to amend or withdraw industry bulletins at any time but will try to provide as much forewarning as possible before any such amendment or withdrawal.

Please do not hesitate to reach out to LED at <u>dor_led@state.co.us</u> if you have any questions, issues, or comments.

Colorado Liquor and Tobacco Enforcement Division