



December 9, 2024

Colorado Department of Revenue  
Specialized Business Groups—Firearms Dealer Division  
*Via online submission*

Re: Colorado Firearms Permit Rulemaking; Proposed Revisions for Session #4

Dear Sir or Madam,

Attached with this correspondence is proposed revisions to the latest draft of proposed rules submitted by EZCORP, Inc. on behalf of its subsidiary EZPAWN Colorado, Inc. d/b/a EZPAWN (“EZPAWN”). EZPAWN appreciates the continued partnership on rulemaking with the Department of Revenue-Firearms Dealer Division (the “Division”) and provides the below explanation to support the proposed revisions submitted.

#### Definitions

EZPAWN appreciates the addition of the Responsible Persons definition to the proposed rules. To avoid any confusion or inconsistencies in the future, it would help EZPAWN for the Department to provide guidance on who it expects to be a Responsible Person. For instance, EZPAWN maintains field level responsible persons with management over the location, as well as corporate level responsible persons who may help direct policies related to firearms for its FFL compliance. The requirements outlined in the draft rules may be read to be focused on management of the firearms location.

EZPAWN reiterates a concern raised with its Session #2 comments on Responsible Persons. In prior comment, EZPAWN noted that the draft rules do not yet provide guidance on any requirement to update permit information related to Responsible Persons. When a Responsible Person changes, either due to transfer or termination, we are required to update the ATF with this change, which is typically done with an email to notify the ATF licensing department notifying them to remove a Responsible Person on a location with the expectation that any replacement goes through the full vetting required to be a Responsible Person for licensing purposes. The current draft rules only anticipate receiving this information once every three years when the permit renewal application is received. EZPAWN respectfully requests confirmation from the Department on whether Responsible Persons updates only need to be given during initial application and renewal applications.

EZPAWN respectfully requests clarification on the definition of “firearms transfer,” as it relates to pawnbroking. With pawnbroking, the firearm does not change ownership since the firearm is still owned by the person pledging the firearm to secure a loan. The current draft definition inclusion of change of ownership is unclear if it is intended to include pawnbroking activities related to firearms. Additionally, pawnbroking is not considered “retail” since it is a financial transaction. The draft definition of “firearms transfer” may create confusion when taking these points into consideration and evaluating the first and second sentences of the definition. EZPAWN provides the Department an example of how ATF defines “transfer” in 27 C.F.R. 479.11 as follows:

This term and the various derivatives thereof shall include selling, assigning, pledging, leasing, loaning, giving away, or otherwise disposing of. For purposes of this part, the term shall not include the temporary conveyance of a lawfully possessed firearm to

a manufacturer or dealer qualified under this part for the sole purpose of repair, identification, evaluation, research, testing, or calibration and return to the same lawful possessor.

The Department may avoid confusion by considering a similar definition to ATF. Otherwise, EZPAWN requests clarification of the Department's intent with the definition of "firearm transfer."

### Training

EZPAWN respectfully requests the Department to allow permit holders who develop and conduct internal training to continue to offer such training if it meets the requirements of the statute. EZPAWN maintains internal training and compliance departments responsible for the development, annual review and dissemination of online training specifically related to firearms. All training courses currently must be completed at new hire and annually thereafter, as well as include a testing component. EZPAWN's testing component allows the employee to take the examination more than one time to achieve a passing score. The draft rules do not say if employees will be allowed more than one opportunity to pass the examination. Clarification on this point in the rules would help all permit holders align with the Department's expectations. EZPAWN would expect possible updates to the training to include a Colorado specific training to highlight key areas of the Department's expectations, but otherwise already address such topics as straw purchase and firearm safety. EZPAWN requests that there be the ability in the rulemaking for the Department to review and approve a permit holder's internal training if such training exists.

The proposed rule also references a "certificate of completion." While EZPAWN maintains records electronically of testing scores and completion rates, a formal certificate appears to be a requirement under the proposed rule. If a certain certificate is needed, EZPAWN requests the Department develop and provide a template certificate for use.

EZPAWN respectfully requests clarification of what the Department will consider "effective" to meet the training requirement regarding "Effectively teaching consumers rules of firearm safety, including the safe handling and storage of firearms." EZPAWN requests reconsideration of this requirement. It places a high burden and responsibility on a firearm dealer without any assurance of what actions the firearm dealer takes, with the best of intentions, is effective. EZPAWN welcomes a partnership with the Department on providing consumers information or posting signage in its stores that conveys information to consumers on firearm safety drafted by the Department. ATF provides written pamphlets for consumers. EZPAWN asks for more detailed directions and guidance from the Department.

### Securing Firearms

EZPAWN requests the Department expand the proper securing measures to include locking up firearms in a gun room, which may be considered different than a vault referenced in the draft rules.

EZPAWN appreciates the opportunity to provide comments on the draft rules and partner with the Division. If you have any questions or need more information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Denise Landin".

Denise Landin  
VP/Deputy General Counsel