



COLORADO
Department of Revenue

Specialized Business Group—
Firearms Dealer Division
Physical Address:
1707 Cole Boulevard, Suite 300
Lakewood, CO 80401

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Introduction of Colorado House Bill 24-1353 and Upcoming Stakeholder Meetings

July 12, 2024

Dear Colorado Federal Firearms License Holder,

The Colorado Department of Revenue is reaching out to inform you about the recent legislative changes impacting firearms dealers within the state. Colorado House Bill 24-1353 has been enacted, requiring all firearms dealers to obtain a state firearms dealer permit to legally engage in the business of dealing in firearms. This new requirement is in addition to holding a Federal Firearms License (FFL) and is aimed at enhancing the regulatory framework governing the sale and management of firearms in Colorado.

We understand that implementing these changes may present challenges, and we are committed to working collaboratively with FFL holders and other interested partners to establish clear rules and provide comprehensive and relevant training related to the newly enacted legislation. Our goal is to ensure a smooth transition and to support firearms dealers in meeting these new regulatory requirements effectively and efficiently.

Upcoming Rulemaking Stakeholder Engagement:

We are committed to an inclusive process and encourage your participation in these rulemaking discussions. To apply to be a part of the working group process, please complete the online application via one of the three ways provided:

- [Link](https://docs.google.com/forms/d/e/1FAIpQLSd2H3gXUjkKlcyEaQPPrGOHo-jesokn3Fsc8sLUpuoicaRmg/viewform) to the online application. Here is the online application link in written format: <https://docs.google.com/forms/d/e/1FAIpQLSd2H3gXUjkKlcyEaQPPrGOHo-jesokn3Fsc8sLUpuoicaRmg/viewform> ;
- Website address: <https://sbg.colorado.gov/firearms-dealer-division> ;
- If you are unable to access the online application, please feel free to send an email to dor_fddrulemaking@state.co.us so we can assist you with gaining access to applying for the rulemaking working group application process.

The application will close on July 26, 2024 at 5 pm (MDT). The division plans on scheduling working group rulemaking meetings in August, September, and October of this year so they can take effect by February 1, 2025. Once working group members are selected an email will be sent out on July 30, 2024, informing of those parties selected to be on the Firearms Dealer Division working group. The public is always welcome to attend and make comments during this rulemaking process. These sessions will be crucial in ensuring that the implementation of the new regulations is as seamless as possible, and we highly value your input and feedback.

We understand that these changes may require adjustments on your part, and we are here to support you through this transition. Further details regarding the stakeholder meetings and training



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materials will follow shortly. Please look out for our communications and do not hesitate to reach out for more information or to express any concerns to dor_fdd@state.co.us

Key Provisions of House Bill 24-1353:

1. **State Firearms Dealer Permit:** To continue operating legally, all dealers must obtain this permit. Engaging in business without this permit will now be classified as an unclassified felony, with potential fines up to \$250,000.
2. **Eligibility Criteria:** Dealers must not have had any firearms-related federal, state, or local license revoked, suspended, or denied within the past three years. Additionally, dealers must not have violated any state or federal firearms laws within the same timeframe.
3. **Permit Fees and Regulations:** The initial fee for the state permit is set at \$400, subject to annual adjustments. The Department of Revenue is responsible for issuing and managing these permits.
4. **Permit Revocation:** The Department will revoke permits for any dealer who no longer holds a valid FFL, fails to permit required inspections, or is convicted of specific firearms trafficking offenses.
5. **Mandatory Training:** All dealers and their employees must complete an annual training course developed or approved by the Department.
6. **Security and Reporting Requirements:** Dealers are required to secure all firearms and report any suspicions concerning straw purchases or theft by employees to local law enforcement.

The full text of the final Bill can be found here: <https://leg.colorado.gov/bills/hb24-1353>.

Thank you for your attention to this important matter and for your continued cooperation.

Sincerely,

Michael J. Phibbs Senior Director of the Specialized Business Group

Michelle Stone-Principato Director of Colorado Liquor, Firearms, & Tobacco Industries