

The City of Boulder applauds the efforts of the Liquor Enforcement Division's Liquor Advisory Group. We specifically appreciate the group's dedication, collaboration, and knowledge of the liquor licensing process and its commitment to both the preservation of a dual licensing authority structure and forward-thinking approaches for the future that balance local authority rules and the licensing processes.

We agree that providing the best and timeliest services to the licensee /applicants, we have concerns that the subgroup proposals, as presented, would have unintended negative impacts on the licensing process for the applicants, the state and local licensing authorities.

To split the renewal application process into two parts with two separate agencies and with two separate filing systems, and then create a two-year renewal cycle, would make it difficult to meet the customer service needs of our applicants. We also have concerns about the ability for applicants to receive equal and fair treatment, remain socially engaged with their local community, and for many smaller businesses, the ability to remain economically viable and operate under the umbrella of equality.

We also have concerns that this new process would create a duplication of efforts for the applicant by requiring them to file with two separate agencies with separate software programs. We believe this would create an administrative and financial burden, especially for smaller, non-corporate licensees that do not have benefit of a licensing department or legal counsel to file applications. In addition, separate filings have the potential to create conflicts and confusion with applicants, the state, and local licensing authorities. Our specific concerns are outlined below:

- Many long-term licensees will not file renewals or other maintenance applications, online due to technological challenges or language barriers. Many are reliant on the local licensing authority to assist in application information for filing and curing an application and the processing and the acceptance of paper applications and checks.
- Applicants for a New/Transfer/Change of Class or other corporate filings appearing pro-se rely on their local licensing clerk to guide them through the licensing process to timely file, compile proper documentation, and be able to submit a legally complete application as most local jurisdictions have additional requirements for licensing.
- To create a duplicate system for applications would, in our experience, reduce the accuracy and completeness of applications and potentially cause unnecessary and costly delays in the licensing process. Local review and approval prior to submitting an application to the state has a proven track record of reducing application errors. This would not be the case if applicants submitted a separate application to the State.
- Occasionally licensees have received their state issued license prior to the local authority approval process, thus creating a conflict between the applicant and the local licensing authority. Creating a duplicate application filing process would be confusing for applicants and increase the possibility of this continuing to occur with the potential for future unnecessary legal consequences should a state or a local authority deny or delay an application for administrative or violations history occurrence.

- It is our professional experiences in licensing that applicants prefer a one-stop contact method for their business processes. To implement a dual process, dual filings, and a two-year renewal cycle will greatly increase the workloads for both sets of staffing, and applicants will most often refer to the local authority with their questions. Duplication of efforts which, in the proposed processes, would have the separate state options to which individual staff would have to refer a licensee/applicant back to the other licensing entity. This process would serve to only frustrate the licensee applicant to have to search for the correct entity for answers and assistance.
- The duplicate filing and application processes proposed would double up on the amount of time that a staff member would spend on an application. Neither the state or the local licensing authorities can currently afford to hire and train more staff to adjust to the increased workflow that these processes would create. Local municipalities are unable to increase their renewal and application fees to compensate for the current workflows let alone a secondary process that would take more time to explain and straighten out for applicants than it currently affords.

As it pertains to the Licensing Subgroup Proposals, 11, 14 and 15, we respectfully request the postponement of any proposed actions by the Liquor Advisory Group for this upcoming cycle. We request further discussions on these ideas with all local licensing authorities and licensing clerks to build upon the conversations of the Colorado Municipal Clerk's Association Liquor Workgroup and the Liquor Enforcement Division. We look forward to discussing collaborative process improvements to best serve our applicants, state and local licensing authorities, and their staff.

Summary of Liquor Advisory Workgroup Proposals

Licensing Subgroup Proposal 11:

Concurrent Filing Process for Application and/or Renewals of Retail Liquor Licenses

Current Statutory Language: 44-3-3021(b). License renewal - rules. 44-3-304(1)(a). State licensing authority - application and issuance procedures - definitions - rules.

Proposal from Subgroup - Simultaneous filing by the applicant or licensee for processing of an application and/or renewals of retail liquor licenses. Local Licensing approval would be required prior to issuance of licenses to respect local control.

Licensing Subgroup Proposal 14:

Update to Online Renewal Process

Current Statutory Language: 44-3-304(1)(a). State licensing authority - application and issuance procedures - definitions - rules.

Andryn Arithson's Submitted Proposal -The LAG proposes that the Liquor Enforcement Division (LED) evaluates the feasibility of completing liquor license applications and renewals via an online portal system. The system would allow for the licensee to have an account where relevant license information

would be stored. At the time of renewal, the licensee would be required to confirm items with “no change” and update items that are required to be provided each year, or that have changed.

The LAG acknowledges the potential complexity of developing this system. An alternative in the shorter term would be to develop a renewal form that allows the licensee to confirm documents and information with no change and supply information that has changed.

Licensing Subgroup Proposal 15:

Two-year Renewal Plan for Licensees in Good Standing with Local and State Licensing Authorities

Current Statutory Language: 44-3-301. Licensing in general. 44-3-302. License renewal - rules.

Colleen Norton’s Submitted Proposal - Change renewal for licenses from every year to every two years. Local municipality could use an annual renewal option as a consequence to a violation similar to a fine-in-lieu or active suspension.

Licensee would file a two-year renewal application with both the state and local authorities.

Application fee and renewal fees would be split with the first application and renewal fees being paid to both state and local authorities upon filing and the second renewal fee (no application fee) paid 12 months later (half-way point in renewal timeline).

Reminder notifications to be sent by both state and local agencies.

References in statute to annual license would be replaced with biennial license - 44-3-302(2)(b), 44-3-302(2)(d) and Regulation 47-010(A).

References in statute in reference to disciplinary actions would be amended to include option to use an annual renewal as a penalty/consequence to violations - 44-3-601.