



Agenda Item Summary

MEETING DATE: June 24, 2024

SUBJECT: **Ordinance No. 1054** – An Ordinance of the Town of Mead, Colorado, Amending Sections 6-1-40, 6-1-110, and 6-1-140 of the Mead Municipal Code Concerning Business License Fees and Exemptions from the Business License Requirement

PRESENTED BY: Mary E. Strutt, Administrative Services Director

THROUGH: Lori Strand, Assistant Town Attorney

SUMMARY

The proposed ordinance amends language in Article I of Chapter 6 of the Mead Municipal Code that provides for the proration and refunding of business license fees. Business license fees are imposed to cover the reasonable costs and expenses incurred by the Town in administering the Town's business license regulations. These costs are in large part incurred when the Town processes applications for business licenses. The Town generally incurs the same costs regardless of when an application is submitted and regardless of whether an application is denied, withdrawn, or revoked. As such, the proposed ordinance makes business license fees nonrefundable.

The proposed ordinance also amends the Town business license requirement in Article I of Chapter 6 of the Mead Municipal Code to conform with Senate Bill 22-032. Senate Bill 22-032 prohibits a local jurisdiction from requiring retailers that have a state standard retail license and either do not have a physical presence or have only incidental physical presence within the local jurisdiction (the "Subject Retailers") to apply separately to the local jurisdiction for a local business license. To comply with the Bill, local jurisdictions must eliminate their local business licensing requirements for the Subject Retailers or require local staff to automatically issue local business licenses to the Subject Retailers. Under the latter approach, local staff would be required to obtain necessary information about the Subject Retailers from the state (*i.e.*, local staff could not require the Subject Retailers to fill out local license application forms). The proposed ordinance eliminates the Town's business license requirement for the Subject Retailers.

FINANCIAL CONSIDERATIONS

The budgeted revenue for business license applications in 2024 is \$12,500 (account 01-12-4200). This legislation is not anticipated to affect revenue as the Town has not actively pursued business licenses from retailers who do not have a physical presence in the Town of Mead.

STAFF RECOMMENDATION/ACTION REQUIRED

A motion to approve the June 24, 2024, consent agenda will approve the Ordinance. If this item is pulled off the consent agenda for further discussion or questions, Staff recommends the following motion:

Suggested Motion:

“I move to adopt Ordinance No. 1054 - An Ordinance of the Town of Mead, Colorado, Amending Sections 6-1-40, 6-1-110, and 6-1-140 of the Mead Municipal Code Concerning Business License Fees and Exemptions from the Business License Requirement.”

ATTACHMENTS

Ordinance No. 1054