

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 26-0963.01 Sam Anderson x4218

SENATE BILL 26-157

SENATE SPONSORSHIP

Pelton R. and Hinrichsen,

HOUSE SPONSORSHIP

Winter T.,

Senate Committees

Local Government & Housing
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE ABANDONMENT OF A TOWN THAT HAS CRITICAL**
102 **WATER INFRASTRUCTURE FOR THE RESIDENTS OF THE TOWN,**
103 **AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Under current law, a town must fail to hold any regular or special election or elect officers to maintain any town government for a period of at least 5 years before a county or a landowner in the town may apply to the secretary of state (secretary) to determine that the town is abandoned. The bill also allows a registered elector in the town to apply to the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

SENATE
Amended 2nd Reading
April 28, 2026

secretary to determine that a town is abandoned. In addition, the bill allows for a county, a landowner in the town, or a registered elector in the town to apply to the secretary to determine a town is abandoned when a town has no board of trustees or town clerk, when a town is unable to hold an election, and when a town owns or operates infrastructure critical for the treatment or delivery of water to residents.

The bill also authorizes the department of public health and environment to transfer up to \$100,000 from the small communities water and wastewater grant fund to the department of public safety to cover the cost of operation and maintenance of a town's water system if an application for abandonment of the town has been filed with the secretary and the town has a water system that is failing or is likely to fail.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **amend** 31-3-201 as
3 follows:

4 **31-3-201. Procedure for determination of abandonment.**

5 (1) A TOWN MAY BE DETERMINED TO BE ABANDONED:

6 (a) When any town has failed, for a period of five years or longer
7 immediately prior to the filing of the application under this section, to
8 hold any regular or special election or to elect officers and to maintain
9 any town government; such town may be determined to be abandoned as
10 follows: OR

11 (b) WHEN ANY TOWN DOES NOT HAVE A BOARD OF TRUSTEES OR
12 TOWN CLERK, IS UNABLE TO HOLD AN ELECTION, AND OWNS OR OPERATES
13 WATER INFRASTRUCTURE CRITICAL FOR THE TREATMENT OR DELIVERY OF
14 WATER TO RESIDENTS. IF A TOWN IS ABANDONED PURSUANT TO THIS
15 SUBSECTION (1)(b):

16 (I) THE COUNTY IS NOT LIABLE FOR THE DEBT OR OTHER
17 OBLIGATIONS OR OTHER REQUIREMENTS OF THE TOWN RELATED TO THE
18 WATER SYSTEM; AND

19 (II) UPON ABANDONMENT OF THE TOWN, THE COUNTY SHALL

1 TRANSFER ALL REAL AND PERSONAL PROPERTY COMPRISING THE WATER
2 SYSTEM FROM THE COUNTY TO AN ENTITY THAT HAS THE PRIMARY
3 PURPOSE OF WATER TREATMENT OR DELIVERY, UNLESS OTHERWISE
4 DETERMINED BY THE COUNTY.

5 (2) THE PROCEDURE TO DETERMINE THAT A TOWN IS ABANDONED
6 IS AS FOLLOWS:

7 (a) The county attorney of the county in which the town is located,
8 ~~or any owner of land in such~~ IN THE TOWN, OR ANY REGISTERED ELECTOR
9 OF THE town may make application to the secretary of state to determine
10 that the town is abandoned.

11 (b) The secretary of state shall forthwith cause notice of the filing
12 of such application to be published ~~once in some newspaper of general~~
13 ~~circulation in the county and, where possible, to be posted in at least two~~
14 ~~conspicuous locations within the town~~ ON THE SECRETARY OF STATE'S
15 WEBSITE AND IN AT LEAST TWO CONSPICUOUS LOCATIONS WITHIN THE
16 TOWN. The notice shall specify the date, time, and place where ~~said~~ THE
17 application will be heard, which date shall be not less than twenty days
18 after the date of such publication.

19 (c) The secretary of state shall hear ~~such~~ THE application and, after
20 receiving evidence thereon, shall determine whether or not ~~said~~ THE town
21 has been abandoned. If ~~he~~ THE SECRETARY determines that the town is
22 abandoned, THE SECRETARY SHALL FILE a copy of ~~such~~ THE determination
23 ~~shall be filed~~ with the county clerk and recorder of the county in which
24 ~~said~~ THE town was located. Thereupon, ~~said~~ THE town shall cease to exist.

25 (d) The books, documents, records, papers, and corporate seal of
26 any town ~~so~~ abandoned PURSUANT TO THIS SECTION shall be deposited
27 with the county clerk and recorder of the county within which the town

1 or any part thereof is located, for safekeeping and reference in the future.

2 **SECTION 2.** In Colorado Revised Statutes, 25-1.5-208, **add**
3 (4)(d) as follows:

4 **25-1.5-208. Grant program for public water systems and**
5 **domestic wastewater treatment works - small communities water and**
6 **wastewater grant fund - rules - repeal.**

7 (4) (d) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (4)(a)
8 OF THIS SECTION REGARDING THE PERMISSIBLE USES OF MONEY IN THE
9 FUND, IF AN APPLICATION FOR THE ABANDONMENT OF A TOWN HAS BEEN
10 FILED WITH THE SECRETARY OF STATE PURSUANT TO SECTION
11 31-3-201(1)(b) AND THE TOWN OWNS OR OPERATES A WATER SYSTEM
12 THAT IS FAILING OR IS LIKELY TO FAIL, AS DETERMINED BY THE
13 DEPARTMENT, THE DEPARTMENT MAY TRANSFER UP TO ONE HUNDRED
14 THOUSAND DOLLARS FROM THE FUND TO THE DEPARTMENT OF PUBLIC
15 SAFETY FOR THE DEPARTMENT OF PUBLIC SAFETY TO CONTRACT FOR THE
16 OPERATION AND MAINTENANCE OF THE TOWN'S EXISTING WATER
17 TREATMENT INFRASTRUCTURE.

18 (I) THE DEPARTMENT OF PUBLIC SAFETY SHALL USE MONEY
19 TRANSFERRED FROM THE FUND PURSUANT TO THIS SUBSECTION (4)(d)
20 ONLY TO CONTRACT FOR THE ROUTINE OPERATION AND MAINTENANCE OF
21 EXISTING WATER TREATMENT INFRASTRUCTURE FOR THE TOWN, SUCH AS
22 THE OPERATION OF THE CHLORINE DISINFECTION SYSTEM AND ASSOCIATED
23 SAMPLING AS DETERMINED BY THE DEPARTMENT, AND NOT FOR
24 IMPROVEMENTS TO THE WATER SYSTEM OR OTHER PROJECTS THAT
25 REQUIRE MORE SIGNIFICANT EXPENDITURES. THE DEPARTMENT OF PUBLIC
26 SAFETY SHALL USE MONEY TRANSFERRED FROM THE FUND ONLY AFTER AN
27 APPLICATION FOR ABANDONMENT OF A TOWN IS FILED WITH THE

1 SECRETARY OF STATE, UNTIL THE SECRETARY OF STATE MAKES A FINAL
2 DETERMINATION ON THAT APPLICATION; EXCEPT THAT THE DEPARTMENT
3 OF PUBLIC SAFETY MAY USE THE MONEY FROM THE FUND FOR AN
4 ADDITIONAL SIX MONTHS AFTER THE SECRETARY OF STATE MAKES A FINAL
5 DETERMINATION ON THE APPLICATION FOR ABANDONMENT OF THE TOWN
6 IF THE DEPARTMENT OF PUBLIC SAFETY DETERMINES, ON A MONTHLY
7 BASIS, THAT THE USE OF MONEY FROM THE FUND IS NECESSARY.

8 (II) ANY ASSISTANCE PROVIDED FOR THE ROUTINE MAINTENANCE
9 OR OPERATION OF EXISTING WATER TREATMENT INFRASTRUCTURE
10 PURSUANT TO THIS SUBSECTION (4)(d) IS TEMPORARY AND DOES NOT
11 TRANSFER OWNERSHIP OF THE WATER SYSTEM TO THE STATE. THE STATE
12 IS NOT RESPONSIBLE OR LIABLE FOR THE WATER SYSTEM OR THE DEBTS,
13 OBLIGATIONS, OR OTHER REQUIREMENTS OF THE TOWN FOR WHICH AN
14 APPLICATION FOR ABANDONMENT WAS FILED.

15 (III) THIS SUBSECTION (4)(d) IS REPEALED, EFFECTIVE JULY 1,
16 2028.

17 **SECTION 3. Appropriation.** For the 2026-27 state fiscal year,
18 \$100,000 is appropriated to the department of public safety. This
19 appropriation is from reappropriated funds from the small communities
20 water and wastewater grant fund created in section 25-1.5-208 (4)(a)(I),
21 C.R.S., which is continuously appropriated to the department of public
22 health and environment. To implement this act, the department may use
23 this appropriation for the office of emergency management.

24 **SECTION 4. Safety clause.** The general assembly finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.