

## CHAPTER 52

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**GOVERNMENT - LOCAL**

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## SENATE BILL 25-023

BY SENATOR(S) Pelton R. and Michaelson Jenet, Frizell, Gonzales J., Pelton B., Rodriguez;  
also REPRESENTATIVE(S) Lindstedt, Boesenecker, Bird, McCluskie.

**AN ACT****CONCERNING LOCAL GOVERNMENT AUDIT EXEMPTION THRESHOLDS.**

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

**SECTION 1.** In Colorado Revised Statutes, 29-1-604, **amend** (1) and (2)(b) as follows:

**29-1-604. Exemptions.** (1) Any local government where neither revenues nor expenditures exceed one hundred thousand dollars in any fiscal year commencing on or after January 1, 1998, BUT BEFORE JANUARY 1, 2025, AND WHERE NEITHER REVENUES NOR EXPENDITURES EXCEED TWO HUNDRED THOUSAND DOLLARS FOR ANY FISCAL YEAR COMMENCING ON OR AFTER JANUARY 1, 2025, may, with the approval of the state auditor, be exempt from the provisions of section 29-1-603.

(2) (b) (I) Any local government where revenues or expenditures for any fiscal year commencing on or after January 1, 2015, BUT BEFORE JANUARY 1, 2025, are at least one hundred thousand dollars but not more than seven hundred fifty thousand dollars may, with the approval of the state auditor, be exempt from the provisions of section 29-1-603.

(II) ANY LOCAL GOVERNMENT WHERE REVENUES OR EXPENDITURES FOR ANY FISCAL YEAR COMMENCING ON OR AFTER JANUARY 1, 2025, ARE MORE THAN TWO HUNDRED THOUSAND DOLLARS BUT NOT MORE THAN ONE MILLION DOLLARS MAY, WITH THE APPROVAL OF THE STATE AUDITOR, BE EXEMPT FROM THE PROVISIONS OF SECTION 29-1-603.

**SECTION 2. Act subject to petition - effective date.** This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed

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*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: April 7, 2025