



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1276: PROTECT SAFETY OF INDIVIDUALS WHO ARE IMMIGRANTS

Prime Sponsors:

Rep. Velasco; Garcia

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Fiscal note status: This revised fiscal note reflects the introduced bill, as amended by the House Health & Human Services Committee and the House Finance Committee.

Summary Information

Overview. The bill establishes requirements and civil liabilities related to federal immigration enforcement and state and local compliance.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- State Revenue
- State Expenditures
- TABOR Refunds
- Local Government

Appropriations. For FY 2026-27, the bill requires an appropriation of \$107,283 to the Colorado Department of Public Health and Environment.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$131,643	\$72,315
State Expenditures	\$131,643	\$72,315
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$131,643	\$72,315
Change in State FTE	1.0 FTE	0.6 FTE

Fund sources for these impacts are shown in the tables below.

**Table 1A
 State Revenue**

Fund Source	Budget Year FY 2026-27	Out Year FY 2027-28
General Fund	\$0	\$0
Cash Funds	\$131,643	\$72,315
Total Revenue	\$131,643	\$72,315

**Table 1B
 State Expenditures**

Fund Source	Budget Year FY 2026-27	Out Year FY 2027-28
General Fund	\$107,283	\$0
Cash Funds	\$0	\$58,267
Federal Funds	\$0	\$0
Centrally Appropriated	\$24,360	\$14,048
Total Expenditures	\$131,643	\$72,315
Total FTE	1.0 FTE	0.6 FTE

Summary of Legislation

The bill establishes requirements and civil liabilities related to federal immigration enforcement and state and local compliance.

Personal Identifying Information

Under current law, state agency and political subdivision employees are liable for violating personal information disclosure and written record retention requirements and subject to a civil penalty of up to \$50,000. The bill shifts this liability to the state agencies and political subdivisions themselves if the entity is found to have intentionally authorized or encourage the violation, or failed to take administrative steps to prevent it.

Federal Subpoenas

State agencies and political subdivisions that receive an unsealed subpoena by federal immigration authorities must inform the General Assembly and provide a copy of any fulfilled subpoenas to the CDPS within three days. The CDPS must subsequently publish the unsealed subpoena on its website within 24 hours of receiving the copy. If the state agency or political subdivision fulfills the federal subpoena, it must inform the individual that their information has been shared with federal immigration authorities.

Detention Centers

Local Authority

The bill permits a local public health agency (LPHA) to inspect facilities that house noncitizens detained for immigration purposes.

State Authority

Under current law, the Department of Public Health and Environment (CDPHE) is authorized to inspect facilities that house noncitizens detained for immigration purposes. The bill expands the department's authority to:

- conduct unannounced inspections at least once every three months; and
- examine food safety and water quality, confinement conditions, and standards of care.

The bill also requires detention facilities to:

- pay for the CDPHE inspections;
- provide access to the property, individuals, and records necessary to conduct inspections;
- submit an annual report to the CDPHE, including information about the detained population's health outcomes, adherence to dietary restrictions, and temperature conditions, among others;
- pay for and pass an environmental impact study, and remediate any negative impacts identified;
- prohibit the detention of a minor in the same room as a nonfamilial adult; and
- staff the facility with medical and mental health professionals.

The Immigration Facility Inspection and Detention Cash Fund is created in the CDPHE to collect repayment from facilities for department inspections and cover costs related to this work.

Detention facilities are liable for violating these provisions, and are subject to a civil penalty of up to \$50,000 for each offense, which is credited to the Immigration Legal Defense Fund. Alternatively, the CDPHE may revoke the violating facility's license to operate in the state.

By January 15, 2027, and annually thereafter, the CDPHE must submit a report to the Attorney General regarding facility compliance, and publish the report on its website.

Detention Facility Access

Law enforcement officers and detention center employees may not grant federal immigration authorities access to areas of the detention facility that are not accessible to the public, unless the authority holds a federal warrant.

Background and Assumptions

Under current law, the CDPHE may perform inspections on licensed facilities as deemed necessary. As of March 2026, one facility in the state operates as a detention center, which the department inspected annually through 2025, and each month of 2026. Further, the CDPHE received 11 complaints for this facility in the past year. The department anticipates that six additional detention centers will open within the next year, each requiring additional inspections and resulting in additional complaints. The fiscal note assumes that facility inspections and complaints will occur regardless of the bill, but that the breadth of inspections will increase to cover additional facility requirements, and complaints will increase as a result of additional reporting and transparency on facility conditions.

State Revenue

The bill increases state revenue in the Immigration Facility Inspection and Detention Cash Fund by about \$132,000 in FY 2026-27 and \$72,000 in future years from facility inspection remittance payments to the CDPHE. These impacts are shown in Table 2 and discussed below. Revenue may also increase from civil penalties and filing fees. All revenue is subject to TABOR.

Table 2
Facility Inspection Payments

Fund Source	Number of Facilities	Total Number of Inspections	Estimated Cost per Inspection	Total Revenue Collected
FY 2026-27	7	84	\$1,567	\$131,643
FY 2027-28	7	84	\$861	\$72,315

Inspection Payments

Beginning in FY 2026-27, the CDPHE will recover the costs to inspect detention centers through remittance payments from an estimated seven licensed facilities. It is assumed that the department will perform the additional work required to comply with the bill, and charge each facility upon completion. Based on estimated expenditures, state revenue will increase by about \$1,600 per inspection in FY 2026-27, and \$860 in future years. Actual inspection costs will be set administratively by the CDPHE based on expenses incurred, and the number of facilities and inspections subject to the bill.

Civil Penalties and Filing Fees

Under the bill, entities that violate statutory provisions may be subject to a civil penalty of up to \$50,000 for each violation, credited to the Immigration Legal Defense Fund. The bill may also increase revenue to the Judicial Department from an increase in civil case filings.

State Expenditures

The bill increases state expenditures in the CDPHE by about \$132,000 in FY 2026-27 and \$72,000 in future years, as shown in Table 3 and discussed below. Costs are paid from the General Fund in the first year and the Immigration Facility Inspection and Detention Cash Fund beginning in FY 2027-28.

Table 3
State Expenditures
Department of Public Health and Environment

Cost Component	Budget Year FY 2026-27	Out Year FY 2027-28
Personal Services	\$106,003	\$57,499
Operating Expenses	\$1,280	\$768
Centrally Appropriated Costs	\$24,360	\$14,048
Total Costs	\$131,643	\$72,315
Total FTE	1.0 FTE	0.6 FTE

Department of Public Health and Environment

In FY 2026-27, the CDPHE requires 1.0 FTE for the Division of Environmental Health and Sustainability to facilitate rulemaking, coordinate outreach to licensed facilities, conduct more comprehensive inspections of detention centers, and respond to complaints. Beginning in FY 2027-28, staff needs reduce to 0.6 FTE for ongoing oversight. If additional complaints arise as a result of the bill's reporting requirements, staff costs will further increase, which will be addressed through the annual budget process.

Workload in the CDPHE will also minimally increase to update rules and adopt policies regarding property access for federal immigration authorities. This workload can be accomplished within existing appropriations.

Other State Agencies and Impacts

Legal Defense

State expenditures may increase for the Department of Law to defend the state if a plaintiff files suit directly challenging the legality of the bill. For context, the department's Federal Initiatives Unit is currently defending two cases filed against the state that directly challenge previous legislation limiting state engagement with federal immigration authorities. If an additional lawsuit is filed as a direct challenge to this bill, costs in the department could increase by an estimated \$240,000, representing about 1,700 hours of legal services. Due to a wide array of decisions made by individuals and scope of potential cases, the fiscal note cannot estimate this

impact. It is assumed that the Department of Law will use existing appropriations for litigation and legal expenses to address any cases that arise related to this bill. If additional appropriations are required, funding will be requested through the annual budget process based on the actual costs incurred, which will depend on the number of cases, their outcomes, and how they proceed through the legal process.

State Litigation and Risk Impacts

The bill may increase litigation and risk management costs from additional lawsuits filed against state agencies if they violate provisions under the bill. If such cases occur, state agencies and institutions of higher education will have increased costs for legal services, provided by the Department of Law. Depending on the outcome of any cases, settlement or liability payments may be required from the Risk Management Fund in the Department of Personnel and Administration. State agencies make payments for legal services and risk management through common policy billings based on costs incurred in prior years. The fiscal note assumes that state agencies will comply with the bill; therefore, any increase in litigation and risk management costs is expected to be minimal.

Civil Cases

Workload in the Department of Law will minimally increase to the extent that additional complaints are filed. The department will review complaints under the bill and prioritize investigations as necessary within the overall number of complaints and available resources. Additionally, trial courts in the Judicial Department may experience a minimal increase in workload if additional civil cases are filed under the bill. The fiscal note assumes that state agencies will comply with the law and any increase will be minimal.

Federal Subpoenas

Workload will minimally increase for state agencies that receive unsealed federal subpoenas to inform the General Assembly and provide a copy to the Department of Public Safety. If the agency fulfills the subpoena, workload will further increase to inform the individual that their information has been shared with federal immigration authorities. Due to the limited number of federal subpoenas received by state agencies in 2025, this workload is estimated to be minimal and no change in appropriations is required.

Centrally Appropriated Costs

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which may include employee insurance, supplemental employee retirement payments, indirect cost assessments, and other costs, are shown in the tables above.

TABOR Refunds

The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by \$131,643 in FY 2026-27 and \$72,315 in FY 2027-28. This estimate assumes the March 2026 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2027-28. Because TABOR refunds are paid from the General Fund, increased General Fund revenue will increase the TABOR refund obligation, but result in no net change to the amount of General Fund available to spend or save in FY 2026-27, FY 2027-28, and any future years when the state is over its revenue limit.

Local Government and Special Districts

Similar to the state, expenditures and workload will increase for local governments and special districts to report federal subpoenas. Risk and liability costs, legal services, and settlement costs for local governments may also increase to the extent that lawsuits are filed. However, it is assumed that local governments and employees will comply with the bill.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2026-27, the bill requires an appropriation of \$107,283 from the General Fund to the Department of Public Health and Environment, and 1.0 FTE.

State and Local Government Contacts

All State Agencies

All Local Agencies