



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

SB 26-071: USE OF SURVEILLANCE TECH BY LAW ENFORCEMENT

Prime Sponsors:

Sen. Zamora Wilson

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Published for: Senate Judiciary

Drafting number: LLS 26-0597

Version: Initial Fiscal Note

Date: February 19, 2026

Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill requires a law enforcement agency to use surveillance technology only for lawful purposes directly related to public safety, and establishes other rules concerning surveillance technology.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis beginning in FY 2027-28:

- State Revenue
- State Expenditures
- Local Government

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

| Type of Impact | Budget Year FY 2026-27 | Out Year FY 2027-28 | Out Year FY 2028-29 |
|-------------------------|---------------------------|------------------------|------------------------|
| State Revenue | \$0 | \$0 | \$0 |
| State Expenditures | \$0 | \$2,971,411 | \$2,796,411 |
| Transferred Funds | \$0 | \$0 | \$0 |
| Change in TABOR Refunds | \$0 | \$0 | \$0 |
| Change in State FTE | 0.0 FTE | 24.0 FTE | 24.0 FTE |

Table 1A
State Expenditures

| Fund Source | Budget Year FY 2026-27 | Out Year FY 2027-28 | Out Year FY 2028-29 |
|--|---|--------------------------------------|--------------------------------------|
| General Fund | \$0 | \$2,031,115 | \$1,884,115 |
| Parks and Outdoor Recreation Cash Fund | \$0 | \$145,405 | \$135,605 |
| Wildlife Cash Fund | \$0 | \$270,038 | \$251,838 |
| Federal Funds | \$0 | \$0 | \$0 |
| Centrally Appropriated | \$0 | \$524,853 | \$524,853 |
| Total Expenditures | \$0 | \$2,971,411 | \$2,796,411 |
| Total FTE | 0.0 FTE | 24.0 FTE | 24.0 FTE |

Summary of Legislation

Beginning July 1, 2027, the bill establishes rules and regulations concerning certain state law enforcement agencies' usage of surveillance technology.

Lawful Use of Surveillance Technology

The bill requires a law enforcement agency to use surveillance technology only for lawful purposes directly related to public safety, including traffic enforcement, crime prevention, or an active investigation. Any use of surveillance technology must comply with certain requirements related to the collection, storage, sharing, and destruction of the data. Law enforcement agencies must ensure that:

- facial recognition systems are only used after a warrant is obtained or if there is an imminent threat to public safety;
- traffic cameras and automated license plate readers are only used in public spaces and for specific enforcement purposes, such as traffic violations or identifying stolen vehicles; and,
- drone cameras are operated in compliance with Federal Aviation Administration regulations, and include real-time logging of flight paths and the scope of surveillance data collection.

Approval of Surveillance Technology

Before a law enforcement agency deploys or upgrades a surveillance technology, the agency must conduct a public privacy impact statement and obtain approval from the state or local government that oversees the agency.

Surveillance Data Storage

The bill requires law enforcement agencies to ensure that stored surveillance data is encrypted or unreadable to an unauthorized user, and creates the following timelines for when certain surveillance data must be deleted:

- surveillance data collected from traffic cameras and automated license plate readers must not be stored for longer than 30 days;
- data collected from pole-mounted cameras or drones must not be stored for longer than 90 days; and,
- data collected from facial recognition software or systems must not be stored for longer than seven days.

If surveillance data is part of an active investigation, the data may be retained until the investigation is concluded, after which the data must be permanently and securely destroyed. Law enforcement agencies must ensure that surveillance data is only available to authorized personnel; used for legitimate law enforcement purposes; and that certain information is recorded about access to surveillance data, including who accessed the data and why it was accessed.

Surveillance Data Sharing

The bill allows a law enforcement agency to share surveillance data with another law enforcement agency if there is a specific, documented need for the other law enforcement agency to access the surveillance data, and the need is related to an active investigation. The bill also prevents a law enforcement agency or a contractor to sell, license, or monetize surveillance data collected by the agency.

Verification of Compliance

The bill requires the Attorney General's Office to conduct independent audits every two years of law enforcement agencies that use surveillance technology. These audits must verify that an agency's use and storage of surveillance technology is compliant with the bill. In addition, any individual may request information from a law enforcement agency on its use of surveillance technology at no cost to the individual.

Penalties for Law Enforcement Agencies

The Attorney General's Office or an affected individual may bring a civil action of up to \$5,000 against a law enforcement agency for noncompliance with the bill. Any surveillance data in violation of the bill is inadmissible as evidence in any civil or criminal hearing.

Background and Assumptions

Colorado Parks and Wildlife

Colorado Parks and Wildlife (CPW) in the Department of Natural Resources (DNR) is a state law enforcement agency. It employs approximately 390 certified law enforcement officers, whose enforcement duties include investigating poaching incidents and other wildlife crimes, enforcing park and wildlife regulations, and investigating crimes on CPW-managed properties. These enforcement activities are increasingly reliant on surveillance technology such as drones, trail cameras, and automated license plate reader systems.

Department of Public Safety

Colorado Bureau of Investigation

The Colorado Bureau of Investigation (CBI) in the Department of Public Safety (CDPS) investigated over 875 cases in 2025. The CBI uses surveillance data in most of its investigations, including data collected from facial recognition systems, license plate readers, and drones, among other surveillance technologies. In almost all its cases, the CBI works in partnership with local law enforcement agencies. The bill imposes restrictions on CBI's ability to collect, store, and use surveillance, as well as its ability to collaborate with local law enforcement.

Colorado State Patrol

The Colorado State Patrol (CSP) is funded through the Highway Users Tax Fund (HUTF). However, there is a statutory limit to how much its appropriation can grow year over year. The CSP is approaching its statutory limit of HUTF funding. Therefore, the fiscal note assumes costs for the bill will be paid from the General Fund.

State Revenue

Beginning in FY 2027-28, the bill may increase revenue in the General Fund for any civil penalties the Department of Law (DOL) issues to law enforcement agencies for violating the bill's requirements. It is unknown how many civil penalties the DOL will issue to law enforcement agencies, and the bill's revenue impact is indeterminate at this time. This revenue is classified as a damage award and not subject to TABOR.

State Expenditures

The bill increases state expenditures by about \$3.0 million in FY 2027-28 and \$2.8 million in FY 2028-29 and ongoing years, paid from the General Fund and CPW cash funds. These costs are incurred in CPW, DOL, and CDPS. Capital outlay and standard operating costs are included for all staff. These costs are shown in Table 2 and described in the sections below.

Table 2
State Expenditures
All Departments

| Department | Budget Year FY 2026-27 | Out Year FY 2027-28 | Out Year FY 2028-29 |
|-----------------------------|---|--------------------------------------|--------------------------------------|
| Colorado Parks and Wildlife | \$0 | \$487,862 | \$459,862 |
| Department of Law | \$0 | \$2,292,252 | \$2,159,252 |
| Department of Public Safety | \$0 | \$191,296 | \$177,296 |
| Total Costs | \$0 | \$2,971,411 | \$2,796,411 |

Colorado Parks and Wildlife, Department of Natural Resources

Beginning in FY 2027-28, the bill increases costs in CPW for staffing and resources to implement required changes to surveillance technology and data storage, paid from CPW cash funds. These impacts are shown in Table 2A and described below.

Staff

The CPW requires 3.5 FTE of new staff to review all uses of surveillance technology and ensure the CPW reaches and maintains compliance with the bill. This staff includes:

- 1.0 FTE administrator to address required changes to surveillance technology and surveillance data, including pole-mounted trail and wildlife cameras, body-worn cameras, drones, and automated license plate readers. This position will also track cameras and camera locations associated with investigations;
- 1.0 FTE data analyst to perform a complete review and revision of CPW access and security requirements for surveillance technology and surveillance data; and,
- 1.5 FTE to conduct the public privacy impact assessments required when the CPW upgrades or deploys surveillance technology.

Data Collection and Storage

The CPW requires \$150,000 annually to increase its data storage capacity and perform various technology upgrades.

Funding Sources

Because CPW is a state enterprise and receives the bulk of its funding from fees, the division's ability to recoup these costs is limited. Using CPW cash funds will reduce funds available for state park capital construction, state park expansion, wolf conflict minimization and depredation compensation, and species conservation. Some of these costs are statutory, and CPW will need alternative funding sources to cover the reduction.

Table 2A
State Expenditures
Colorado Parks and Wildlife

| Cost Component | Budget Year FY 2026-27 | Out Year FY 2027-28 | Out Year FY 2027-28 |
|------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| Personal Services | \$0 | \$232,963 | \$232,963 |
| Operating Expenses | \$0 | \$4,480 | \$4,480 |
| Capital Outlay Costs | \$0 | \$28,000 | \$0 |
| Data Collection and Storage | \$0 | \$150,000 | \$150,000 |
| Centrally Appropriated Costs | \$0 | \$72,419 | \$72,419 |
| Total Costs | \$0 | \$487,862 | \$459,862 |
| Total FTE | 0 FTE | 3.5 FTE | 3.5 FTE |

Department of Law

The bill increases costs in the DOL by about \$2.3 million in FY 2027-28 and \$2.2 million in FY 2028-29 and ongoing years for staffing and resources to perform audits of state law enforcement agencies. These costs are shown in Table 2B and described below.

Staff

The DOL requires 17.0 FTE of auditing staff and 1.5 FTE of administrative assistant staff for the DOL to conduct independent audits of state law enforcement agencies. There are 332 law enforcement agencies that will need to be audited every two years. Each audit will require 160 hours of work, including travel, onsite interviews, review of processes and compliance with the bill, and producing audit documents.

Other Costs

Auditing staff will incur various additional costs to perform the required audits, including three vehicles leased from the state fleet, cell phones for each auditor, and lodging and per diems for when auditors are required to travel.

Table 2B
State Expenditures
Department of Law

| Cost Component | Budget Year FY 2026-27 | Out Year FY 2027-28 | Out Year FY 2028-29 |
|------------------------------|---|--------------------------------------|--------------------------------------|
| Personal Services | \$0 | \$1,553,336 | \$1,553,336 |
| Operating Expenses | \$0 | \$23,680 | \$23,680 |
| Capital Outlay Costs | \$0 | \$133,000 | \$0 |
| Other Costs | \$0 | \$169,503 | \$169,503 |
| Centrally Appropriated Costs | \$0 | \$412,734 | \$412,734 |
| Total Costs | \$0 | \$2,292,252 | \$2,159,252 |
| Total FTE | 0 FTE | 18.5 FTE | 18.5 FTE |

Department of Public Safety

Beginning in FY 2027-28, the bill increases costs in the CDPS to comply with the bill. These impacts are shown in Table 2C and described below.

Staff

The CDPS requires 2.0 FTE of technicians to manage data deletion cycles, coordinate written compliance agreements with local agencies, perform audits of active case data, and ensure the CBI and CSP meets the 10-day statutory deadline for public transparency requests. Standard operating and capital outlay costs are included.

Data Storage

The CSP requires \$20,000 annually for storage upgrades for multiple software systems.

Table 2C
State Expenditures
Department of Public Safety

| Cost Component | Budget Year FY 2026-27 | Out Year FY 2027-28 | Out Year FY 2028-29 |
|------------------------------|---|--------------------------------------|--------------------------------------|
| Personal Services | \$0 | \$115,036 | \$115,036 |
| Operating Expenses | \$0 | \$2,560 | \$2,560 |
| Capital Outlay Costs | \$0 | \$14,000 | \$0 |
| Data Storage | \$0 | \$20,000 | \$20,000 |
| Centrally Appropriated Costs | \$0 | \$39,700 | \$39,700 |
| Total Costs | \$0 | \$191,296 | \$177,296 |
| Total FTE | 0 FTE | 2.0 FTE | 2.0 FTE |

Civil Penalties for State Law Enforcement Agencies

The bill may increase costs to in state's Risk Management Fund within the Department of Personnel and Administration to the extent any state law enforcement agency is assessed a civil penalty for noncompliance with the bill. These costs may include a penalty of up to \$5,000, injunctive relief, attorney's fees and costs, and possible employee termination. The Risk Management Fund is paid from various funding sources based on an analysis of risk.

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.

Local Government

The bill imposes significant costs and requirements on law enforcement agencies that use surveillance data, including county sheriff's offices, municipal police departments, and town marshal's offices. Similar to the state, local law enforcement agencies may add additional personnel to ensure compliance with the bill, and may need to implement information technology upgrades so systems are compliant. The bill may also increase expenditures for law enforcement agencies that are assessed civil penalties for noncompliance with the bill.

Technical Note

Because the bill's effective date of July 1, 2027, is the same date on which compliance is required, state law enforcement agencies would have no legal authority to work on bill implementation prior to the effective date. As a result, these agencies could be assessed civil penalties and incur a significant fiscal impact until they have made the necessary changes to policies, procedures, data collection and storage, and vendor contracts to comply with the bill. An implementation date further out from the effective date would allow departments lead time to implement the bill.

Effective Date

The bill takes effect July 1, 2027, assuming no referendum petition is filed.

State and Local Government Contacts

| | |
|--------------------|-------------------|
| Counties | Local Affairs |
| District Attorneys | Natural Resources |
| Judicial | Public Safety |
| Law | Transportation |