



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 26-1101: CRIMINAL OFFENSES RELATED TO CRITICAL INFRASTRUCTURE METALS

#### Prime Sponsors:

Rep. Espenosa; Soper  
Sen. Lindstedt; Pelton B.

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

### Summary Information

**Overview.** The bill includes critical infrastructure metals in regulations for commodity metal dealing and adds criminal offenses for unlawful conduct regarding critical infrastructure materials.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis starting in FY 2026-27:

- Minimal State Revenue
- Minimal State Workload
- 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
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

## **Summary of Legislation**

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Under current law, commodity metal dealers are required to follow certain procedures regarding transactions and must keep certain records, which must be made available to peace officers upon request. The bill clarifies that these records must be made available to law enforcement and municipal code enforcement agencies.

The bill also prohibits dealers from paying a seller in cash if the dealer knows or should have known that the commodity metal was part of critical infrastructure. Critical infrastructure is defined as any component of a commodity metal that is used in communication, transportation, or housing infrastructure, the theft of which poses an imminent threat to life or safety including through damaging the basic supply of communication, transportation, or housing infrastructure.

If a transaction involves a critical infrastructure commodity metal, then dealers must pay sellers by check or any process where a picture of the seller is included. Dealers cannot possess a critical infrastructure commodity metal without a written certification from the seller that the seller was lawfully allowed to transfer the critical infrastructure commodity metal. If a dealer takes possession of a load of commodity metals that they later discover contains critical infrastructure and does not have a written certification, they must notify a law or municipal code enforcement agency by the end of the next business day. Critical infrastructure commodity metals must be set aside and remain unsold until a law or municipal code enforcement agency determines the legal status of the material.

A dealer who violates these provisions commits unlawful possession of critical infrastructure or failure to report stolen critical infrastructure. The penalties are the same as for other commodity metal violations under current law, where the value determines the penalty, except that the bill sets the threshold for a class 5 felony at more than \$2,000 for critical infrastructure commodity metal, whereas the current threshold for commodity metals is more than \$5,000. The bill creates a rebuttable presumption that a dealer should have known the commodity metal was part of critical infrastructure if the casing of a commodity metal was burned or smoldered off.

## **Comparable Crime Analysis**

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Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or creates a new factual basis for an existing crime. The following section outlines crimes that are comparable to the offense in this bill and discusses assumptions on future rates of criminal convictions resulting from the bill.

## Prior Conviction Data and Assumptions

This bill creates the new offenses of unlawful possession of critical infrastructure and failure to report stolen critical infrastructure, which range from a petty offense up to a class 2 felony depending on the value. To form an estimate on the prevalence of this new crime, the fiscal note analyzed the existing commodity metal offense as a comparable crime. From FY 2022-23 to FY 2024-25, zero offenders have been sentenced and convicted for this existing offense; therefore, the fiscal note assumes that there will be minimal or no additional case filings or convictions for the new offense under the bill. Visit the [Fiscal Notes website](#) for more information about criminal justice costs in fiscal notes.

## State Revenue and Expenditures

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Based on the assumptions above, this analysis assumes that there will be a minimal impact on state revenue and expenditures. Under the bill, criminal fines and court fees, which are subject to TABOR, may increase by a minimal amount. Similarly, any increase in workload and costs for the Judicial Department, including the trial courts, Division of Probation, and agencies that provide representation to indigent persons, and to the Department of Corrections, are assumed to be minimal and no change in appropriations is required.

## Local Government

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Similar to the state, it is expected that any workload or cost increases for district attorneys to prosecute more offenses, or for county jails to imprison more individuals under the bill will be minimal. District attorney offices and county jails are funded by counties. The bill may also streamline work for municipalities conducting code enforcement related to infrastructure commodity metals.

## Effective Date

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

## State and Local Government Contacts

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Corrections	Judicial	Public Safety
District Attorneys	Public Defender	Transportation

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).