



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1255: SOCIAL MEDIA DUTY TO REPORT & SEARCH WARRANTS

Prime Sponsors:

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

Summary Information

Overview. The bill requires operators of social media platforms to provide a streamlined process related to search warrants and establishes that operators of social media platforms have a duty to report content to law enforcement that contains threats of physical harm or incites criminal activity.

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

- State Expenditures
- State Revenue

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

The bill requires an operator of a social media platform to ensure that law enforcement agencies can contact the social media platform at all times to get information and process search warrants. These operators must comply with search warrant requests within 24 hours, unless a court grants an extension. The Attorney General may enforce this requirement, including the obtaining penalties of up to \$250,000 per violation.

Social media platform operators have a duty to report to a local law enforcement agency if the operator receives a flag or other notice that a platform user has knowingly posted content that threatens specific harm to the user or others, or express an intent to commit a crime, or entice another to commit a crime. Notification must be made within 24 hours and include information on the content in question and on the digital location of the poster. Failure to notify is local law enforcement is a deceptive trade practice which may be enforced by the Attorney General.

State Revenue

Civil Penalties

The bill potentially increases state revenue from civil penalties in two ways. First, operators of social media platforms that are not accessible to law enforcement or who do not respond to search warrants may be assessed a civil penalty of up to \$250,000 per violation. Second, failure to report covered threats or criminal content to law enforcement constitutes a deceptive trade practice, which under the Colorado Consumer Protection Act may be subject to a civil penalty of up to \$20,000 for each violation, and additional penalties for subsequent violations of a court order or injunction. Revenue from these sources is classified as a damage award and not subject to TABOR. Given the uncertainty about the number of cases that may be pursued by the Attorney General and district attorneys, as well as the wide range in potential penalty amounts, the fiscal note cannot estimate the potential impact of these civil penalties.

Filing Fees

The bill may increase revenue to the Judicial Department from an increase in civil case filings. Revenue from filing fees is subject to TABOR.

State Expenditures

Department of Law

Workload in the Department of Law will increase to the extent that complaints are received or investigations occur due to violations under the bill. The department will review complaints under the bill and prioritize investigations as necessary within its overall workload and available resources.

Judicial Department

The trial courts in the Judicial Department may have an increase in cases related to violations under the bill. It is assumed that operators of social media platforms will abide by the law and that any violation of the legislation will result in minimal number of new cases. The fiscal note assumes that this work can be accomplished within existing resources and that no change in appropriations is required.

Local Government

Similar to the state, if district attorneys receive deceptive trade practice complaints related to the new deceptive trade practice under the bill, workload will increase to investigate complaints and seek relief when appropriate. It is assumed most such cases will be handled at the state level by the Attorney General.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Judicial

State Law Enforcement

Law

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](#).