



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 26-1017: CRIMINAL RESTITUTION PROHIBITED FOR INSURERS

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**Prime Sponsors:**

Rep. Espenosa; Zokaie  
Sen. Weissman

**Fiscal Analyst:**

Clayton Mayfield, 303-866-5851  
clayton.mayfield@coleg.gov

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### Summary Information

**Overview.** The bill prohibits insurers from receiving restitution payments in criminal proceedings, with certain exceptions.

**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

**Appropriations.** No appropriation is required.

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**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, insurers may receive restitution payments ordered in criminal cases. This occurs when an insurer incurs a loss arising from a contractual relationship with a victim, such as paying out an insurance claim to a victim of a crime. The bill prohibits insurers from recovering losses through this mechanism, except for costs incurred by a worker's compensation insurer.

Insurers may receive restitution in criminal cases when they are a victim of fraud or when their property is damaged or stolen. Insurers are not prohibited from pursuing a civil action against offenders for losses. The bill also clarifies what costs may be included in restitution amounts with regards to insurance claims and deductibles.

## State Revenue

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Starting in FY 2026-27, the bill may minimally increase revenue in the Judicial Department from civil filing fees if insurers choose to file additional civil actions. There are about 600 criminal cases annually that have a restitution order issued for an insurance company. Based on the overall number of annual civil case filings and the possibility that not all insurers may choose to file a replacement civil case, any increase in state revenue is expected to be minimal. Revenue from filing fees is subject to TABOR.

## State Expenditures

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Similar to the State Revenue impact, the bill may minimally increase workload in the trial courts of the Judicial Department if insurers choose to pursue additional civil cases. Any increase in workload would be offset by a decrease in workload from no longer processing restitution for insurers in criminal cases. Overall, no change in appropriations is required.

## Effective Date

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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

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Judicial

Regulatory Agencies

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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](#).