



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

SB 26-015: COMMERCIAL SEXUAL ACTIVITY WITH A CHILD OFFENSES

Prime Sponsors:

Sen. Pelton B.; Roberts
Rep. Duran; Caldwell

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

Summary Information

Overview. The bill updates terminology regarding child prostitution crimes, mandates Department of Corrections sentences for these crimes, and adds elements and increases classifications to crimes regarding commercial sexual activity with a child.

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

- Minimal 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
State Revenue	\$0	\$0
State Expenditures	\$0	\$1,581,998
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	-1.3 FTE

Fund sources for these impacts are shown in Table 1A below.

Table 1A
State Expenditures

Fund Source	Budget Year FY 2026-27	Out Year FY 2027-28
General Fund	\$0	\$1,609,124
Cash Funds	\$0	\$0
Federal Funds	\$0	\$0
Centrally Appropriated	\$0	-\$27,126
Total Expenditures	\$0	\$1,581,998
Total FTE	0.0 FTE	-1.3 FTE

Summary of Legislation

The bill updates terminology regarding child prostitution crimes, mandates Department of Corrections (CDOC) sentences for these crimes, adds elements to the crime of soliciting commercial sexual activity with a child, and increases the classification for internet luring of a child if involving commercial sexual activity with a child, as described below.

Terminology Update and Mandatory CDOC Sentence

The bill replaces the term "child prostitution" with "commercial sexual activity with a child" across various crimes and mandates a CDOC sentence for these crimes.

Elements to the Crime of Soliciting Commercial Sexual Activity with a Child

The bill adds the element of knowing solicitation of a child to the crime of soliciting commercial sexual activity. In addition, under current law, an element of the crime of soliciting commercial sexual activity with a child includes arranging or offering to arrange a meeting of persons for the purposes of such activity. The bill adds the requirement that the person must know that the meeting will facilitate this activity to be guilty of the offense.

Internet Luring of a Child

Finally, the bill creates a new class 3 felony for the crime of internet luring of a child if the intent of the luring is for the purpose of engaging in commercial sexual activity. The bill requires that a person found guilty of the class 3 felony be sentenced to the CDOC.

Comparable Crime Analysis

Legislative Council Staff is required to include certain analysis in the fiscal note for any bill that creates a new crime, or that either reclassifies or creates a new factual basis for an existing crime. This section identifies comparable crimes and discusses assumptions on future conviction rates resulting from the bill.

Prior Conviction Data

Soliciting for Commercial Sexual Activity with a Child

This bill creates a new factual basis for the existing offense of soliciting for commercial sexual activity with a child, a class 3 felony, by adding the element of knowingly soliciting a child to the crime. It also mandates a sentence to the CDOC. From FY 2022-23 to FY 2024-25, 86 individuals have been convicted and sentenced for this existing offense. Of the persons convicted, all 86 were male. Demographically, 67 were White, 4 were Black/African American, 5 were Hispanic, 5 were Asian, and 5 were classified as "Other."

Of these cases, 20 individuals were sentenced to the CDOC, or about 7 per year.

Pandering of a Child

This bill mandates a sentence to the CDOC for the existing offense of pandering of a child, a class 2 or class 3 felony. From FY 2022-23 to FY 2024-25, 5 individuals have been convicted and sentenced for this offense. Of the persons convicted, all 5 were male. Demographically, 3 were White, and 2 were Black/African American.

Of these cases, 4 individuals were sentenced to the CDOC, or about 1 per year.

Procurement of a Child

This bill mandates a sentence to the CDOC for the existing offense of procurement of a child, a class 3 felony. From FY 2022-23 to FY 2024-25, 1 Black/African American male was convicted and sentenced to the CDOC for this offense.

This offender was sentenced to the CDOC.

Keeping a Place for Commercial Sexual Activity with a Child

This bill mandates a sentence to the CDOC for the existing offense of keeping a place for commercial sexual activity with a child, a class 3 felony. From FY 2022-23 to FY 2024-25, no one has been convicted and sentenced for this offense.

Pimping of a Child

This bill mandates a sentence to the CDOC for the existing offense of pimping of a child, a class 3 felony. From FY 2022-23 to FY 2024-25, 4 individuals have been convicted and sentenced for this offense. Of the persons convicted, 3 were male, and 1 was female. Demographically, 1 was White and 3 were Black/African American.

Of these cases, all 4 individuals were sentenced to the CDOC, or about 1 per year.

Inducement of Commercial Sexual Activity with a Child

This bill mandates a sentence to the CDOC for the existing offense of inducement of commercial sexual activity with a child, a class 3 felony. From FY 2022-23 to FY 2024-25, 3 individuals have been convicted and sentenced for this offense. Of the persons convicted, all 3 were male. Demographically, 1 was White and 2 were Black/African American.

Of these cases, all 3 individuals were sentenced to the CDOC, or about 1 per year.

Engaging in Commercial Sexual Activity with a Child

This bill mandates a sentence to the CDOC for the existing offense of engaging in commercial sexual activity with a child, a class 3 felony. From FY 2022-23 to FY 2024-25, 11 individuals have been convicted and sentenced for this offense. Of the persons convicted, all 11 were male. Demographically, 8 were White, 2 were Black/African American, and 1 was Asian.

Of these cases, 3 individuals were sentenced to the CDOC, or about 1 per year.

Internet Luring of a Child with Intent in Engaging in Commercial Sexual Activity

This bill mandates a sentence to the CDOC for the existing offense of internet luring of a child, a class 3 felony, if the intent is to meet for the purpose of engaging in commercial sexual activity with a child. From FY 2022-23 to FY 2024-25, 107 individuals have been convicted and sentenced for this offense. Of the persons convicted, all 107 were male. Demographically, 93 were White, 4 were Black/African American, 2 were Hispanic, 3 were Asian, 1 was American Indian, and 4 were classified as "Other".

Of these cases, 35 individuals were sentenced to the CDOC, or about 12 per year.

Assumptions

Increased CDOC Sentences for Commercial Sexual Activity with a Child Crimes

Based on the above data, currently there are:

- about **22 individuals per year** not receiving a CDOC sentence for Soliciting for Commercial Sexual Activity with a Child;
- less than **one individual** per year not receiving a CDOC sentence for pandering of a child; and
- about **3 individuals** per year not receiving a CDOC sentence for engaging in commercial sexual activity with a child.

This results in a total of **25 individuals** per year on average who will be newly sentenced to the CDOC under this bill.

Minimal Sentencing Impact from Internet Luring of a Child

The bill makes it a class 3 felony if an individual lures a child on the internet with the intent to meet for the purpose of engaging in commercial sexual activity with a child. The fiscal note assumes that this will most likely impact cases that are currently a class 4 felony under this statute. From FY 2022-23 to FY 2024-25, out of the 107 cases identified above, 29 of the cases involved the class 4 felony. For the class 4 felony, 11 individuals were sentenced to the CDOC leaving 18 individuals receiving an alternative sentence. On average this is 6 individuals per year not receiving a CDOC sentence for the class 4 felony.

A review by the Judicial Department showed that of the cases identified, about 2 cases per year involved commercial sexual activity with a child. Due to the low number identified, and the fact that currently class 4 felonies are going to the CDOC, the fiscal note assumes that this change in the bill will drive a minimal number of additional individuals to the CDOC.

Average Length of Stay

According to the most recent data from the Division of Criminal Justice within the Department of Public Safety, the average length of stay for a class 3 felony is 98 months, with offenses considered a sex offense being about 101 months or 8.41 years. Of the offenses impacted, only the assumed 3 individuals sentenced for engaging in commercial sexual would be subject to this longer average.

State Revenue

By increasing the felony class for internet luring of a child, the bill may increase state revenue from criminal fines and court fees by a minimal amount beginning in FY 2026-27, credited to the Fines Collection Cash Fund, various other cash funds in the Judicial Department, and the General Fund. The fine penalty for a class 4 felony is \$2,000 to \$500,000 and the fine penalty for a class 3 felony is \$3,000 to \$750,000. Because the courts have the discretion of incarceration, imposing a fine, or both, a precise state revenue impact cannot be determined. Criminal fine and court fee revenue is subject to TABOR.

State Expenditures

The bill decreases state expenditures in the Judicial Department by about \$121,366 per year beginning in FY 2027-28, and increases state expenditures in the Department of Corrections by \$1.7 million, with increasing amounts ongoing. Savings and expenditures are from the General Fund. Costs are shown in Table 2 and detailed below.

Table 2
State Expenditures
All Departments

Department	Budget Year FY 2026-27	Out Year FY 2027-28
Judicial Department	\$0	-\$121,366
Department of Corrections	\$0	\$1,703,364
Total Costs	\$0	\$1,581,998

Judicial Department

The bill decreases staff in the Probation Division and increases workload in the trial courts and for agencies representing indigent offenders

Probation Division

This bill will decrease workload for the Probation Division as an estimated 25 individuals per year will be sentenced to CDOC instead of probation. Based on the amount of supervision for an individual sentenced to the Sex Offender Intensive Supervision Program, this would result in a reduction of about 1.3 FTE, as shown in Table 2A.

The division is operating at 78 percent staffing compared to its FY 2025-26 Probation Staffing Model. The General Assembly may consider not reducing appropriations in order to improve the division's staffing ratio.

Trial Courts and Indigent Defense

To the extent the bill increases the length of hearings and litigation due to mandatory CDOC sentences and the increase in classification, workload to the trial courts and offices that represent indigent offenders will increase. Because these offenses are already classified as serious felonies, any increase in work is expected to be minimal.

Table 2A
State Expenditures
Judicial Department

Cost Component	Budget Year FY 2026-27	Out Year FY 2027-28
Personal Services	\$0	-\$88,976
Operating Expenses	\$0	-\$5,264
Centrally Appropriated Costs	\$0	-\$27,126
Total Costs	\$0	-\$121,366
Total FTE	0.0 FTE	-1.3 FTE

Department of Corrections

Legislative Council Staff is required to analyze long-term costs for prison capital construction, operations, and parole for any bill that potentially increases periods of imprisonment in the Department of Corrections.

CDOC Prison and Parole Costs (Five-year Fiscal Impact)

Based on the assumptions outlined in the Comparable Crime Analysis section, this bill increases prison operating costs for the CDOC by a total of \$17.0 million over the five-year period beginning in FY 2026-27. The fiscal note assumes no prison operating impacts will occur in the first year due to the amount of time required for criminal filing, trial, disposition and sentencing of each case. Once an offender is released from prison, they are assigned to parole, however based on average length of stay data, it is not expected for these individuals to be released on parole within the 5-year time period. Table 2 shows the estimated cost of the bill over the next five fiscal years.

CDOC Capital Construction Costs

In addition to the five-year operating and parole impacts discussed above, state law requires that the General Assembly consider increased capital construction costs for the CDOC to house additional inmates. Based on a 2024 survey solicited by CDOC on the cost to build a medium security facility, capital construction costs of \$41.3 million would be required to increase prison

bed space in line with the estimated increase in prison population under this bill. If the General Assembly determines that additional prison bed space is needed, this bill should include a transfer of General Fund to the Capital Construction Fund, to be reappropriated to the Corrections Expansion Reserve Fund. Money in the Corrections Expansion Reserve Fund is available for future CDOC construction projects, which would be identified and funded through the annual budget process based on the state's overall prison needs.

Table 2B
State Expenditures
Department of Corrections

Fiscal Year	Prison ADP Impact	Prison Cost	Parole ADP Impact	Parole Cost	Total Cost
FY 2026-27	0.00	\$0	0.00	\$0	\$0
FY 2027-28	25.00	\$1,703,364	0.00	\$0	\$1,703,364
FY 2028-29	50.00	\$3,406,728	0.00	\$0	\$3,406,728
FY 2029-30	75.00	\$5,110,091	0.00	\$0	\$5,110,091
FY 2030-31	100.00	\$6,813,455	0.00	\$0	\$6,813,455
Total Five-Year Cost		\$17,033,638		\$0	\$17,033,638

ADP=Average Daily Population.

Local Government

Beginning in FY 2026-27, increases workload for district attorneys to the extent mandatory CDOC sentences and increase classifications increase the length of court cases. District attorney offices are funded by counties, with each county in a judicial district contributing based on its population.

Effective Date

The bill takes effect July 1, 2026, and applies to offenses on or after this date.

State and Local Government Contacts

Corrections

Judicial

District Attorneys

Public Safety