

**FINAL  
FISCAL NOTE**

**Drafting Number:** LLS 15-0030  
**Prime Sponsor(s):** Rep Salazar; Melton  
 Sen. Ulibarri

**Date:** June 25, 2015  
**Bill Status:** Postponed Indefinitely  
**Fiscal Analyst:** Josh Abram (303-866-3561)

**BILL TOPIC:** SCHOOLS' USE OF AMERICAN INDIAN MASCOTS

<b>Fiscal Impact Summary*</b>	<b>FY 2015-2016</b>	<b>FY 2016-2017</b>
<b>State Revenue</b> Cash Funds	Potential increase from gifts, grants, or donations.	
<b>State Expenditures</b> General Fund	at least \$6,750	at least \$6,750
<b>FTE Position Change</b>		
<b>Appropriation Required:</b> \$6,750 - Commission of Indian Affairs (FY 2014-15).		

\* This summary shows changes from current law under the bill for each fiscal year.

**Summary of Legislation**

This bill creates the Subcommittee for the Consideration of the Use of American Indian Mascots by Public Schools (subcommittee) in the Colorado Commission of Indian Affairs (commission) in the Office of the Lieutenant Governor. The subcommittee is required to meet at least every two months to evaluate the use of American Indian mascots by public schools and public institutions of higher education, and approve or disapprove of such uses. The subcommittee is given the power to:

- petition the General Assembly for funding;
- solicit and accept private gifts, grants, or donations;
- make and publish reports of findings and recommendations;
- establish a grant application process for public schools or institutions of higher education; and
- award grant moneys to schools.

The bill specifies the composition and selection of subcommittee members and requires that both voting members representing American Indian tribes, and nonvoting members from the Colorado Department of Education and the Department of Higher Education, be included in the subcommittee. The commission is required to give staff support to the subcommittee. Members on the subcommittee may receive compensation limited to \$100 per member per day, and not to exceed \$750 per member in any calendar year.

The American Indian Mascot Fund (mascot fund) is created in the State Treasury to consist of money appropriated by the General Assembly and any gifts, grants, or private donations the subcommittee accepts. Money in the fund is subject to annual appropriations for the direct and indirect expenses of the subcommittee.

No later than September 15, 2015, public schools and institutions of higher education that uses an American Indian mascot are required to notify the subcommittee of such uses. No later than October 1, 2015, each school using an American Indian mascot must cease using the mascot, or request approval of the use of the mascot from the subcommittee. If the subcommittee disapproves of the mascot, the school must discontinue use of the mascot within two years of receiving notice. For each month a public school uses a disapproved mascot beyond the deadline, the district is required to pay a \$25,000 fine for deposit in the State Education Fund. Fines for charter schools are payable either by the school district (for district authorized charter schools) or the Colorado Charter School Institute (for CSI authorized charter schools). Fines for institutions of higher education must be paid by the Colorado Commission on Higher Education (CCHE). A school whose mascot is disapproved by the subcommittee may apply for a grant to pay for new uniforms, new decor, new letterhead, and other branding modifications necessitated by the change of mascot.

The subcommittee is repealed September 1, 2025, following a sunset review conducted by the Department of Regulatory Agencies.

### **State Revenue**

The bill authorizes the subcommittee to accept and spend gifts, grants, and other private donations to support members and make grant awards. No amount of funding from private sources has been identified.

The bill also has the potential to increase state revenue from fines. A public school that fails to change a mascot within two years following the mascot being disapproved by the subcommittee may be subject to fines; however, less than \$25,000 is anticipated in new fine revenue, which revenue may be collected no sooner than FY 2017-18.

### **State Expenditures**

***The bill increases state expenditures in FY 2015-16 by \$6,750.*** This expenditure is to provide money for the mascot fund which will be used to compensate subcommittee members. Depending on how many public schools have their mascot disapproved by the subcommittee, funding for grant awards in subsequent years may also be necessary; however, the commission will seek subcommittee funding for additional fiscal years through the annual budget setting process.

Annual expenditures from the mascot fund will include up to \$6,750 in subcommittee member compensation (9 members may each receive up to \$750 per year;  $9 \times \$750 = \$6,750$ ).

### **School District Impact**

Any public school that fails to get approval for their American Indian mascot is prohibited from using the mascot. Assuming these schools choose to adopt a replacement, the schools will have branding expenses to adopt a new mascot and to change all current images and references to the original brand. Depending on the school, this could require replacing the American Indian images on all athletic team materials (uniforms, scoreboards, gym floors, etc.), school administrative printing (letterheads, forms, etc.), all signs and banners, and any other existing marketing materials including web sites. Schools may apply for state grants from the commission to offset these expenses. Any public school that fails to comply may be liable for fines of \$25,000 per month beginning in FY 2017-18.

**Effective Date**

The bill was postponed indefinitely by the Senate State, Veterans, & Military Affairs Committee on April 29, 2015.

**State Appropriations**

Consistent with this final fiscal note, for FY 2015-16, the bill would have included a General Fund appropriation of \$6,750 to the American Indian Mascot Fund. These funds would then be reappropriated to the Lieutenant Governor's office.

**State and Local Government Contacts**

Education      Governor's Office      Higher Education      Regulatory Agencies