



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #756

Tourism LTE Costs (Tourism)

Bill Agency

[LFB 2007-09 Budget Summary: Page 524, #2]

CURRENT LAW

The Department of Tourism is authorized \$172,200 for limited-term employee (LTE) salaries in 2006-07.

GOVERNOR

Provide an additional \$24,400 GPR in 2007-08 and \$29,800 GPR in 2008-09 for limited-term employee (LTE) costs in the Department of Tourism.

DISCUSSION POINTS

1. Tourism is authorized \$172,200 for limited-term employee (LTE) salaries in 2006-07 (approximately \$185,100 including fringe benefits). Of this funding, \$145,000 is expected to be used for 55 LTEs that staff the Department's 10 Wisconsin Welcome Centers (WWCs), with remaining funding of approximately \$27,200 used for central office LTEs. In addition to this funding, Tourism indicates it may reallocate up to \$13,500 for LTE costs in 2006-07.

2. Tourism operates 10 Wisconsin Welcome Centers (which were known as Wisconsin Travel Information Centers prior to the 2005-07 biennium) throughout the state to offer highway and urban travelers information concerning Wisconsin tourism. The 10 WWCs are located on major state highways at entry points to the state near Kenosha, Genoa City, Beloit, Kieler (Grant County), Prairie du Chien, La Crosse, Hudson, Superior, Hurley and Marinette. Three other centers

have been closed. They were located in Bloomington, MN (in the Mall of America, closed in 2001), Chicago (closed in 2003), and Madison (closed in 2003). The Department utilizes the 55 WWC LTEs to assist 12.4 full-time employees that manage operations at the 10 WWCs (however, it should be noted a few of these staff also have other administrative and program duties for the Department). Tourism expended \$1.25 million in 2005-06 for operating and maintaining the 10 WWCs.

3. Individual communities and attractions may provide promotional literature to one or more WWCs for distribution, with Tourism approval. The centers also distribute information produced by the Department such as calendars of events and general promotional brochures. Computer terminals with internet links are also available.

4. Four travel centers (Genoa City, Prairie du Chien, Kieler and Marinette) are open on a seasonal basis from April through October, and the other six centers are open year-round. Each of the 10 centers is operated by between 0.65 and 2.0 full-time staff, with additional staffing provided by LTEs.

5. Tourism rents space for the Prairie du Chien WWC and the City of Marinette owns its facility (although it is staffed by Tourism). For the remaining eight centers, Tourism has an agreement for space with the Department of Transportation.

6. Visitor use of the WWCs trended downward over the five-year period from 2001 to 2005, with total visitors of 1.13 million in calendar year 2001, 1.07 million in calendar year 2003, and 0.98 million in calendar year 2005. However, visitors to WWCs increased to over 1 million in 2006. While part of general reductions can be attributed to the closure of the Bloomington, Minnesota, (Mall of America) information center in 2001, and the closures of the Chicago and Madison centers in 2003, it is uncertain how strong of an influence these centers had on visitors as the Bloomington and Chicago centers were not adjacent to the state, and visitors to the Madison center were already well within the state.

7. The Governor's recommendation includes the amount requested by Tourism. While not specified in the bill, Tourism officials estimated that approximately \$17,700 in 2007-08 and approximately \$23,100 in 2008-09 would be used for WWC staffing. The remaining \$6,700 annually would be used for central office LTE costs in order to bring budgeted levels closer to actual program expenditures.

8. In addition to the LTEs used to staff WWCs, Tourism indicates that past administrative reductions have led the Department to use LTEs in the central office for projects and program administration. However, it could be argued that past administrative reductions were made with the intent of reducing administrative costs and no additional funding should be provided for central office LTEs. As a result, the Committee could consider only providing additional funding for WWC LTEs.

9. If no additional funding were provided to Tourism for LTEs, the Department would

need to reallocate existing funding to support additional LTE costs or limit staffing of the welcome centers and central office.

ALTERNATIVES TO BILL

1. Approve the Governor's recommendation to provide \$24,400 GPR in 2007-08 and \$29,800 GPR in 2008-09 for limited-term employee (LTE) costs in the Department of Tourism.

ALT 1	Change to Bill Funding	Change to Base Funding
GPR	\$0	\$54,200

2. Provide \$17,700 GPR in 2007-08 and \$23,100 GPR in 2008-09 for limited-term employee (LTE) costs at Wisconsin Welcome Centers operated by the Department of Tourism.

ALT 2	Change to Bill Funding	Change to Base Funding
GPR	-\$13,400	\$40,800

3. Delete provision.

ALT 3	Change to Bill Funding	Change to Base Funding
GPR	-\$54,200	\$0

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