

TOURISM

Budget Summary							
Fund	2022-23 Base Year Doubled	2023-25 Governor	2023-25 Jt. Finance	2023-25 Legislature	2023-25 Act 19	Act 19 Change Over Base Year Doubled	
						Amount	Percent
GPR	\$12,974,000	\$102,750,200	\$49,032,700	\$49,032,700	\$49,032,700	\$36,058,700	277.9%
FED	1,561,800	1,562,000	1,562,000	1,562,000	1,562,000	200	0.0
PR	18,832,600	608,000	18,542,200	18,542,200	18,542,200	- 290,400	- 1.5
SEG	<u>3,207,000</u>	<u>3,208,200</u>	<u>3,207,000</u>	<u>3,207,000</u>	<u>3,207,000</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$36,575,400	\$108,128,400	\$72,343,900	\$72,343,900	\$72,343,900	\$35,768,500	97.8%

FTE Position Summary						
Fund	2022-23 Base	2024-25 Governor	2024-25 Jt. Finance	2024-25 Legislature	2024-25 Act 19	Act 19 Change Over 2022-23 Base
GPR	32.00	40.50	33.00	33.00	33.00	1.00
FED	1.00	1.00	1.00	1.00	1.00	0.00
PR	<u>1.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>- 1.00</u>
TOTAL	34.00	41.50	34.00	34.00	34.00	0.00

Budget Change Items

1. STANDARD BUDGET ADJUSTMENTS [LFB Paper 105]

Governor/Legislature: Provide adjustments to the agency base budget for the following: (a) full funding of continuing position salaries and fringe benefits (\$304,000 GPR, \$4,600 PR, and \$100 FED annually); (b) reclassifications and semiautomatic pay progression (\$17,200 GPR annually); (c) full funding of lease and directed moves costs (-\$38,400 GPR annually); and (d) removal of non-continuing elements from the base (-3.00 GPR positions annually).

	Funding	Positions
GPR	\$565,600	- 3.00
FED	200	0.00
PR	<u>9,200</u>	<u>0.00</u>
Total	\$575,000	- 3.00

2. **MARKETING AND ADVERTISING FUNDS** [LFB Paper 750]

	Governor		Jt. Finance/Leg.		Net Change	
	(Chg. to Base)		(Chg. to Gov)			
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$37,000,000	4.00	-\$15,000,000	- 4.00	\$22,000,000	0.00

Governor: Provide \$33,600,000 in 2023-24 to expand Tourism's marketing and advertising initiatives. The Administration intends for the provision to increase marketing and exposure of the state, particularly relative to the annual marketing campaigns of other neighboring Midwest states. Funding would be provided in a biennial appropriation, meaning Tourism would be able to expend or encumber the amounts through June 30, 2025, at which time unencumbered amounts would return to the general fund.

Additionally, provide \$1,700,000 in base funding each year with 4.0 permanent positions. The Administration intends funds and staffing to address rising costs of production fees, website management, research, and information management. The 4.0 positions would include a consumer communications specialist, a marketing coordinator, a content marketing writer, and a social media assistant. Funding would include \$157,800 in 2023-24 and \$211,000 in 2024-25 for salaries and fringe benefit costs, with \$1,542,200 in 2023-24 and \$1,489,000 in 2024-25 for supplies or contracted services.

Joint Finance/Legislature: Modify provision to create a continuing appropriation with \$20,000,000 in 2023-24 in one-time funding for Tourism's marketing activities. Provide an additional \$1,000,000 in each year as ongoing marketing funds to Tourism's biennial GPR marketing appropriation. No additional positions are included under Act 19.

The following table shows Tourism's general marketing funding in the 2023-25 biennium under action by the Legislature and the Governor's partial vetoes, as described in a separate item. Of the amounts shown, \$20,000,000 in 2023-24 in the continuing appropriation is available until exhausted. The remaining \$37,579,000 is only available in the 2023-25 biennium.

Tourism Marketing Appropriations

<u>Fund Source</u>	<u>Base</u>	<u>2023-24</u>	<u>2024-25</u>
GPR	\$2,571,000	\$32,571,000	\$3,571,000
Tribal PR	9,127,100	9,127,100	9,127,100
Transportation SEG	<u>1,591,400</u>	<u>1,591,400</u>	<u>1,591,400</u>
Total	\$13,289,500	\$43,289,500	\$14,289,500

[Act 19 Section: 83]

3. OPPORTUNITY ATTRACTION AND PROMOTION FUND [LFB Paper 751]

	Governor (Chg. to Base) Funding Positions	Jt. Finance/Leg. (Chg. to Gov) Funding Positions	Net Change Funding Positions
GPR	\$30,124,300 1.00	-\$30,124,300 - 1.00	\$0 0.00

Governor: Provide \$20 million in 2023-24 and \$10 million in 2024-25 to attract opportunities and events to the state. Direct Tourism to collaborate with the Wisconsin Economic Development Corporation to implement this provision. Funding would be provided in a new, continuing appropriation intended to support marketing, advertising, and outreach to encourage large events to be held in the state. The Administration indicates that such events could include professional and collegiate sporting events and other large-scale conventions or festivals wherein vendor activities, ticket sales, and general travel into the state would encourage visitor spending and state exposure. The provision would also include 1.0 permanent position with funding of \$54,800 in 2023-24 and \$69,500 in 2024-25 in Tourism's general operations appropriation to administer the program. Funding of \$10 million in 2024-25 would continue in the agency base for future biennia.

Joint Finance/Legislature: Create an Opportunity Attraction and Promotion Fund, supported by a new, continuing appropriation under the Wisconsin Economic Development Corporation, for attracting opportunities and events to the state. Provide \$10,000,000 GPR in the Joint Committee on Finance supplemental appropriation. [See "Program Supplements" and "Wisconsin Economic Development Corporation."]

[Act 19 Section: 60]

4. CONVERT TRIBAL GAMING MARKETING FUNDS TO GENERAL PURPOSE REVENUE

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$17,534,200	-\$17,534,200	\$0
PR	<u>- 17,534,200</u>	<u>17,534,200</u>	<u>0</u>
Total	\$0	\$0	\$0

Governor: Convert \$8,767,100 tribal gaming PR marketing funding in each year to GPR. Repeal Tourism's tribal gaming PR marketing appropriation, and repeal requirements that Tourism make expenditures for advertising activities and Joint Effort Marketing grants in equal proportion between its GPR and tribal gaming PR marketing appropriations within each fiscal year. The Administration indicates the provision is part of a reallocation of tribal gaming revenues to other programs intended to benefit tribal communities. [See "Administration -- Division of Gaming."]

Joint Finance/Legislature: Provision not included. (Removed from budget consideration pursuant to Joint Finance Motion #10.)

5. MEETINGS, CONVENTIONS, AND SPORTS BUREAU [LFB Paper 752]

	Governor (Chg. to Base)		Jt. Finance/Leg. (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$2,666,800	2.00	-\$2,367,200	-1.00	\$299,600	1.00
PR	-299,600	-1.00	0	0.00	-299,600	-1.00
Total	\$2,367,200	1.00	-\$2,367,200	-1.00	\$0	0.00

Governor: Create a Meetings, Conventions, and Sports Bureau and provide \$1,314,300 GPR in 2023-24 and \$1,352,500 GPR in 2024-25 with 2.0 positions. The Bureau would be responsible for advertising Wisconsin as a site for meetings, conventions, sporting events, and tournaments. The Administration reports the provision should have included 3.0 GPR positions instead of 2.0, and a subsequent errata clarified this intent. The 3.0 GPR positions would include a director, an events coordinator, and a sales manager.

Additionally, eliminate the Office of Marketing Services and delete \$149,800 PR annually and 1.0 position. The Administration reports that overall state agency utilization of the Office of Marketing Services has declined in recent years, as has funding.

Joint Finance/Legislature: Delete provision, but repeal the Office of Marketing Services. Transfer its 1.0 incumbent and \$149,800 annually from PR to Tourism's GPR general operations appropriation. The provision reduces Tourism GPR operations by \$1,164,500 in 2023-24 and \$1,202,700 in 2024-25 relative to the bill.

[Act 19 Sections: 84 and 235]

6. OFFICE OF OUTDOOR RECREATION [LFB Paper 753]

	Governor (Chg. to Base)		Jt. Finance/Leg. (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$1,092,200	3.00	-\$565,000	0.00	\$527,200	3.00

Governor: Provide \$519,500 in 2023-24 and \$572,700 in 2024-25 with 3.0 permanent positions for the Office of Outdoor Recreation. Of these amounts, specify that \$282,500 GPR annually would be intended to: (a) enhance website and research features related to the Office; (b) increase the Office's physical presence at trade shows; (c) continue publication of the Wisconsin Trail Report; and (d) improve the assets collection tool, which is an online source for recreation amenities information.

The Office of Outdoor Recreation is responsible for promoting Wisconsin's outdoor recreational opportunities and connecting businesses in the outdoor recreation industry. 2019 Act 9 provided 3.0 project positions and one-time funding in the 2019-21 biennium for the creation and operation of the Office of Outdoor Recreation. 2021 Act 58 reauthorized the Office's funding

and project positions through June 30, 2023, and authorized positions are removed under standard budget adjustments.

Joint Finance/Legislature: Provide one-time funds of \$237,000 in 2023-24 and \$290,200 in 2024-25 with 3.0 two-year project positions, notwithstanding s. 230.27(1) of the statutes regarding the term of project positions, for the Office of Outdoor Recreation.

[Act 19 Section: 9143(1)]

7. ARTS BOARD FUND MATCHING [LFB Paper 754]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$552,500	\$113,800	\$666,300

Governor: Provide \$337,200 in 2023-24 and \$215,300 in 2024-25 to match anticipated annual federal grants from the National Endowment for the Arts (NEA). The Arts Board uses NEA grants for both agency operations and grants to artists and arts organizations in Wisconsin. NEA grants require at least an equal (dollar-for-dollar) match of state funding. Of the amounts recommended for 2023-24, an estimated \$148,100 would be associated with matches to NEA grants received by September 30, 2023.

The bill would also transfer \$100 million from the general fund to the Wisconsin Artistic Endowment Foundation in 2023-24 with interest earnings of an estimated \$4.5 million in the biennium distributed for support of the Arts Board and various arts programs across the state. The Artistic Endowment Foundation is a statutorily created nonprofit organization, although currently inactive, with the goal of establishing arts programs throughout the state and providing funding to various arts programs. [See "Wisconsin Artistic Endowment Foundation."]

Joint Finance/Legislature: Modify funding to provide \$407,200 GPR in 2023-24, including \$148,100 to match grants expiring September 30, 2023, and \$259,100 to match federal grant awards through September 30, 2024. Provide \$259,100 GPR in 2024-25 as an ongoing base increase for state aid for the arts. In 2024-25, the Arts Board is budgeted state funding of \$1,053,100 GPR and \$44,900 PR.

8. NATIVE AMERICAN TOURISM OF WISCONSIN CONTRACT TRANSFER

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
PR	-\$400,000	\$400,000	\$0

Governor: Transfer management of Tourism's marketing contract with Native American Tourism of Wisconsin (NATOW) to the Department of Administration (DOA). Further, transfer \$200,000 tribal gaming PR each year for the NATOW contract from Tourism's marketing

appropriation to the DOA appropriation for American Indian economic development. Currently, Tourism administers \$200,000 each year under contract with NATOW, a part of the Great Lakes Inter-Tribal Council (GLITC), for marketing tribal destinations and producing promotional materials. The provision would combine the marketing funding for NATOW programs with existing tribal PR-funded grants to GLITC that are administered by DOA. [See "Administration -- Division of Gaming."]

Joint Finance/Legislature: Provision not included. (Removed from budget consideration pursuant to Joint Finance Motion #10.)

9. TRIBAL LIAISON POSITION

	Governor (Chg. to Base) Funding Positions		Jt. Finance/Leg. (Chg. to Gov) Funding Positions		Net Change Funding Positions	
GPR	\$150,800	1.00	-\$150,800	- 1.00	\$0	0.00

Governor: Provide \$64,600 in 2023-24 and \$86,200 in 2024-25 and 1.0 position annually to create an agency tribal liaison position. The agency tribal liaison would be responsible for working with Native American tribes and bands on behalf of the agency, as well as coordinating with the Director of Native American Affairs in DOA. [See "Administration -- General Agency Provisions."]

Joint Finance/Legislature: Provision not included. (Removed from budget consideration pursuant to Joint Finance Motion #10.)

10. EQUITY OFFICER POSITION

	Governor (Chg. to Base) Funding Positions		Jt. Finance/Leg. (Chg. to Gov) Funding Positions		Net Change Funding Positions	
GPR	\$87,000	0.50	-\$87,000	- 0.50	\$0	0.00

Governor: Provide \$38,100 in 2023-24 and \$48,900 in 2024-25 and a 0.5 position annually to create an agency equity officer position. The agency equity officer would be responsible for collaborating with the chief equity officer in the Department of Administration and with other agency equity officers to identify opportunities to advance equity in government operations. [See "Administration -- General Agency Provisions."]

Joint Finance/Legislature: Provision not included. (Removed from budget consideration pursuant to Joint Finance Motion #10.)

11. AGENCY SUPPLIES AND SERVICES FUNDING INCREASE

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$2,800	- \$2,800	\$0
SEG	<u>1,200</u>	<u>- 1,200</u>	<u>0</u>
Total	\$4,000	- \$4,000	\$0

Governor: Provide \$1,400 GPR and \$600 conservation fund SEG annually to increase agency supplies and services funding. According to the Administration, the amounts represent a 5% increase to supplies and services funding for certain annual GPR and SEG state operations appropriations. The proposed increases would be provided to appropriations that meet the following criteria: (a) in 2021-22, the agency expended 95% or more of the amount budgeted for supplies and services; and (b) for the 2023-25 biennium, no other additional supplies and services funding is being proposed for a similar purpose.

Joint Finance/Legislature: Provision not included. (Removed from budget consideration pursuant to Joint Finance Motion #10.)

12. TOURISM CAPITAL GRANTS

Governor: Provide \$50,000,000 in one-time funding in 2023-24 to create a tourism capital grant program. DOA would administer the grant program to provide funds to local governments, tribal governments, and nonprofit organizations that aim to strengthen the state's tourism, travel, and lodging economies. [See "Administration -- General Agency Provisions."]

Joint Finance/Legislature: Provision not included.

13. TOURISM MARKETING AND REPORTING REQUIREMENTS

Governor: Repeal or modify several statutory requirements for Tourism marketing activities and other program reporting. The changes would implement provisions of 2023 Assembly Bill 23/Senate Bill 36.

Cheese Distribution in Information Centers. Eliminate the statutory requirement that Tourism must distribute donated, Wisconsin-made cheese at tourism information centers that the Department operates. Since 1983, Tourism and its predecessor agencies have been required to distribute Wisconsin-made cheese samples free of charge at state-operated tourist information centers from the Monday preceding Memorial Day through Labor Day. The Department is to seek donations of cheese and refrigeration equipment for these purposes. Tourism no longer directly operates Wisconsin Welcome Centers.

Marketing Activities Reporting. Modify the requirement that Tourism must annually report the activities, marketing efforts, receipts, and disbursements for the previous fiscal year to the Senate Natural Resources Committee and the Assembly Committee on Tourism. Instead, direct

these reports to the relevant standing committees of the Legislature.

Famous Residents in Marketing. Repeal the statutory requirement that Tourism consider using famous current and former residents of Wisconsin in tourism marketing strategies.

Wisconsin Professional Golfers' Association (WPGA) Junior Foundation Reporting. Repeal the requirement that the WPGA Junior Foundation must submit annually to the Attorney General and each house of the Legislature an audited financial statement of its use of payments by Tourism to fund efforts to provide opportunities, enjoyment, and education to junior golfers in this state. The WPGA Junior Foundation is a nonprofit organization dedicated to promoting the game of golf to Wisconsin junior golfers and their families. Payments are made to the Foundation from fees on specialty Golf Wisconsin license plates. Payments to the WPGA Junior Foundation were \$14,300 in 2021-22. The Administration and past testimony on the legislation indicate the audit requirement is cost-prohibitive for the Foundation relative to the proceeds received.

Joint Finance/Legislature: Provision not included. (Removed from budget consideration pursuant to Joint Finance Motion #10. However, 2023 Senate Bill 36 was enacted May 8, 2023, as 2023 Wisconsin Act 7.)

14. GRANT TO DISCOVER GREEN BAY

GPR	\$2,000,000
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Joint Finance/Legislature: Provide \$2,000,000 in 2023-24 under Tourism's biennial marketing appropriation for a grant to Discover Green Bay (Experience Greater Green Bay Corporation).

[Act 19 Section: 9143(2)]

15. GRANT TO VISIT MILWAUKEE

GPR	\$10,000,000
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Joint Finance/Legislature: Provide \$10,000,000 in 2023-24 under Tourism's biennial marketing appropriation for a grant to Visit Milwaukee (Greater Milwaukee Convention and Visitors Bureau).

Veto by Governor [B-12]: Reduce the grant to \$1,000,000 and retain the remaining \$9,000,000 for Tourism's general marketing purposes. Remove the requirement of awarding the grant in fiscal year 2023-24. (Total amounts available for Tourism's general marketing efforts as a result of the partial veto are described in a separate item.)

[Act 19 Section: 9143(3)]

[Act 19 Vetoed Section: 9143(3)]