

WISCONSIN ARTISTIC ENDOWMENT FOUNDATION

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 <u>Base Year Doubled</u>	
						Amount	Percent
SEG	\$0	\$4,500,000	\$0	\$0	\$0	\$0	N.A.

FTE Position Summary
There are no authorized positions for the Wisconsin Artistic Endowment Foundation.

Budget Change Item

1. ARTISTIC ENDOWMENT FOUNDATION REACTIVATION AND FUNDS TRANSFER

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR- Transfer	\$100,000,000	- \$100,000,000	\$0
SEG	4,500,000	- 4,500,000	0

Governor: Reactivate the Wisconsin Artistic Endowment Foundation (WAEF) and transfer \$100 million from the general fund to the segregated artistic endowment fund in the 2023-25 biennium. Additionally, estimate \$1.5 million SEG in 2023-24 and \$3 million SEG in 2024-25 in fund earnings and interest distributions to support Arts Board programs and other various arts programs across the state.

The Artistic Endowment Foundation is a public body corporate and politic created under Chapter 247 of the statutes as a nonprofit organization with the goal of establishing arts programs throughout the state and providing funding to various arts programs. WAEF is to be overseen by a board of directors, consisting of: (a) eight gubernatorial appointees, with the advice and consent of the Senate, representing various artistic interests and geographic regions of the state; (b) the

Arts Board chairperson; (c) two members of each house of the Legislature, one nominated by each of the Assembly Speaker, Assembly Minority Leader, Senate Majority Leader and Senate Minority Leader; and (d) as a nonvoting member, the Arts Board Executive Secretary. The WAEF has been inactive for most years since its creation in 2001. If WAEF were to be reactivated, the Foundation would require director appointments to be made.

The segregated artistic endowment fund by statute may receive gifts, grants, bequests, and other proceeds. WAEF may distribute fund earnings and interest on unrestricted donations as follows from a SEG continuing appropriation: (a) at least 50% to the Arts Board for operating support to arts organizations, including through the Wisconsin Regranting Program; and (b) other amounts at its discretion to programs WAEF may establish with the advice of the Arts Board and other state arts organizations. A statutory maintenance of effort specifies that the Foundation may not distribute funds to the Arts Board in any fiscal year for which total GPR appropriations to the Arts Board are lower than in the previous fiscal year. The Wisconsin Arts Board would provide administrative oversight to the Foundation, and the statutes require aids distributions to utilize Arts Board mechanisms and staff to the extent possible.

The Administration indicates that it would intend to limit distributions to approximately \$3 million each year, with additional earnings remaining in the corpus of the fund. The bill and current law do not include a specific limit on distributions.

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