



State Tourism Promotion

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Introduction

The state has been involved in tourism promotion activities for more than 50 years. Chapter 403, Laws of 1959, directed the then-Department of Resource Development to survey the tourism industry, collect data on the scope of the industry and recommend ways and means of stimulating it. Over the past several decades, state-sponsored research of the tourism industry has continued, and tourism promotion has expanded to include such activities as: (1) advertising the state's scenic, historic, cultural, recreational and other attractions through internet, print, radio and television communications; (2) providing information to prospective travelers by internet and toll-free phone services; (3) developing cooperative marketing programs with the state tourism industry; (4) administering various tourism-related grants; and (5) administering tourism development programs that assist businesses and municipalities in identifying marketable features that may attract customers.

The Department of Tourism was established effective January 1, 1996, by 1995 Act 27. The act created Tourism by consolidating staff and funding from: (1) the Department of Natural Resources (DNR); (2) the University of Wisconsin-Extension Tourism Resource Center; (3) the Division of Tourism Development in the Department of Development (DOD); and (4) portions of the Department of Administration (DOA) related to the Kickapoo Valley Reserve, although the Reserve is now budgeted as a separate agency. The Department is headed by a Secretary appointed by the Governor and subject to Senate confirmation. In addition to being assigned responsibilities for tourism marketing, the Department is partially responsible for the promotion of the state parks system, along with the DNR. Al-

so, the Wisconsin Arts Board is currently budgeted under Tourism, while the State Fair Park Board and Kickapoo Reserve Management Board are attached for limited administrative purposes only.

Council on Tourism. The Council on Tourism was created in 1987 to advise the state tourism agency. The Council's 21 members include 14 gubernatorial appointees, the Secretary of Tourism, the Executive Secretary of the Arts Board, the Director of the Historical Society (or designees), and four appointed state legislators, one from each party of both the Senate and Assembly. Nominations for appointments to the Council are sought from various associations, organizations and businesses related to tourism, including Native American tourism. Appointments attempt to reflect the diversity of the tourism industry and achieve geographical balance throughout urban and rural areas of the state. All members, except ex-officio members, are required to have experience in marketing and promotion strategy.

The Council advises the Secretary when formulating an annual statewide tourism marketing strategy. The Department then considers this plan for marketing and promoting facilities and attractions in the state for the ensuing year. Additional Council subcommittees focus on particular aspects of the state's tourism program, as do other ad hoc committees Tourism has created to advise the Department on grant program administration and other marketing activities.

Economic Impact of Travel

Tourism is widely considered to be a significant part of the state economy. The Department

of Tourism has regularly commissioned estimates of traveler activity, as have other state and regional tourism agencies around the country, to attempt to quantify the economic impacts of tourism. However, it is considered difficult to distinguish tourism, which would typically be described as leisure travel by persons from outside the area, from business travel or retail purchases of leisure goods by residents of an area.

From 1989 through 2010, Tourism contracted with the research firm Davidson-Peterson Associates, Inc., to conduct an annual study measuring the economic benefits derived from traveler spending in Wisconsin. Beginning in 2010, annual traveler expenditures and the resulting economic impacts were estimated for Tourism jointly by Tourism Economics and Longwoods International.

Both Davidson-Peterson and Longwoods International derive estimates from surveys. The Davidson-Peterson study derived economic impact estimates through data collected from interviews with travelers, lodging owners and state residents. For example, in 2010 face-to-face interviews were conducted with approximately 1,500 persons traveling "outside of his or her normal routine" in all parts of the state and in all seasons of the year. These interviews attempted to determine spending by an average traveler on an average trip. Additionally, Davidson-Peterson completed approximately 2,900 surveys throughout the year with lodging properties to determine the number of paid overnight stays during the year. Approximately 800 interviews also were conducted by phone with randomly selected Wisconsin households to determine the number of unpaid overnight stays with family or friends during the year.

In the currently commissioned study starting in 2010, Longwoods International, a subcontractor of Laughlin Constable, relies on its Travel USA program, which randomly solicits survey participation each quarter from a national sample.

For the study of the 2015 travel year and its impacts, Longwoods International received responses describing approximately 337,200 total overnight or day trips nationally, including approximately 4,200 persons identified as having taken an overnight visit in Wisconsin and about 2,700 persons who took a day trip in Wisconsin. It is analysis of these responses that forms the basis of estimates of total visitors, visitor spending and other visitor characteristics or demographics. Longwoods then uses these findings, in combination with other data sources, to estimate total traveler spending and further economic impacts.

Table 1 shows the estimates of traveler spending by Davidson-Peterson from 2003 to 2010, as well as the traveler spending estimates made by Tourism Economics-Longwoods International for 2009 through 2015. Tourism had overlapping economic impacts estimates from both Davidson-Peterson and the Longwoods International studies for the 2009 and 2010 calendar years. The two approaches yielded substantially different estimates for the two years the studies overlap.

Table 1: Estimated Spending by Travelers

Calendar Year	Traveler Expenditures		Overnight Visits	
	Amount (Billions)	Percent Change	Number (Millions)	Percent Change
Davidson-Peterson				
2003	\$11.71	1.3%	38.6	1.6%
2004	11.78	0.6	39.1	1.3
2005	11.95	1.4	39.1	0.0
2006	12.83	7.3	40.5	3.4
2007	12.78	-0.4	38.3	-5.5
2008	13.12	2.7	37.2	-2.9
2009	12.09	-7.8	36.0	-3.2
2010	12.30	1.8	36.1	0.3
Tourism Economics/Longwoods International				
2009	\$8.52	--	31.3	--
2010	9.20	7.9%	33.3	6.4%
2011	9.90	7.6	34.8	4.5
2012	10.37	4.7	37.3	7.2
2013	10.84	4.5	38*	1.9*
2014	11.42	5.3	39*	2.6*
2015	11.92	4.4	40*	2.1

*Recent reports provide more rounded estimates of overnight visits.

Tourism reports this is due generally to the Longwoods International study using more conservative estimates of the portion of retail economic activity attributable to persons traveling from out of the area, although Longwoods International also incorporates certain estimates in categories Davidson-Peterson's studies did not, such as air travel expenditures and maintenance and capital improvements costs of second homes. For 2015, Longwoods International estimated day trips in Wisconsin totaled approximately 65 million person-trips. Davidson-Peterson measured travelers by person-visits, equaling one person on an overnight stay of any duration at one lodging establishment. For instance, a couple on an overnight stay at a single hotel would be two person-visits, but if the couple stayed at a second hotel, the activity would be counted as four person-visits. Longwoods International measures travel by person-trips. As an example, a family of four taking a multiple-night or single-day trip would be considered four person-trips. Both methods of study include leisure travelers, vacation home owners, persons visiting friends or relatives, and business or convention travelers.

The U.S. Bureau of Economic Analysis esti-

mates the nominal gross domestic product (GDP) of Wisconsin was approximately \$300 billion for 2015. The 2015 expenditure estimates therefore suggest direct traveler spending may account for perhaps 4% of total state GDP.

Tourism Promotion Funding

Tourism promotion-related appropriations generally have remained within a range of \$13 million to \$16 million in recent biennia, with a majority of each year's funding dedicated to marketing of the state. Table 2 shows historic funding levels for tourism promotion and program operations. (Table 2 excludes the Kickapoo Valley Reserve and the Arts Board, which have been budgeted under Tourism during the time period shown. These entities are discussed in detail in a separate section.) In 2016-17, the Department is provided \$15,671,200 for tourism promotion functions, which includes: (1) \$4,507,100 in state general purpose revenues (GPR); (2) \$9,560,600 from program revenues (PR); and (3) \$1,603,500 from segregated (SEG) funds. The Department is

Table 2: Tourism Promotion Funding Levels

Fiscal Year	GPR Tourism Marketing	PR Tourism Marketing	SEG Tourism Marketing	Total Tourism Marketing	GPR Program Operations	PR Program Operations	SEG Program Operations	Other GPR	Other PR	Tourism Total
2002-03	\$5,503,400	\$3,969,500	\$0	\$9,472,900	\$3,952,900	\$126,500	\$49,100	\$0	\$106,200	\$13,707,600
2003-04	5,186,400	3,969,500	0	9,155,900	3,562,200	129,700	54,600	0	106,200	13,008,600
2004-05	5,186,400	3,969,500	0	9,155,900	3,562,200	129,700	54,600	0	106,200	13,008,600
2005-06	0	9,115,700	1,600,000	10,715,700	3,354,100	189,500	12,200	0	106,200	14,377,700
2006-07	0	9,149,400	2,200,000	11,349,400	3,252,600	189,500	12,200	0	106,200	14,909,900
2007-08	0	9,149,400	2,200,000	11,349,400	3,573,100	101,600	12,200	0	106,200	15,142,500
2008-09	0	9,149,400	2,200,000	11,349,400	3,578,500	101,600	12,200	0	106,200	15,147,900
2009-10	0	8,213,600	1,757,100	9,970,700	3,002,900	0	12,100	0	106,300	13,092,000
2010-11	0	8,373,600	1,597,100	9,970,700	2,876,500	0	12,100	0	106,300	12,965,600
2011-12	1,172,000	9,557,900	1,595,900	12,325,800	2,756,100	0	12,100	0	106,300	15,200,300
2012-13	1,172,100	9,557,900	1,595,900	12,325,900	2,756,100	0	12,100	0	106,300	15,200,400
2013-14	1,827,100	9,127,100	1,591,300	12,545,500	2,685,000	0	12,100	0	110,100	15,352,700
2014-15	1,827,100	9,127,100	1,591,300	12,545,500	2,688,400	0	12,100	0	110,300	15,356,300
2015-16	2,327,100	9,127,100	1,591,400	13,045,600	2,680,000	345,300	12,100	0	109,000	16,192,000
2016-17	1,827,100	9,127,100	1,591,400	12,545,600	2,680,000	324,500	12,100	0	109,000	15,671,200

also authorized 31.0 tourism development positions, of which 27.0 are GPR-supported and 4.0 are PR-supported.

Tourism's operations and marketing-related activities through 1998-99 were funded primarily by GPR. Tourism has been appropriated program revenue funding from tribal gaming receipts since 1999-2000. Further, transportation fund segregated revenues have been provided for tourism marketing since 2005. The conservation fund also provides segregated funding, which was initially intended to support Tourism's promotion of state parks.

The Department's tourism marketing funding changed in the 2005-07 biennial budget. First, tribal gaming PR replaced Tourism's marketing GPR (\$5,186,400 annually). Second, a new biennial tourism marketing appropriation was created, with funding of \$1,600,000 SEG in 2005-06 and \$2,200,000 SEG beginning in 2006-07 provided by the transportation fund. These amounts were chosen to reflect the increased revenue deposited to the transportation fund expected to result from increasing the vehicle rental fee from 3% to 5% of the gross receipt of all vehicles rented within the state effective October 1, 2005. Tourism's GPR marketing appropriation was not budgeted any funds from 2005-06 through 2010-11. 2011 Act 32 appropriated \$1.2 million beginning in 2011-12 and 2013 Act 20 raised base funding to

\$1.8 million GPR beginning in 2013-14.

Tourism's three primary marketing appropriations (GPR, tribal gaming PR and transportation SEG) are all biennial appropriations. Biennial appropriations allow Tourism to expend the total funds appropriated in the biennium at any point in the biennium, including transferring expenditure authority from the second year to the first year of a biennium. Unencumbered funds, if any, lapse back to the funding source at the close of the biennium, meaning remaining GPR and tribal gaming PR funding lapses to the state general fund and transportation SEG funding reverts to the transportation fund balance.

Based on 2014-15 budget data from state tourism agencies collected by the United States Travel Association (USTA), Wisconsin ranked 16th in total tourism funding among the 47 states responding to the most recent survey. Wisconsin placed below the average state tourism budget (\$18.8 million) but above the median for state tourism budgets (\$12.8 million).

Table 3 compares the total projected Wisconsin Department of Tourism budget with those of other states in the region and indicates the change in funding levels for each state since 2004-05. (Wisconsin totals do not align with amounts in Table 2, as certain PR appropriations are typically excluded by USTA comparisons.) Per capita

Table 3: Comparative Tourism Budgets

State	2004-05		2013-14		2014-15		Percent Change (FY05 to FY15)	
	Total (millions)	Per Capita	Total (millions)	Per Capita	Total (millions)	Per Capita	Total	Per Capita
Illinois	\$46.5	\$3.68	\$53.3	\$4.13	\$54.6	\$4.24	17%	15%
Indiana	6.1	0.98	3.6	0.55	9.1	1.38	49	41
Iowa	3.4	1.17	4.5	1.46	4.4	1.42	29	21
Michigan	7.9	0.79	32.3	3.26	29.0	2.93	267	271
Minnesota	8.2	1.60	14.0	2.58	13.9	2.55	70	59
Wisconsin	12.8	2.33	15.2	2.65	15.4	2.68	20	15
Combined Average	\$14.2	\$2.00	\$20.5	\$2.82	\$21.1	\$2.89	49%	45%

Source: U.S. Travel Association, U.S. Census Bureau

funding is based on the July 1st population estimate from the U.S. Census Bureau for the beginning of the respective fiscal year. For 2014-15, Wisconsin ranked third among the six states in both tourism budget totals and budgeted dollars per capita. Most of these states' tourism budgets are financed from state general fund taxes. Some state tourism offices are at least partly supported by special-purpose taxes, however, including those on casinos and gaming centers (Iowa) and hotel operators (Illinois). Michigan funds its tourism promotion solely with securitized proceeds of the state's tobacco settlement.

4 provides a breakdown for tourism marketing expenditures in 2015-16. Most marketing expenditures were for advertising, with a significant amount also expended for grants, particularly the Joint Effort Marketing program. Expenditures shown in Table 4 do not include encumbered or other unexpended amounts Tourism has transferred to 2016-17 under its biennial expenditure authority for marketing. Therefore, expenditures shown in Table 4 are less than the total appropriations shown in Table 2 for the 2015-16 fiscal year.

Tourism Marketing Activities

The marketing component of the Department's budget directly affects the level of advertising and other activities that can be supported by Tourism. A total of \$12,545,600 is budgeted for marketing activities in 2016-17, with \$1,827,100 coming from GPR, \$9,127,100 coming from tribal gaming PR, and \$1,591,400 coming from transportation fund SEG. These marketing funds account for approximately 80% of the Department's tourism promotion budget in 2016-17, excluding the budget of the Arts Board. Table

Annual Statewide Marketing Strategy

Annually, the department is statutorily required to formulate a marketing strategy for Wisconsin destinations, which is to guide the decisions and expenditures made by the Department throughout the year. The statutes specify the Secretary is to form the annual marketing strategy under consultation with five selected members of the Council on Tourism, although Tourism reports the full Council customarily provides advice. In addition to guiding state-level tourism marketing, the Department is also directed to implement the marketing strategy in conjunction with the plans and programs of private tourism enterprises. Further, the Department is required

Table 4: Tourism Marketing Expenditures (2015-16)

Category	Amount	% of Total
Advertising	\$6,781,666	60.4%
Joint Effort Marketing (JEM) Grant Program	1,141,745	10.2
E-marketing/Tourism website	1,000,453	8.9
Public Relations	669,473	6.0
Statutorily Specified Marketing	310,188	2.8
Other Grants	275,912	2.5
Tourism Impacts Research	270,621	2.4
Printing (Travel Guides, Other Publications)	254,743	2.3
Travel Wisconsin Welcome Centers	148,227	1.3
Multicultural Marketing Program	142,520	1.3
Customer Services	136,542	1.2
Association Dues and Miscellaneous	85,108	0.8
Travel Green Wisconsin	<u>8,325</u>	<u>0.1</u>
Total	\$11,225,523	100.0%

annually to report to certain standing committees of the Legislature on marketing activities and efforts for the previous fiscal year.

Advertising

The Department of Tourism manages the state's tourism marketing campaigns, which utilize print, billboard, internet, email and other forms of advertising to encourage travel in Wisconsin. The Department reports that it focuses much of this advertising in large Midwest population centers such as Chicago, Minneapolis/St. Paul, and in-state areas such as Milwaukee, Madison, and the Fox Cities.

Tourism advertising campaigns, beginning in 2011, have been structured around consumers' travel motivations as revealed through research. Tourism reports the most consistently identified travel motivators have been enjoyment and fun, and campaigns have been created around such a theme. Tourism expects a research-based approach to advertising development would allow the Department to continually adapt its branding strategy to respond to shifts in consumer motivations.

The Department offers opportunities through its co-op advertising program. The program is administered by Milwaukee-based advertising firm Laughlin Constable as part of a contract with Tourism for general marketing and communications, which is discussed later in greater detail. The co-op program is intended to afford state destinations a large advertising audience, compared to what a destination may be able to reach by its own means, and at rates typically lower than what they would expect to pay individually. This would generally allow destinations the ability to advertise more economically in larger markets.

For the 2015-16 fiscal year, co-op advertising opportunities were available: (1) on Tourism's social media accounts on Facebook and Twitter;

(2) on Tourism's website, TravelWisconsin.com; (3) in regular emails sent by Tourism to subscribers that have signed up with the Department to receive such communication; (4) in periodic special sections of high-circulation newspapers in the Midwest; (5) on banner advertisements on major Midwest newspapers' websites; (6) in the Department's publications; and (7) on the radio. Rates in the platforms or publications of the conventional media are influenced by expected spending for the year in both Tourism's statewide marketing efforts and in individual purchases by Wisconsin destinations under the cooperative program. Co-op advertising packages via Tourism's social media accounts, emails and website are less expensive than placements in the platforms of conventional news outlets. Destinations book advertising through Laughlin Constable, which later bills participating destinations at the reduced rate. Tourism and Laughlin Constable report \$432,400 of advertising was purchased through the co-op advertising program in fiscal years 2015 and 2016 combined.

Marketing Contracts. Tourism uses services of private firms under contract to carry out several of the marketing and advertising activities described earlier. Tourism is billed either by project or on a monthly basis, depending on the contract. Tourism reports these private firms provide marketing services on a more cost-effective basis than the Department would likely be able to provide on its own. For example, Laughlin Constable is responsible for Tourism's general advertising, including: (1) creating and placing general advertising in print, broadcast and internet-based media; (2) public relations efforts; (3) marketing research; and (4) the co-op advertising program. Tourism reports expenditures of approximately \$8.2 million in 2015-16 with Laughlin Constable consisted of \$6,971,800 for advertising, \$510,900 for industry relations, \$669,900 for public relations and \$31,900 for miscellaneous purposes. Additionally, Longwoods International and Tourism Economics conduct research as subcontractors of Laughlin Constable. The annual research

contract cost is \$252,900. The current Laughlin Constable contract began July 1, 2014, and runs for three years, plus up to two one-year renewals (June, 2019).

Tourism conducts multicultural advertising under contract with Creative Marketing Resources of Milwaukee to target communications to African-American, Hispanic, and Asian audiences. For the 2015-17 biennium, Tourism had budgeted approximately \$300,000 each year for advertising and public relations services to be provided by Creative Marketing Resources. This contract has an initial term expiring in October, 2014, with up to four one-year renewals (October, 2018).

Tourism in recent years has contracted for web-related services through Ascedia, also of Milwaukee. Ascedia provides various services related to content and technical administration of Tourism's websites, most notably TravelWisconsin.com. Tourism reported expenditures of \$913,400 in 2015-16 for contract services with Ascedia. This contract began July 1, 2015, and lasts two years, plus up to three one-year renewals (June, 2020).

Office of Marketing Services

The statutes require the Department to operate a marketing clearinghouse to provide to state agencies marketing services such as marketing plan development, market research, public relations, and advertising. Under a clearinghouse arrangement, the statutes allow Tourism to assess state agencies charges for marketing services sufficient to cover Tourism's cost in providing the services. Charges are to be collected by DOA and deposited into a Tourism PR appropriation. Although the marketing clearinghouse was created with Tourism in 1996, implementation never proceeded. Tourism indicates that during this time period it provided occasional marketing services to agencies but did not bill for services.

Starting in 2015-16, Tourism is authorized 4.0 PR clearinghouse positions for an Office of Marketing Services (OMS). The Office will offer state agencies communications and marketing services directly and also maintain a corps of marketing-related vendors to which state agencies could be referred for services Tourism cannot provide internally. Recent Office of Marketing Services projects include creation of recruitment videos for agencies, marketing of annual conferences, awareness campaigns for various programs of state agencies, and website development. Tourism reports that in 2016, from January to November, OMS provided approximately 2,000 hours of marketing services equal to approximately 1.0 full-time position. Tourism indicates additional positions will be filled as ongoing program revenues are sufficient.

Traveler Outreach

Tourism offers phone- and internet-based services for prospective travelers seeking information on destinations in the state. The Department's electronic platforms, including its TravelWisconsin.com site and mobile app, have been used increasingly often in recent years to find information on Wisconsin destinations. Tourism reports total user sessions on both TravelWisconsin.com and the Travel Wisconsin mobile app were 5.39 million and 7.33 million in calendar years 2014 and 2015, respectively. Tourism has also developed social media platforms on Facebook, Twitter, Pinterest, and Instagram, totaling approximately 575,000 followers as of November, 2016.

A primary means of the Department gathering information on attractions, accommodations, historic sites, restaurants and events throughout the state is its tourism database. The database accepts business or event entries directly or through chambers of commerce and convention and visitors bureaus that serve the area in which the attraction is located. Attractions listed in the database are the basis for much of the content appear-

ing on TravelWisconsin.com, as well as in other Tourism promotional materials. The database published approximately 15,900 events and destinations, as of October, 2016.

Tourism operates toll-free informational phone numbers by which prospective visitors can contact the Department for trip planning assistance. Tourism received approximately 11,600 and 12,600 phone calls on its toll-free numbers in calendar years 2014 and 2015, respectively. Phone calls generally have decreased in recent years, due in part to prospective travelers seeking information online, as well as to the call center being operated internally beginning in 2010 and only on standard business days. Prior to 2010, Tourism's call center was operated by Lands' End in Dodgeville under contract, and phones were answered seven days a week.

Those who contact Tourism by phone, mail, email or online can request to have informational packets sent to them. In calendar years 2014 and 2015, respectively, the Department sent approximately 34,600 and 43,700 packets.

Joint Effort Marketing Grants

In an effort to help nonprofit tourism promotion organizations publicize innovative events and attractions in the state, the Department administers a Joint Effort Marketing (JEM) grant program funded from the tourism marketing appropriations. Public agencies and private nonprofit organizations, including any tribal government or not-for-profit tribal entity, may submit applications for grants to develop publicity and produce and place advertising.

Under the JEM program, Tourism in general may pay up to 75% of the total promotional (marketing) budget for the first year of a project, up to 50% for the second year of a project, and up to 25% for the third year of a project, although not all types of JEM grants are eligible for multiple years of funding. JEM grants must also not

exceed 50% of a project's total annual costs. Along with these annual percentage caps, Tourism has set annual dollar limits for each project type. These limits are noted in the descriptions following for each grant, and the Department may change these limits each year. JEM grants may be used to fund promotional costs related to the following items and media: (1) magazines; (2) newspapers; (3) radio; (4) television; (5) email; (6) internet; (7) direct mail; (8) media kits; and (9) billboards. Expenses ineligible for JEM grants include: (1) operational costs; (2) local advertising; (3) research; and (4) posters and brochures that are not direct mailed.

Department staff review JEM grant applications and make suggestions to a review committee of the Council on Tourism. The review committee then forwards recommendations to the Tourism Secretary for final approval. In order to make a grant, the Department must determine that: (1) the applicant has developed an advertising plan and budget; (2) the project coordinates with the statewide tourism marketing strategy; (3) the project has broad appeal and targets markets outside the local area; (4) the project will generate a substantial increase in tourist visits and expenditures; (5) the applicant is able to pay its share of the project costs; and (6) if the project is a continuing event, it has the potential to be self-sufficient within three years.

Events awarded JEM grants in the 2015-16 fiscal year are listed in Appendix I. Table 5 summarizes eligibility and maximum yearly amounts for each type of JEM grant. It also includes current maximum individual grant amounts, and the amount awarded by Tourism for each category in 2015-16. The events receiving awards were scheduled to take place mostly from late 2015 to late 2016, and most reimbursement of these projects will occur throughout 2016-17. Section 41.17(5) of the statutes requires Tourism to expend at least \$1,130,000 annually on the JEM program; Tourism reports the total for 2015-16 is below this requirement due to a

surrendered grant of approximately \$1,000. JEM expenditures for 2015-16 shown in Table 4 reflect reimbursements mostly for awards made in 2014-15. As such, JEM grant expenditures shown in Table 4 do not directly correspond to the grants shown by category in Table 5 and by award in Appendix I.

The JEM grant program offers five different grant options: (1) destination marketing; (2) new event; (3) sales promotion; (4) existing event; and (5) one-time/one-of-a-kind event. Unless otherwise noted, administrative rules limit individual grant awards to no more than 7% of the JEM budget for that year. For example, that would equate to \$79,900 under the \$1.13 minimum allocation. However, Tourism has established current limits at a lower threshold as noted in the following descriptions.

Unlike other JEM grants, destination marketing grants offer funding for the development or

implementation of image-based marketing campaigns to promote traditionally slower seasons of tourism. Marketing projects must serve a regional interest, and projects must include at least three municipalities. By administrative rule, destination marketing grants may supply up to \$10,000 per municipality, with a maximum grant of \$40,000 per project, although Tourism has set a cap of \$39,550 annually, consistent with other multi-year JEM grants. Projects are eligible for three years of grants, and the years may be non-consecutive. In 2015-16, seven destination marketing awards totaled \$198,600, or about 18% of the \$1.13 million awarded in JEM grants. Tourism administrative rules prohibit more than 50% of annual JEM awards going to destination marketing unless the Secretary finds there is insufficient demand for other types of JEM grants.

New event JEM grants are for events that have not previously been held in a given community or area, but that the applicant intends to re-

Table 5: Joint Effort Marketing (JEM) Grant Awards

Type	Description	Maximum Annual Project Amount	Years of Eligibility for Funding	2015-16 Awards
New Event	Projects promote an inaugural event planned to continue in subsequent years.	\$39,550	Three*	\$476,100
Existing Event	Projects promote an existing event targeting new geographic areas or audiences, or using new media.	39,550	Two**	221,300
Sales Promotion	Projects that encourage visits from targeted markets by publicizing discounts or incentives.	39,550	Two**	149,300
One-Time/ One-of-a-Kind Event	Projects marketing unique events which are unlikely to return to an area but will generate regional or national media attention.	28,250	One	83,800
Destination Marketing	Projects involving three or more municipalities and appearing during low-traffic periods. Projects comport with the statewide marketing strategy and attract either extended regional visitors or convention and motorcoach business.	10,000 (municipality) 39,550 (project)	Three*	198,600
				\$1,129,100

* Funding may be awarded in nonconsecutive years.

** Funding must occur in consecutive years.

peat regularly. The current annual maximum award for a new event is \$39,550. Grants are available for a project for three years, and those years may be nonconsecutive. New event grants totaled \$476,100 in 2015-16.

A sales promotion grant may be made to support what is typically a six- to eight-week effort that promotes discounted prices to encourage visits by persons from a targeted market. This type of grant has a maximum award of \$39,550. Funding is available for up to two years, and the years must be consecutive. Sales promotion grants totaled \$149,300 in 2015-16.

An existing event grant may be awarded for advertising that targets a new geographic area, demographic audience or medium. Existing event grants may receive up to \$39,550 each year. Existing events may receive grants for two years, but the years must be consecutive. Existing event grants totaled \$221,300 in 2015-16.

A one-time/one-of-a-kind event grant may only be made to events that are so unique as to be unlikely to ever occur again and that have the potential to generate regional or national attention. These grants may be made for one year and may not exceed 75% of the promotional budget or 50% of the total project budget. Funding for each one-time event is also limited by administrative rule to no more than 5% of the JEM budget for that fiscal year, or \$56,500 under the minimum \$1.13 million allocation. However, the Department has currently set \$28,250 as the maximum grant for one-time/one-of-a-kind events. One-time/one-of-a-kind event grants totaled \$83,800 in 2015-16.

Earmarks

Prior to July 1, 2017, Tourism is required under the statutes to make expenditures to five designated entities or purposes on varying annual or biennial bases. Tourism may use any of its three general marketing appropriations for these ex-

penditures. The Department has mostly used tribal gaming PR for these purposes. However, 2015 Act 55 repeals the earmarked expenditures effective July 1, 2017. Requirements relating to the Frank Lloyd Wright Trail are ongoing under current law, although the expenditure requirement under authorizing legislation is on a one-time basis in the 2015-17 biennium.

Multicultural Events. The statutes require Tourism to expend at least \$50,000 each biennium to conduct or contract for promotion of multicultural events taking place in Wisconsin. In 2014-15, Tourism allocated \$15,000 for the Summer Gospel Jam in Beloit and \$10,000 for the annual Mexican Fiesta in Milwaukee. In 2015-16, Tourism awarded \$10,000 for Black Nativity, a theatre production in Milwaukee, and another \$10,000 for the Mexican Fiesta.

Prior to 2011 Act 32, the statutes earmarked \$50,000 biennially for America's Black Holocaust Museum in Milwaukee. However, the Museum closed its physical location in July, 2008. The change in the earmark under Act 32 was intended primarily to reflect the change in the Museum's status at that time.

Milwaukee Public Museum. The statutes require the Department to allocate \$200,000 each biennium in grants to the Milwaukee Public Museum to promote exhibits and activities at the Museum. Prior to 2011 Act 32, the statutes specified funding was to be for Native American exhibits and activities. However, several years prior to the statutory change, regular state funding began to be directed toward other Museum marketing campaigns, and the 2011 Act 32 change made the earmark consistent with the more general promotion supported by state funding.

Tourism reports it reviews the marketing plans for the funds prior to authorizing funding for the campaign. In 2014-15, \$100,000 funded promotion of a new permanent exhibit, "Crossroads of Civilization." As of December, 2016,

Tourism reports plans are ongoing for a \$200,000 marketing project for the Museum in 2016-17.

Milwaukee Symphony Radio Show. The statutes also require that the Department of Tourism allocate \$25,000 annually for Milwaukee Symphony radio advertising. This funding is designated for advertising and sponsorship of Milwaukee Symphony radio show broadcasts. The Department allocated \$25,000 in each of 2014-15 and 2015-16 for this purpose.

Sports Marketing. The Department of Tourism is required by the statutes to expend at least \$125,000 annually to conduct or contract for marketing activities related to sporting activities and events. The Department allocated \$151,800 in 2014-15 and \$90,200 in 2015-16 for media for sports marketing, including print and email ads, attendance and sponsorships at trade shows such as that of the National Association of Sports Commissions, and fees to advertising agencies. In 2014-15, \$27,000 was spent in collaboration with the Professional Golfers Association (PGA) of America for promotion of the 2016 PGA Championship at Whistling Straits near Sheboygan. Tourism also reports it customarily conducts advertising with sports teams including the Green Bay Packers, Milwaukee Brewers, and University of Wisconsin-Madison athletics for marketing both the teams and state destinations generally.

Tourism also administers the Ready, Set, Go! grant program to assist destinations in securing competition-related events that are expected to generate an economic impact for the area, but that require an upfront financial commitment. Under the program, a grant may be up to 50% of eligible costs, with a maximum of \$20,000. Program funds may be used for bid fees, up-front financial commitments paid directly to the event holder, and financial commitments needed to secure a venue for an event. Tourism formerly maintained a program requirement that the grantee was required to repay either 50% of the grant

or 50% of the profit, whichever is less, should the event be profitable, but this requirement has been discontinued.

Tourism maintains a reserve of \$110,000 tribal gaming PR for Ready, Set, Go! grant funds, although Tourism generally does not count this grant program toward satisfying the statutory sports marketing requirement. In 2014-15, Tourism made 15 grants for a total of \$128,100 under the program. In 2015-16, Tourism made 11 grants for \$80,600. The Department accepts applications three times a year, on January 1, April 1, and September 1.

Native American Tourism of Wisconsin. Tourism is required to make grants of at least \$200,000 annually to Native American Tourism of Wisconsin (NATOW). NATOW promotes awareness of Wisconsin's Native American tribes and the tribes' tourist destinations, including notable cultural and natural sites. Tourism reports expenditures of \$200,000 in each of 2014-15 and 2015-16 for these purposes.

Frank Lloyd Wright Trail. 2015 Act 270 established a Frank Lloyd Wright Trail along several highways from Kenosha County to Richland County, with the intent of featuring several notable Wright-designed structures to travelers along those highways. The act required Tourism to provide up to \$50,000 from its tourism marketing GPR to the Department of Transportation (DOT) on a one-time basis for costs of fabricating and erecting signage for the designated highways and for the Wright-designed landmarks noted in the act, including: (1) the S.C. Johnson Administration Building and Research Tower in Racine; (2) Wingspread in the village of Wind Point; (3) Monona Terrace Community and Convention Center in Madison; (4) the First Unitarian Society Meeting House in the village of Shorewood Hills; (5) Taliesin, Wright's home, and the Frank Lloyd Wright Visitor Center in the town of Wyoming in Iowa County; and (6) A. D. German Warehouse in Richland Center, which is the city

of Wright's birth. The act also requires Tourism annually to report on its marketing efforts for the Frank Lloyd Wright Trail as part of its annual reporting to the Legislature on tourism marketing activities in the preceding fiscal year. Tourism reports it plans to transfer the maximum of \$50,000 to Transportation under the Act 270 provisions.

Meetings Mean Business Grants

Tourism administers Meetings Mean Business grants to improve, relative to other out-of-state locations, the position of Wisconsin destinations seeking to attract regional or national business meetings. The Department has set aside \$110,000 from its tribal gaming PR marketing appropriation for grants. Grants may be a maximum of \$20,000 per fiscal year for 50% of the costs of convention facilities rentals, shuttles or similar transportation costs within the destination city, or other hosting costs such as promotions of the host city or rebates for guest rooms. Applications are reviewed three times annually, following April 1, August 1 and December 1 submission deadlines. Applications must be submitted at least 90 days prior to the convention or gathering. Applications must also be submitted by a local chamber of commerce, convention and visitors bureau or other similar destination marketing entity. This entity must also provide a funding match at least equal to any amounts provided by Tourism.

Organizations are ineligible for the Meetings Mean Business grant if: (1) a JEM grant was awarded for the same event [nor can a Meetings Mean Business grant recipient request a JEM grant for the event during the same fiscal year]; (2) they are a recipient of a statutory earmark, as discussed earlier; or (3) the event was secured for the destination city prior to the grant application. The program also is not open to destinations rotating only within the state or destinations for events routinely scheduled in Wisconsin.

Applications are evaluated based on several

factors, including: (1) estimated visitor spending; (2) estimated hotel stays to be generated; (3) whether the increase in economic activity would take place in typical off-peak travel times; and (4) the financial commitments necessary to hold the event, including the approximate return on investments versus the resulting visitor spending. Tourism also requires submission of information on the event's last three years, including hotel nights booked, attendance and visitor spending.

Tourism awarded a total of 12 grants for \$62,800 and \$58,600 in 2014-15 and 2015-16, respectively. Grants awarded in those years are for events taking place as late as 2019.

Other Marketing Activities

The Department of Tourism markets Wisconsin as a traveler destination in various other ways. It produces several informational publications, which are distributed throughout the state, sent to persons calling the Department in response to tourism advertisements, and posted on the TravelWisconsin.com. The Department also arranges customized familiarization tours to various parts of the state each year for travel writers. Further, the Department uses its website, call center, email newsletters, direct mail newsletters, press releases, interviews and public service announcements to alert the public and the media of ski and snowmobile trail conditions, fall colors and upcoming events.

Other marketing efforts of the Department include: (1) conducting international tourism marketing promotions and advertising in conjunction with other area states through the Great Lakes USA, a marketing subprogram of the Council of Great Lakes Governors, and through Mississippi River Parkway Commission, a group of the 10 states bordering the Mississippi River; and (2) promoting motor coach travel to Wisconsin. The Department has partnered with a motor coach marketing organization, Circle Wisconsin, to support public relations and direct marketing

efforts to tour operators who may be interested in bringing visitors to Wisconsin. In 2015-16, Tourism expended \$80,000 for its Great Lakes USA membership, \$15,000 for Mississippi River Parkway Commission membership, and \$25,000 for Circle Wisconsin's marketing efforts.

The Department also promotes travel to state-owned or state-affiliated properties, including state parks, natural areas and historic sites. Tourism is appropriated \$12,100 annually for supplies and services, funded from the parks account of the conservation fund, to assist with promotion of state parks and natural areas operated by DNR. (A portion of Tourism's staffing at its 1996 inception consisted of 19.5 positions transferred from DNR in part to support state parks-related promotion and activities Tourism would implement.) Additionally, the Department reports it works with the Wisconsin Historical Society to promote travel to historic sites throughout the state.

Tourist Information Centers

Tourism currently has two main programs for supporting informational centers for travelers throughout the state. Each program is intended to replace functions Tourism formerly carried out with its own staff and funding in several Wisconsin Welcome Centers (WWCs) located at the state borders and in other high-traffic areas in and outside Wisconsin. The following paragraphs describe the history of the WWCs and two successor programs currently in effect: (1) Travel Wisconsin Welcome Centers, an initiative supported in part by Tourism marketing funds for organizations in communities that formerly had WWCs and that, in some cases, operate directly out of the former WWCs; and (2) the regional tourist information center (TIC) competitive grant program for locally based entities providing information to visitors in regions throughout the state.

Background

In 2009, Tourism closed its eight Wisconsin Welcome Centers. The WWCs were intended to offer a convenient source of information on Wisconsin destinations for persons traveling near the state borders. The eight locations were generally on major state highways at the most active state entry points: Beloit, Hudson, Hurley, Kenosha, Kieler (Grant County), La Crosse, Marinette, and Superior.

The eight centers operating in 2007-08 received an estimated 897,000 visitors. Seven of eight WWCs operated under agreements with the Department of Transportation for space at the rest areas at which they were located. Permanent positions across eight WWCs totaled 11.95 at the time of their closing, with limited-term employee (LTE) staffing equivalent to 7.77 full-time equivalent (FTE) employees. In 2007-08, the last full year of WWC operations, total operations costs were \$1.36 million.

Under 2009 Act 28, Tourism's biennial funding for WWCs was reduced by \$875,400 GPR, \$43,200 PR and \$560,000 transportation SEG, and 7.95 of 11.95 authorized positions were eliminated.

Regional Tourist Information Center Grants

In 2009, to replace the WWCs, Tourism coordinated with chambers of commerce and convention and visitors bureaus (CVBs) in communities that formerly had WWCs to establish locally administered tourist information centers (TICs). Tourism allocated \$160,000 from transportation fund SEG in 2009-10 for one-time grants to groups in and near communities that formerly hosted WWCs, as well as one city directly.

In 2010, most of these locations formed a consortium known as the Gateway Visitor Information Centers (GVICs), including the City of

Marinette and chambers of commerce or CVBs of Beloit, Hudson, Hurley, Kenosha, La Crosse, Onalaska, Platteville, Prairie du Chien and Superior. In addition to information centers funded under the competitive TIC grant program described below, the GVIC consortium attempted to distribute brochures and information to tourists by charging fees to destinations or attractions wishing to distribute material. Fees were intended to cover the local GVICs costs of staffing and operating its location. However, this fee system, which was not created or administered by Tourism, was abandoned by 2011 due to low support by the attractions seeking distribution of materials.

Beginning in 2010-11, \$160,000 tribal gaming PR is appropriated annually for a competitive grant program to support locally based tourism promotion organizations. This is now known as the Tourist Information Center (TIC) grant program. TICs are required to provide informational or promotional materials on area attractions, and must be in a place that a visitor to the area would be reasonably assumed to stop while traveling to a cultural or recreational destination. TICs must also track visitors and provide staffing to assist travelers. A TIC must also be likely to generate increased visitors to the region or state and to make a positive economic impact in its region of two or more counties in the state. Tourism has offered grants on a semiannual basis since the program was instituted, typically with January 1 and July 1 application deadlines. Awardees for 2015-16 are shown in Appendix II.

TIC grants are available to cover structural expenses, such as publication displays and signage, as well as staffing costs. TIC grants may be for up to 50% of the grantee's eligible costs. TIC grants are also capped at a maximum of \$15,000 per organization per year. Eligible grantees include municipalities, Native American tribes or other nonprofit organizations with a purpose of promoting tourism and business in the local area or state.

Travel Wisconsin Welcome Centers

In July and August, 2011, Tourism began providing marketing funds to designated GVIC locations to support the local entity's staffing and operation of a welcome center in a former WWC community. The funding is intended to re-establish a state presence in certain high-traffic areas that formerly hosted WWCs, and it had the effect of replacing the fee-based system for distributing publications that the GVICs initially instituted. Supported sites are known as Travel Wisconsin Welcome Centers (TWWCs).

In return for state funding, the sites display Tourism's TravelWisconsin.com on materials throughout the center, including on apparel worn by staff persons. Tourism refers to the arrangement as "co-branding," in that it allows: (1) the Department to increase attention of its statewide travel planning site and to distribute statewide travel guides and directories; and (2) local tourism agencies and tourist destinations to market the area to visitors. Sites in operation as of July 1, 2016, include Beloit, Kenosha, Marinette, Menomonie, Platteville, Prairie du Chien and Superior. The La Crosse center was temporarily closed from March, 2015, to December, 2016, while its facility was torn down and replaced.

Table 6 lists the marketing funding provided by Tourism to TWWCs in 2014-15 and 2015-16, as well as the approximate number of visitors served for each location in the 2015 calendar year. Funding provided represents what Tourism considers the purchase of advertising space at each center for signage, travel guides and other promotional materials.

In addition to operational support through Tourism's co-branding program, the TWWCs operate with funding from a variety of other sources, including: (1) TIC grants; (2) general budgets of the entity; (3) other area visitors bureaus, chambers of commerce or economic development organizations; (4) local room tax rev-

Table 6: Travel Wisconsin Welcome Centers

Location	Operating Entity	2014-15 Funding	2015-16 Funding	CY15 Visitors
Beloit	Visit Beloit	\$49,500	\$51,975	136,900
Kenosha	Kenosha Area Convention & Visitor Bureau	39,519	41,495	89,500
La Crosse*	La Crosse Area Convention & Visitor Bureau	20,000	0	1,500
Marinette	City of Marinette	3,000	3,150	26,900
Menomonie	Chippewa Falls, Eau Claire, Menomonie and Hudson COCs	35,150	36,907	44,400
Platteville	Platteville Area Chamber of Commerce	3,000	3,150	12,800
Prairie du Chien	Prairie du Chien Area Chamber of Commerce	8,000	8,400	42,900
Superior	Superior and Douglas County Area Chamber of Commerce	<u>3,000</u>	<u>3,150</u>	<u>21,900</u>
Totals		\$161,169	\$148,227	376,800

*The La Crosse TWWC was temporarily closed from March, 2015 to December, 2016 for facility upgrades.

venues; (5) grants from the host city or county; and (6) in-kind contributions from public and private sources. TWWCs in Beloit and Kenosha operate out of former Wisconsin Welcome Center sites in DOT rest areas, and have arrangements with Transportation to do so rent-free. Menomonie also operates out of a DOT rest area rent-free.

TWWCs operate under several conditions on which Tourism's funding is predicated. For example, each location must operate certain hours with certain levels of trained staff and visitors must be tracked by a method specified by Tourism. TWWCs also display brochures and literature from tourism businesses under an approval process administered by Tourism, and must do so at no charge both to visitors or to the distributor of the brochure. Business brochures must advertise for an attraction, activity or event that is not a dining, lodging or retail establishment, although approved destination guides may include dining, lodging, and retail establishments with other attractions. TWWC sites must distribute publications from Tourism, including guides for events, activities, state parks, biking, birding, and arts and crafts. TWWCs may also carry official Wisconsin highway maps or other maps, as well as directories or guides for lodging, golf courses and campgrounds, most of which are published by state trade groups for that industry. Tourism does not specify eligible or ineligible costs, as under

the TIC program, as a condition of co-branding funding. The Department plans to review these funding arrangements annually, however.

Other Tourism Promotion Activities

Travel Green Wisconsin

Travel Green Wisconsin began statewide in 2007 as program to recognize and certify tourism-related businesses that voluntarily minimize their waste, energy use and overall environmental footprint. As of July 1, 2016, Travel Green Wisconsin included 469 active certified participants, with approximately 50 participants whose previous paid certification has expired. Certified participants may use the Travel Green Wisconsin logo in their promotional and marketing materials. Tourism also lists participants on the Travel Green Wisconsin program website, and AAA Wisconsin also acknowledges the certification in its materials.

Travel Green Wisconsin certification is administered through Tourism's general marketing contract with Laughlin Constable. Laughlin Constable is responsible for integrating marketing and public relations of Travel Green Wisconsin with Tourism's other marketing activities. Cad-

mus Group, a subcontractor of Laughlin Constable, is responsible for more technical program aspects, such as reviewing applications from prospective participants. Tourism spent \$10,200 in 2014-15 and \$9,400 in 2015-16 for Cadmus Group services on the Travel Green Wisconsin program.

Participating businesses pay a \$95 membership fee biennially, and certification is valid for two years. Tourism collections for Travel Green Wisconsin certifications and membership were approximately \$9,700 in 2014-15 and \$2,600 in 2015-16.

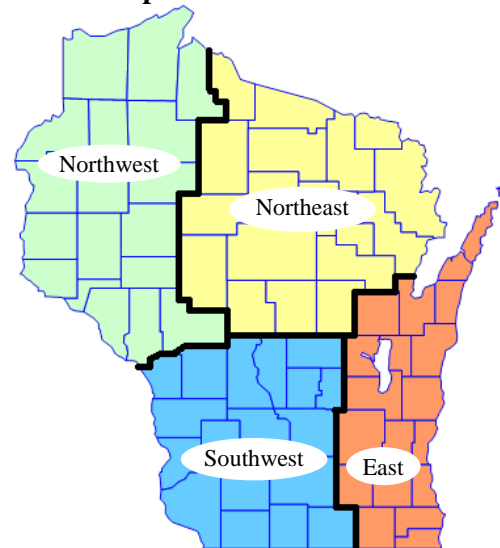
Regional Tourism Specialists

The Department of Tourism has four tourism specialists located in regions throughout the state to assist local areas in growing their tourism economies. The specialists generally are responsible for assisting an area in developing its tourism resources, including informing local businesses and organizations of grant and other resources available through the Department and other public and private sources.

Regional tourism specialists carry out two specific programs to assist local tourism-oriented businesses in developing their destinations. One is a customer service training program, in which specialists work with local businesses to refine their presentation to and interaction with customers to improve customer experiences at state destinations. A second program is a destination assessment program, in which specialists identify an area's destinations and other assets, and recommend means of further promoting or developing those resources to attract additional visitors. These assessments typically take several months.

As of December, 2016, the specialists work from Waupaca (Northeast), Siren (Northwest), Beaver Dam (Southwest), and Genoa City (East). Figure 1 illustrates the areas of the state covered

Figure 1: Program Areas for Regional Tourism Specialists



by each specialist.

Wisconsin Governor's Conference on Tourism

The Governor's Conference on Tourism is an annual event arranged to bring national experts on tourism to Wisconsin to educate in-state tourism businesses and organizations. The event is several days long and structured as multiple seminars and workshops for participants.

Film Promotion

The state has in past biennia appropriated funding to encourage film production in Wisconsin, or to promote Wisconsin sites previously featured in television and film productions. Most of such activities have since ended, however. A state film promotion office, which began in 1987-88 and continued under Tourism after the Department's creation, was closed in conjunction with the elimination of 2.0 positions and annual funding of \$125,800 GPR under 2005 Act 25. Further, Tourism previously was assigned administrative responsibilities for the film production services tax credit and film production company investment tax credit, beginning with the 2011-12 fiscal year. Tourism was responsible for determining credit eligibility for companies or pro-

ductions, and for sharing such information with the Department of Revenue. Both credits were discontinued under 2013 Act 20, beginning with the 2014 tax year.

Tourism remains directed by statute to encourage film production that "will enhance the image of this state and its communities and countryside." Various private entities also may assist prospective projects with planning productions. Among these is Film Wisconsin, a nonprofit organization that formed in response to the closure of Tourism's film office.

Boards and Attached Agencies

The Department of Tourism currently oversees budgeting of the Wisconsin Arts Board, while the State Fair Park Board and Kickapoo Reserve Management Board are attached to Tourism for limited administrative purposes. Administrative attachments allow the attached board to exercise its agency powers and responsibilities, including rule-making, operational planning and budget policy, independent of the head of the agency to which it is attached. Management functions are to be carried out under the supervision of the attached agency, however.

Arts Board

The Arts Board is a 15-member, Governor-appointed body responsible for promoting the development of the arts in Wisconsin through grants in aid and other programming assistance. Members have three-year terms and must be residents of the state known for their concern for the arts. The Board must consist of at least two members each from the northwest, northeast, southwest and southeast areas of Wisconsin, but the statutes do not make any other requirements of appointees.

The Arts Board was transferred to Tourism under 2011 Act 32, previously having existed as an independent but administratively attached board. The transfer was intended to combine agencies that some considered as having similar aims of raising awareness of and attracting visitors to cultural destinations and events. The Arts Board previously exercised its own control over agency matters such as budgeting and staffing. Beginning in 2011-12, however, the Arts Board is budgeted under Tourism, with budgeting and staffing carried out under the direction of the Tourism Secretary. An exception provided in Act 32 is that the Board is to continue selecting the Executive Secretary, who serves at the Board's pleasure.

In 2016-17, the Arts Board is budgeted \$1,570,800 with 4.0 positions, including: (1) \$757,000 GPR with 3.0 positions; (2) \$768,900 FED with 1.0 position; and (3) \$44,900 PR. Of those amounts, \$281,000 GPR, \$244,400 FED and \$20,000 PR are appropriated for program operations. The remaining amounts of \$476,000 GPR, \$524,500 FED and \$24,900 tribal gaming PR are budgeted for grant programs.

Prior to being consolidated with the Department of Tourism, the Board was authorized expenditures of \$3.7 million with 10.0 positions. Budget reductions under 2011 Act 32 were intended in part to reduce state funding to amounts necessary only to match federal funding provided by the National Endowment for the Arts (NEA), which is a minimum federal requirement for the grants. These grant awards totaled \$795,700 for 2015-16 and \$817,600 for 2016-17. In 2016-17, the Board has allocated \$192,100 FED for operations and \$619,500 FED for grants, as well as \$6,000 FED in grants which do not require a match from the state.

It should be noted 2016-17 program allocations listed in this section assume federal grants of \$817,600 and state matching funding of \$811,600, to comply with dollar-for-dollar match

requirements on the NEA grant. As of December, 2016, total appropriations of match-eligible state funding are \$781,900 in 2016-17, including \$757,000 GPR and \$24,900 tribal gaming PR. The Arts Board would require additional state funding of \$29,700, either through budget legislation or a supplemental funding request of the Joint Committee on Finance under s. 13.10 of the statutes, to receive the entire federal grant for 2016-17. If no additional funding were provided, some or all program allocations described in this section would likely be reduced.

The statutes require that any recipient of a grant from the Arts Board perform a public service. The Arts Board by administrative rule has defined public service as an activity that increases public awareness of state artists and artistic resources, such as an exhibition, a publication, a performance, an artist in residence, a lecture or demonstration, or a workshop. Also, the public activity must: (1) include a public announcement of its occurrence; (2) be in a place accessible to persons with disabilities; and (3) relate clearly to the purpose of the grant.

Creation and Presentation Grants. Creation and Presentation Grants are awarded to established nonprofit arts organizations to assist with their operations or creation and presentations of arts programming. Grants are typically awarded for two years, with identical funding each year,

assuming the recipient maintains eligibility and state or federal funds are available. Eligible recipients are nonprofit arts organizations, including college or university and local or tribal arts groups that conduct artistic activities in at least the three consecutive years preceding application. Groups must have public participation in arts program planning, and must have a primary mission of creating and/or presenting artistic works or performances that benefit the general public. Organizations based on presentations and performances must present at least four performances from artists outside the presenters' communities. Recipient groups must also provide an equal match of funding for all Arts Board grants received. Eligible costs generally include those for: (1) operations; (2) the creation, presentation or acquisition of works of art or performance and exhibit spaces, excluding capital expenditures; and (3) marketing and promoting presentations and performances. Grant amounts are determined by a scoring process, and may not exceed 25% of the applicant's average operating revenue over the preceding three years. For 2016-17, grants must be a minimum of \$2,000 and not exceed 8% of the Arts Board's available funds. The Arts Board expended \$176,300 GPR and \$495,400 FED in Creation and Presentation grants in 2015-16. Allocated amounts for 2016-17 include \$177,200 GPR and \$547,200 FED. Expenditure and budget activity for the Arts Board's grant programs is shown in Table 7.

Table 7: Arts Board Grant Programs

Grant Program	2015-16 (Actual)			2016-17 (Budgeted)		
	State*	FED	Total	State*	FED	Total
Creation and Presentation	\$176,300	\$495,400	\$671,700	\$177,200	\$547,200	\$724,400
Creative Communities	106,200	34,400	140,600	102,900	32,300	135,200
Regranting	116,700	0	116,700	116,700	0	116,700
Arts Challenge Initiative	57,000	0	57,000	57,000	0	57,000
Woodland Indian Arts Initiative	24,900	0	24,900	24,900	0	24,900
Folk Arts Apprenticeships	2,000	46,000	48,000	15,500	28,000	43,600
Miscellaneous	<u>48,300</u>	<u>0</u>	<u>48,300</u>	<u>36,400</u>	<u>18,000</u>	<u>54,400</u>
Totals	\$531,400	\$575,800	\$1,107,200	\$530,600	\$625,500	\$1,156,100

*All state funding is GPR, except \$24,900 annually for the Woodland Indian Arts Initiative, which is funded by tribal gaming PR.

Creative Communities Grants. The Creative Communities Grant program provides funding in one of three areas: (1) arts education, which provides funding to schools or community organizations that use professional artists to work with K-12 students on a short-term basis; (2) local arts, which provides funding to community groups or local government agencies to plan and implement arts programming; and (3) folk and traditional arts, which provides funding to groups specializing in traditional artistry of tribes or ethnicities. Organizations applying to the Creation and Presentation Grant program may not apply for funding through the Creative Communities Grant. However, Creative Communities Grants include many similar eligibility requirements to Creation and Presentation Grants, including public involvement, dollar-for-dollar matches of Arts Board grants and three years of prior work in arts creation or presentation. However, the specific project to be funded may not exceed three years in age. Grants are from \$1,500 to \$6,000, not to exceed 50% of the overall project budget.

Total expenditures for the program in 2015-16 were \$106,200 GPR and \$34,400 FED. The Board has allocated \$102,900 GPR and \$32,300 FED for grants in 2016-17. Budgeted amounts for 2016-17 include: (1) \$64,600 for grants for arts education, consisting of \$32,300 each of GPR and FED; (2) \$12,000 GPR for folk and traditional arts; and (3) \$58,600 GPR for local arts.

Folk Arts Apprenticeship Program. The Folk Arts Apprenticeship Program provides grants of \$3,000 to support the teaching of apprentices by master artists and performers, such as musicians, singers or dancers. The program expended \$46,000 FED and \$2,000 GPR in grants in 2015-16. \$28,000 FED and \$15,500 GPR is allocated for grants in 2016-17.

Wisconsin Regranting Program. The Wisconsin Regranting Program provides funding to local arts agencies and partner foundations for the groups to disburse as grants throughout the state.

Initial recipients of state funds are subject to minimum dollar-for-dollar match requirements; match requirements of secondary recipients vary throughout the state. The program expended \$116,700 in 2015-16 and is allocated \$116,700 GPR in 2016-17.

Arts Challenge Initiative. The Arts Challenge Initiative awards grants to arts organizations that exceed fundraising in successive years. The program is intended to use potential additional state funding matches to promote growth in arts organizations' revenues from both programming offerings and fundraising. The program has three components: (1) a general incentive program, providing matches of up to 25% of an entity's growth in revenues from one fiscal year to the next, or \$1 in incentive grants for every \$4 in revenue growth; (2) a sustaining program for entities with total income less than \$100,000, which provides equal matches for every dollar in year-over-year revenue increases, and which are a minimum of \$3,000 and a maximum of \$10,000 by statute; and (3) a minority arts organization incentive program, which also provides equal matches on every dollar in year-over-year revenue growth. The statutes require the Arts Board to set aside at least 10% of each fiscal year appropriation for the minority arts organization grants and at least 20% for the sustaining program.

The Arts Challenge Initiative has not been appropriated any funding directly since the 2008-09 fiscal year. However, the Arts Board continues to award sustaining grants to four minority-focused organizations in the Milwaukee area under its general appropriation for state aid for the arts. Grants of \$56,950 GPR were awarded in 2015-16, and the same amount is budgeted for grants in 2016-17. The Arts Board requires awards to be matched by an equal amount from recipients.

Other Aids and Assistance. For 2015-16, the Arts Board provided \$36,300 GPR funding to

Arts Midwest, a regional body that promotes artists and arts programming, and makes grants, primarily in Illinois, Indiana, Iowa, Michigan, Minnesota, North Dakota, Ohio, South Dakota and Wisconsin. The organization is supported by the member states, the NEA and other funds donated by individuals and foundations. The Board has budgeted a similar amount for Arts Midwest for 2016-17. Additionally in 2015-16, the Arts Board provided \$12,000 GPR for Arts Wisconsin, a statewide advocacy and assistance organization for local artists and arts organizations. The Board has budgeted \$12,000 in 2016-17 for Arts Wisconsin.

The Arts Board also provides technical assistance to local arts agencies, including marketing and various aspects of organizational development, such as strategic planning, fundraising, project or program evaluation, volunteer cultivation and leadership succession. The Arts Board reports technical assistance is intended to provide input on how organizations establish and grow in their communities, while grant funds provide financial means to implement these efforts.

Inactive or Repealed Programs. 2011 Act 32 repealed the Percent for Art Program, which, for state building projects costing more than \$250,000, required at least 0.2% of the cost of the project to be for the acquisition and display of one or more works of original, visual art. The Arts Board remains responsible for works procured under the program and continuing to be displayed. Works are to be displayed for at least 25 years, and the Arts Board is to coordinate proper maintenance with DOA and in consultation with the artist.

Following funding reductions under 2011 Act 32, the Arts Board suspended several grant programs indefinitely. These include the following programs, which are described briefly:

- Artist and Community Collaborations, which provided funding for community organiza-

tions and local artists to jointly develop arts projects;

- Artist Fellowship Awards, which provided support funding to outstanding active artists;

- Cultural Facilities Assistance Program, for assisting new arts presenting organizations with building their capacities to present works of art in their community; and

- Phantom Art Galleries, which funded short-term displays in vacant downtown storefronts, to revitalize downtowns and provide display space for local artists.

Kickapoo Reserve Management Board

Tourism has administered the Kickapoo Valley Reserve since 1996. Beginning in 2015-16, the Kickapoo Valley Reserve is budgeted as a separate agency; however, it remains administratively attached to Tourism. The Kickapoo Valley Reserve comprises approximately 8,600 acres of land north of La Farge in Vernon County. The property was the site of a U.S. Army Corps of Engineers dam and reservoir project on the Kickapoo River that was abandoned around 1975. The Corps transferred ownership of approximately 7,400 acres to the State of Wisconsin in December, 2000. Additionally, 1,200 acres were transferred to the Bureau of Indian Affairs in trust for sites sacred to the Ho-Chunk tribe. A 1997 MOU between the state and the Ho-Chunk nation stipulates the entire acreage will be managed as one property.

Conservation fund (forestry account) appropriations to Tourism support administrative functions for the Kickapoo Reserve Management Board. The Board is responsible for: (1) managing the land in the Kickapoo River valley to preserve and enhance its unique environmental, cultural and scenic features; (2) providing facilities for the use and enjoyment of visitors to the Reserve; and (3) promoting the Reserve as a desti-

nation for vacationing and recreation. The Department of Tourism is responsible for providing personnel, payroll, budget, fiscal and accounting services to the Board. The Department also is responsible for approving changes to the boundaries of the Reserve that may occur as a result of the Board's purchase of additional lands, purchases of development rights, or land transfers.

The Board is appropriated \$695,200 SEG and 2.75 positions from the forestry account of the conservation fund annually in the 2015-17 biennium. Total forestry SEG for general Reserve operations is \$415,200 annually, and supported positions include those for an executive director and other administrative staff. In each year for 2015-17, the Board is authorized \$157,200 PR with 1.0 education coordinator position for services such as recreational and educational programming for the public and area schools. The position is supported by revenues generated by the Reserve, including use and camping fees, event and permit fees, agricultural lease revenue, timber harvest revenue and other miscellaneous revenues. The Board uses these funds both for

educational programming and for certain maintenance and Reserve improvements.

Further, the Board is appropriated \$66,300 PR with 0.25 position from tribal gaming revenues for law enforcement services in 2016-17. The 0.25 PR law enforcement position was converted from forestry SEG funding beginning in 2013-14 to reflect the time dedicated by permanent staff to law enforcement activities at the Reserve, including conducting patrols and supervising limited-term sworn officers the Reserve hires for much of its police needs.

Of the forestry SEG budgeted for 2016-17, a portion is for annual aids in lieu of property taxes made to the local taxing jurisdictions. These aids are intended to compensate local municipalities and school districts for state acreage located in their jurisdictions, as these lands are exempt from property taxation. The aids are paid from a sum-sufficient forestry account appropriation. Payments were \$255,300 in 2014-15 and \$268,300 in 2015-16. Aids in lieu of taxes are preliminarily estimated at \$304,800 for 2016-17.

APPENDIX I

Joint Effort Marketing Grants (2015-16 Awards)

Event Name	Event Type	Amount	Counties	Organizer
Eau Claire's Vacation Like A Local	Destination Marketing - Year 2	\$39,550	Eau Claire	Visit Eau Claire
Lake Geneva Area Golf Trail	Destination Marketing	39,550	Walworth	Walworth County Visitor's Bureau
Milwaukee Winter Shopping Campaign	Sales Promotion	39,550	Milwaukee	Visit Milwaukee
Wisconsin Chinese Lantern Festival	New Event	39,550	Milwaukee	Park People of Milwaukee County
Wausau International Ginseng Festival	New Event	39,499	Marathon	Wausau and Central Wisconsin Convention & Visitor Bureau
Rotary Gardens Sales Promotion	Sales Promotion	35,250	Rock	Rotary Botanical Gardens
American Players Theatre's Beyond	New Event - Year 3	35,000	Iowa	American Players Theatre
Lake Geneva Restaurant Week	New Event - Year 2	35,000	Walworth	Geneva Lakes Area Chamber of Commerce
Manitowoc Sub Fest	New Event - Year 2	35,000	Manitowoc	Wisconsin Maritime Museum
Marshfield's Kodiak Bear Sales Promotion	Sales Promotion	34,500	Wood	Marshfield Convention & Visitor Bureau
Mauston Where's Aldo	Destination Marketing	33,000	Juneau	Mauston Chamber of Commerce
Vilas County Silent Sports	Destination Marketing - Year 3	30,900	Vilas	Vilas County Tourism & Publicity
American Family Insurance Championship Golf	New Event	30,000	Dane	Steve Stricker American Family Insurance Foundation
Eau Claire Eaux Claires Music Fest	Existing Event	30,000	Eau Claire	Eau Claire Convention & Visitor Bureau
Kenosha Border War Beer Fest	New Event	30,000	Kenosha	Kenosha Area Convention & Visitor Bureau
Milwaukee Museum Mile	New Event	30,000	Milwaukee	Milwaukee Museum Mile
Tomahawk Tourism Development & Branding	Destination Marketing	30,000	Lincoln	Tomahawk Regional Chamber of Commerce
Zoo Lights at Henry Vilas Zoo	New Event	30,000	Dane	Greater Madison Convention & Visitor Bureau and Henry Vilas Zoo
Boulder Junction Triathlon	New Event - Year 2	29,000	Vilas	Boulder Junction Chamber of Commerce
Midwest Food Service Expo	Existing Event - Year 2	29,000	Milwaukee	Wisconsin Restaurant Association
Florentine Opera Sister Carrie Recording	One-Time/One-of-a-Kind	28,250	Milwaukee	Florentine Opera Company
MMoCA's Frank Stella Exhibit	One-Time/One-of-a-Kind	28,000	Dane	Madison Museum of Contemporary Art
Sheboygan Concert Series	Existing Event - Year 2	25,908	Sheboygan	John Michael Kohler Arts Center
Stevens Point Point Back to the Land	Sales Promotion	25,000	Portage	Midwest Renewable Energy Association
CAMBA Bike Trails Video Marketing Initiative	Destination Marketing	20,041	Bayfield	Chequamegon Area Mountain Bike Association
Burlington Chocolate Fest	Existing Event	20,000	Racine	Chocolate Festivals Inc.
Egg Harbor Wine Fest	New Event	20,000	Door	Egg Harbor Business Association
Milwaukee Fringe Fest	New Event	20,000	Milwaukee	Nice Plays Inc.
Woodland Indian Art Show & Market	Existing Event	20,000	Brown	Woodland Indian Arts Inc.
Woodson Walter Wick Exhibit	One-Time/One-of-a-Kind	20,000	Marathon	Leigh Yawkey Woodson Art Museum
Kilbourn City Live	New Event	18,750	Sauk	Wisconsin Dells Visitor & Convention Bureau

Event Name	Event Type	Amount	Counties	Organizer
Exploring Driftless Wisconsin	Sales Promotion	\$15,000	Vernon, Crawford	Driftless Wisconsin, Inc.
Milwaukee Repertory's A Christmas Carol	Existing Event	15,000	Milwaukee	Milwaukee Repertory Theatre
Kenosha Restaurant Week	New Event - Year 2	14,850	Kenosha	Kenosha Convention & Visitor Bureau
Calumet County Fiber Frolic	Existing Event	14,500	Calumet	Calumet County
Soil Sisters	Existing Event - Year 2	12,725	Green	Wisconsin Farmers Union Foundation
Rusk County Art Along the Flambeau	New Event - Year 2	12,500	Rusk	Rusk Area Arts Alliance
St. Germain Arctic Warrior	New Event	11,030	Vilas	St. Germain Chamber of Commerce
Ripon Dickens of a Christmas	Existing Event	10,000	Fond du Lac	Ripon Area Chamber of Commerce
Wisconsin Rapids ArtiGras	Existing Event	10,000	Wood	Wisconsin Rapids Community Theater
Ashland Dynamic Duo Duathlon	New Event	8,500	Ashland	Ashland Area Chamber of Commerce
Sayner/Star Lake Street Fair	New Event - Year 3	8,250	Vilas	Sayner/Star Lake Chamber of Commerce
Door County North Food & Wine Fest	New Event - Year 3	8,000	Door	Door County North
Minocqua No Frills Marathon	Existing Event	8,000	Oneida	Minocqua Area Chamber of Commerce
MOWA Art on Tap Print Show	One-Time/One-of-a-Kind	7,500	Washington	Museum of Wisconsin Art
Racine County Open House	New Event	7,500	Racine	Racine Chamber of Commerce
Baldwin-Woodville Chili Fest	Existing Event - Year 2	7,000	St Croix	Baldwin Woodville Chamber of Commerce
Mercer Can-Yak	New Event - Year 2	6,000	Iron	Mercer Area Chamber of Commerce
Paint the Point	Existing Event - Year 2	5,750	Iowa	Arts Mineral Point
Wild Rivers Waterfall Tour	Destination Marketing - Year 2	5,600	Florence	Florence County Tourism Office
La Crosse Area Bike Fest	Existing Event - Year 2	5,250	La Crosse	La Crosse Co. Convention & Visitor Bureau
Door County Sea Dogs	New Event - Year 2	4,000	Door	Door County Maritime Museum
Spring Green's Country Christmas	Existing Event	4,000	Sauk	Spring Green Area Chamber of Commerce
Madison Hotel Week	New Event - Year 3	3,625	Dane	Greater Madison Convention & Visitor Bureau
Ferryville 70-Mile Garage Sale	Existing Event	3,500	Crawford	Village of Ferryville
Madeline Island Chef's Expo	Existing Event	<u>650</u>	Ashland	Madeline Island Chamber of Commerce
	Total	\$1,129,028		

Note: Awards listed were made in 2015-16 and will be reimbursed mostly in 2016-17. As such, award amounts do not match JEM grant expenditures for 2015-16 shown in Table 4.

APPENDIX II

Tourist Information Center Grant Awards in 2015-16

Organization	Site/City	Amount
Visit Beloit	Beloit	\$15,000
Kenosha Area Convention & Visitor Bureau	Kenosha	15,000
Eau Claire Area Convention & Visitor Bureau, Chippewa Falls Chamber of Commerce, Menomonie and Hudson	Menomonie Wayside	15,000
Prairie du Chen Chamber of Commerce	Prairie du Chen	15,000
Superior-Douglas County Chamber of Commerce	Superior	15,000
Platteville Area Chamber of Commerce	Platteville	14,057
Friends of the Center Alliance Ltd - Northern Great Lakes Visitor Center	Ashland	12,970
Polk County Tourism	St Croix Falls	12,382
City of Marinette	Marinette	11,561
Stevens Point Area Convention & Visitor Bureau	Stevens Point	9,030
La Crosse Area Convention & Visitor Bureau	La Crosse	4,450
Burlington Area Chamber of Commerce	Burlington	3,500
Green Lake Area Chamber of Commerce	Green Lake	3,500
Algoma Area Chamber of Commerce	Algoma	3,000
Hudson Area Chamber of Commerce & Tourism Bureau	Hudson	3,000
Racine County Convention & Visitor Bureau	Racine	2,800
Visit Milwaukee	Milwaukee	2,000
Greater Menomonie Area Chamber of Commerce	Menomonie Downtown	1,300
Friends of the Wild Rivers Interpretive Center	Florence	1,000
Washburn County Tourism Association	Spooner	1,000
Darlington Chamber and Main Street Program	Darlington	<u>250</u>
Total		\$160,800