

TOURISM

Budget Summary						FTE Position Summary				
Fund	2022-23 Adjusted Base	Governor		2023-25 Change Over Base Year Doubled		2022-23	Governor		2024-25 Over 2022-23	
		2023-24	2024-25	Amount	%		2023-24	2024-25	Number	%
GPR	\$6,487,000	\$73,166,800	\$29,583,400	\$89,776,200	692.0%	32.00	40.50	40.50	8.50	26.6%
FED	780,900	781,000	781,000	200	0.0	1.00	1.00	1.00	0.00	0.0
PR	9,416,300	304,000	304,000	- 18,224,600	- 96.8	1.00	0.00	0.00	- 1.00	- 100.0
SEG	<u>1,603,500</u>	<u>1,604,100</u>	<u>1,604,100</u>	<u>1,200</u>	0.0	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	N.A.
TOTAL	\$18,287,700	\$75,855,900	\$32,272,500	\$71,553,000	195.6%	34.00	41.50	41.50	7.50	22.1%

Budget Change Items

1. STANDARD BUDGET ADJUSTMENTS

Governor: 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
PR	9,200	0.00
FED	<u>200</u>	<u>0.00</u>
Total	\$575,000	- 3.00

2. MARKETING AND ADVERTISING FUNDS

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.

	Funding	Positions
GPR	\$37,000,000	4.00

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.

3. OPPORTUNITY ATTRACTION AND PROMOTION FUND

	Funding	Positions
GPR	\$30,124,300	1.00

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.

[Bill Sections: 383 and 751]

4. CONVERT TRIBAL GAMING MARKETING FUNDS TO GENERAL PURPOSE REVENUE

GPR	\$17,534,200
PR	<u>-17,534,200</u>
Total	\$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.]

[Bill Sections: 382, 385, 513, and 755]

5. MEETINGS, CONVENTIONS, AND SPORTS BUREAU

	Funding	Positions
GPR	\$2,666,800	2.00
PR	<u>-299,600</u>	<u>-1.00</u>
Total	\$2,367,200	1.00

Governor: Create a Meetings, Conventions, and Sports Bureau and provide \$1,314,300 GPR in 2023-24 and \$1,352,500 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 an errata will be submitted. 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.

[Bill Sections: 384 and 756]

6. OFFICE OF OUTDOOR RECREATION

	Funding	Positions
GPR	\$1,092,200	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 for two more years. Current funding and positions expire on June 30, 2023, and authorized positions are removed under standard budget adjustments.

7. ARTS BOARD FUND MATCHING

GPR	\$552,500
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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."]

8. NATIVE AMERICAN TOURISM OF WISCONSIN CONTRACT TRANSFER

PR	-\$400,000
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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."]

[Bill Sections: 106 thru 108 and 9143(1)]

9. TRIBAL LIAISON POSITION

	Funding	Positions
GPR	\$150,800	1.00

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."]

10. EQUITY OFFICER POSITION

	Funding	Positions
GPR	\$87,000	0.50

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."]

11. AGENCY SUPPLIES AND SERVICES FUNDING INCREASE

GPR	\$2,800
SEG	<u>1,200</u>
Total	\$4,000

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.

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."]

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 43/Senate Bill 70.

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.

[Bill Sections: 752 thru 754 and 757]