

Romaine Robert Quinn

STATE SENATOR • 25th Senate District

From:	Senator Romaine Robert Quinn
To:	Senate Committee on Housing, Rural Issues and Forestry
Re:	Testimony on Senate Bill 448
	Relating to: rural creative economy grant program and making an appropriation
Date:	October 18, 2023

Thank you members of the Senate Committee on Housing, Rural Issues and Forestry for allowing me to share testimony on Senate Bill 448. This bill would create a Rural Wisconsin Creative Economy Grant Program and follows up on our efforts to invest in our rural communities.

Senate Bill 448 creates a \$1 million grant program over the biennium, administered by the Arts Board under the Department of Tourism. This state investment would additionally generate a minimum of \$1 million annually in matching funds from grant recipients and the National Endowment for the Arts. The grants are to be capped at \$50,000 and awarded on a competitive basis to those that work to promote creative businesses, products, or services in rural areas of Wisconsin with the specific goals of fostering the following:

- 1. Job and business creation and capacity building.
- 2. Workforce training and development.
- 3. Community and sector planning, development, and engagement.
- 4. Products or services with artistic, cultural, creative, or aesthetic qualities.

Through the budget, we significantly boosted the state's tourism and marketing resources to promote Wisconsin and compete with our neighboring states. We want to ensure that rural Wisconsin also gets a fair share, as currently, just 20 percent of the grant dollars available through the Wisconsin Arts Board are awarded to rural areas. With a grant specifically dedicated to our rural areas, my area of the state will be better suited to compete with Minnesota who as of 2022 invested \$7.34 per capita to arts agencies as opposed to Wisconsin's \$0.14.

Earlier this year, I was invited on a Creative Economy Tour throughout my district where I visited some of the arts facilities and spoke with leaders from the chambers and business owners. It's clear that our rural areas have a lot to offer, but need a grant program like this to help promote their unique characteristics to appeal to both visitors and residents.

Thank you again for your consideration today.

ISIN STATE A SCHUMBLY	TODD NOVAK	(608) 237-9151 Toll-Free: (888) 534-0051 Rep.Novak@legis.wi.gov	
ASSEMBLY DISTR	STATE REPRESENTATIVE • 51 st Assembly District	P.O. Box 8953 Madison, WI 53708-8953	
DATE:	Wednesday, October 18 th , 2023		
RE:	Testimony on Senate Bill 448		
TO:	Senate Committee on Housing, Rural Issues and Forestry		
FROM:	State Representative Todd Novak		

Thank you Chairman Quinn and members of the Senate Committee on Housing, Rural Issues and Forestry for holding this public hearing on Senate Bill 448 (SB 448), which creates a rural creative economy grant program.

I co-authored this bill with Senator Quinn and Representative Kitchens after having initially worked on this idea during the budget process. I am glad to see this proposal come before the committee for a public hearing because this grant program would surge investment dollars to our rural communities.

Large cities and urban areas often benefit from philanthropic donors that work to advance the creative economy in those spaces. This oftentimes leaves our rural creative economy with the potential to be overlooked when it comes to fostering artistic and cultural efforts in small communities. Beyond the appreciation for these artistic and cultural elements there is also a significant economic component at stake; the creative economy provides jobs.

The proposal before you today would provide grants with a dollar-for-dollar match to businesses, associations, or local governments working to promote and assist creative businesses, products, or services in communities with less than 20,000 people or areas that are not urbanized according to the federal Census Bureau. The Arts Board in the Department of Tourism would distribute these grants on a competitive basis and report back to the Legislature to evaluate the effectiveness of the program. The funding available for the grants would be \$1 million over the biennium with a maximum grant award of \$50,000 per recipient.

This proposal will assist our rural communities as they recover from the pandemic and will inject critical investment dollars into our local economy to support the creative economy.

Thank you for your consideration of SB 448.

Cultural and Creative Vibrancy Essential to Thriving Rural Economies



Senate Committee on Housing, Rural Issues, and Forestry PUBLIC HEARING October 18, 2023

Testimony in Support of **SENATE BILL 448**, relating to rural creative economy grant program, and making an appropriation.

Anne Katz, Executive Director, Create Wisconsin

SB 448: Rural Creative Economy Grant Program

Under Senate Bill 448, a RURAL CREATIVE ECONOMY GRANT PROGRAM would be created in the Wisconsin Department of Tourism to promote and assist the development of businesses, products, or services in *RURAL AREAS* that have an artistic, cultural, creative, or aesthetic value.

Under the bill, "Rural areas" means a city, town, or village with a population of less than 20,000, a county with a population of less than 25,000, or an area that is not an urbanized area, as defined by the federal bureau of the census. Estimates reveal that 1808 of 1850 municipalities have 2023 populations of less than 20,000, while 26 of 72 counties have 2023 populations of less than 25,000. Wisconsin has 18 "urbanized areas", with populations of 50,000 or more.

Grants, *not to exceed \$50,000*, would be awarded on a competitive basis to businesses, municipal and county governmental agencies, tribal governmental agencies, and business development organizations or associations that work to promote and assist creative businesses, products, or services in rural areas in this state, including by fostering any of the following:

- Job and business creation and capacity building.
- Workforce training and development.
- Community and sector planning, development, and engagement.
- Products or services with artistic, cultural, creative, or aesthetic qualities.

The proposed state investment of \$500,000 GPR in each year of the biennium would generate a minimum of \$1 million more annually in matching funds from state grant recipients and the National Endowment for the Arts (NEA). The Wisconsin Arts Board may not award a grant unless the business, governmental agency, or business development organization or association has **secured from nonstate sources an amount equal to the amount of the proposed grant**.

The arts board is directed to develop a matrix to evaluate the effectiveness of rural creative economy development grants awarded and submit a report on the effectiveness of the rural creative economy development grants, as determined by the matrix, to the Joint Committee on Finance no later than May 1, 2025.

Rural Creative Economy Grant Program proposed 2023-24 investment of \$500,000 GPR will help boost tourism in rural communities by promoting and assisting Wisconsin's creative people, places, and cultural assets.

Rural Travel Visitors Seeking Arts and Culture Activities

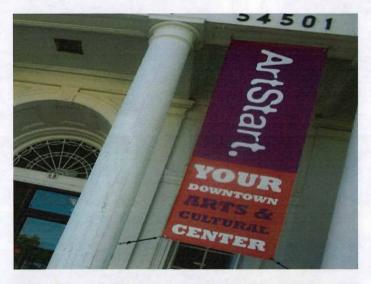
"Hundreds of thousands of people bring millions of dollars into the economies of Wisconsin's vibrant rural places each year, encouraged as much by **arts and culture** as by scenic beauty and outdoor assets," according to <u>Rural Voices for Prosperity</u>.

"Families who used to spend their time off sitting in a cabin taking in nature now also want, and sometimes expect, access to **plentiful arts and cultural activities**, along with interesting local foods, and unique shopping and lots to do," the report says.











WISCENSIN .COM

Tourism is big business.

111.1 MILLION VISITS in 2022, up 8.8 million visits, or 8.7%, over the previous year.

2022 RECORD-BREAKING YEAR WISCONSIN'S TOURISM INDUSTRY

14.9B	23.7B	174,623	1.5B
DIRECT	TOTAL	JOBS	STATE & LOCAL
VISITOR	ECONOMIC	GENERATED	TAXES
SPENDING	IMPACT		GENERATED

Source: Data from Annual study by Tourism Economics commissioned by the Wisconsin Department of Tourism.

TRAVEL WISCOM

Wherever you go in Wisconsin, you are sure to discover incredible art and culture.









Native Culture



Architecture



Art Tours

Art Schools



Performing Arts

Every corner of the state contributes to Wisconsin being a premier travel destination

Visitors generated significant economic benefits in 2022 in all 72 counties.

Source: <u>Data</u> from <u>Annual study by Tourism</u> <u>Economics</u> commissioned by the Wisconsin Department of Tourism.

County	Total Economic Impact <i>Millions</i>	County	Total Economic Impact <i>Millions</i>	County	Total Economic Impact <i>Millions</i>	County	Total Economic Impact <i>Millions</i>
Milwaukee	\$3,914	Washington	\$284	Juneau	\$115	Taylor	\$53
Sauk	\$1,920	Fond du Lac	\$274	Shawano	\$111	Washburn	\$53
Dane	\$2,356	Marinette	\$249	Grant	\$108	Kewaunee	\$48
Waukesha	\$1,591	Portage	\$245	Lincoln	\$103	Burnett	\$44
Brown	\$1,271	Adams	\$240	Dunn	\$96	Rusk	\$44
Walworth	\$887	Ozaukee	\$230	Bayfield	\$89	Marquette	\$41
Outagamie	\$683	Manitowoc	\$216	Green	\$80	Richland	\$40
Door	\$582	St. Croix	\$208	Langlade	\$77	Price	\$36
Winnebago	\$522	Columbia	\$201	lowa	\$74	Iron	\$36
La Crosse	\$489	Wood	\$198	Vernon	\$73	Buffalo	\$28
Racine	\$486	Jefferson	\$195	Crawford	\$71	Lafayette	\$27
Marathon	\$459	Barron	\$180	Calumet	\$68	Forest	\$24
Rock	\$439	Chippewa	\$174	Trempealeau	\$67	Pepin	\$14
Sheboygan	\$439	Polk	\$156	Ashland	\$65	Florence	\$10
Eau Claire	\$433	Monroe	\$148	Jackson	\$63	Menomonie	\$5
Kenosha	\$424	Sawyer	\$141	Green Lake	\$62	STATE	\$23,655
Vilas	\$363	Oconto	\$135	Clark	\$60		
Oneida	\$362	Waushara	\$120	Pierce	\$59	Pop. Under 25,000	203

WISCONSIN'S CREATIVE SECTOR Creativity, Culture & Art

Wisconsin's creative sector contributed \$10.8 billion to the state's economy in 2021 and employed nearly 90,000 workers – more workers than in the beer, biotech, and papermaking industries.



WISCONSIN'S CREATIVE SECTOR

- 21st among states in value added in 2021
- **41st** among states in value added growth between 2020-2021
- 8.44% increase in value added growth since 2020, compared to 14.43% increase nationally
- **50th** nationally in per-capita funding for arts and culture in 2022. Wisconsin appropriated **\$807,100**, or **\$0.14 per capita** in 2022 for the Wisconsin Arts Board, compared to the \$41.9 million, or \$7.34 per capita, appropriated to the Minnesota State Arts Board, according to *National Academy of State Art Agencies*.
 - In 2024-25, the Arts Board is budgeted state funding of \$1,053,100 GPR. 2023 Wisconsin Act 19 includes \$259,100 GPR in 2024-25 as an ongoing base increase for state aid for the arts, in addition to a \$148,100 GPR increase in 2023-24 to match grants from the National Endowment for the Arts.

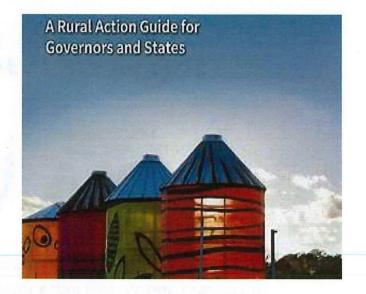
Rural Prosperity through Arts and Culture

Increased state investment in creative economic development will bolster rural workforce development efforts targeted to young working age adults.

Many rural Wisconsin communities have authentic unique cultures to celebrate, yet they have long contended with problems related to an evolving economy, including the loss of industry and outmigration of young and skilled workers.

- Between 2012 and 2020, data from federal income tax returns show that Wisconsin lost 106,000 "families," in which the tax filer was under 26 years of age. Often, these are single individuals.
- "Bright lights, big city" may best describe the reason many left. Only 37% of those who left moved to a state bordering Wisconsin. Of those, nearly 70% migrated to either Minneapolis (42%), Chicago (26%), or Detroit (2%), the three largest metro areas in the Midwest.
- To address out migration challenges, Forward Analytics, the research arm of the Wisconsin Counties Association, suggests that Wisconsin policymakers should consider a multipronged approach to better attract talent, including bolstering amenities that appeal to young adults.

Source 2022 Forward Analytics report, Moving In? Exploring Wisconsin's Migration Challenges.



The National Governors Association in a 2019 report, <u>RURAL PROSPERITY THROUGH THE ARTS & CREATIVE</u> <u>SECTOR, A Rural Action Guide for Governors and States</u>, highlights steps that elected officials and states can take to promote rural prosperity through the arts and culture. Cover Photo: Wormfarm Institute, Reedsburg, Wisconsin.

ORGANIZATIONS SUPPORTING SENATE BILL 448/ASSEMBLY BILL 449

The proposed state investment in rural creative economic development will help boost the visitor economy which spams multiple industries. Key beneficiaries of the growth of the creative sector especially include business in accommodations, food and beverage, recreation, retail shopping, local transportation and air travel.





Anne Katz <akatz@createwisconsin.org>

Support for the Rural Arts bill

2 messages

Fred C Schwertfeger <FredCS@horiconbank.com> To: "Sen.Jagler@legis.wisconsin.gov" <Sen.Jagler@legis.wisconsin.gov> Cc: "akatz@createwisconsin.org" <akatz@createwisconsin.org>

Dear Senator Jagler,

Tue, Oct 17, 2023 at 7:45 AM

Anne Katz from Create Wisconsin informed me of the Rural Arts bill that is approaching the Senate for consideration.

As the President of a rural bank, headquartered in Horicon, Wisconsin it is hard to recruited talented young banking professionals with technology skills to our administrative offices.

Horicon Bank has "punched above our weight" with our bank branding strategy, which includes supporting art institutions in the towns in our rural communities. Such institutions like the Thrasher Opera House in Green Lake, Thelma Center for the Arts in Fond du Lac, Schauer Art Center in Hartford, and the two museums I serve on the board of: Bergstrom-Mahler Museum of Glass in Neenah, and the Museum of Wisconsin Art in West Bend, contribute to the vitality and desirability of living in the rural and small-town communities of Wisconsin.

The arts and creative sectors of Wisconsin currently do not "punch above their weight" in terms of the public state support and long-term investment needed to keep Wisconsin competitive as a state to attract and retain a talented younger workforce. I encourage you to support this bill which is a step towards equivalent arts spending in the country. As the 20th most populated state in the country, we should not be the 50th state in arts spending given our state's needed strategy to be more competitive for a workforce who want to live in a place with vibrant activities to raise their families. The Rural Arts Bill will contribute to this effort.

Thank you for your service to Wisconsin.

Sincerely,



Fred C Schwertfeger President P 920.485.7332 M 414.588.1414 Testimony to the State Senate Public Hearing Re: Proposed Rural Wisconsin Creative Economy Grant Program - SB 448/AB 449 Date: 10/18/2023

Honorable Chair and distinguished members of the committee, thank you for this time.

My name is Ben Thietje, Executive Director of the Phipps Center for the Arts, located just off the St. Croix River in Hudson, Wisconsin. I come before you today not just representing the interests of Hudson's vibrant artistic community, but with the hope and vision of thousands of artists, creators, and entrepreneurs from across our rural communities who hope to shine a spotlight on Wisconsin's rich cultural legacy.

I would like to express my strong support for the proposed Rural Wisconsin Creative Economy Grant Program. Today, I wish to highlight the profound economic and social benefits that such an investment in our creative economy can bring.

1. Economic Stimulus: The arts are a proven economic driver. A study by Americans for the Arts found that the nonprofit arts and culture sector generated \$166.3 billion of economic activity in the U.S. in a single year. This figure comprises spending by arts organizations and their audiences, directly supporting jobs, generating government revenue, and stimulating local economies. With the proposed grant, rural communities in Wisconsin stand to harness a part of this economic potential, amplifying local businesses and attracting external investments.

2. **Job Creation**: Arts and cultural events are more than just a showcase of talent; they are significant employment opportunities. These include direct jobs like performers, curators, and technicians, but also indirect jobs in sectors like hospitality, transportation, and retail that cater to the increased footfall during such events.

3. **Tourism Boost**: Tourists are drawn to unique experiences, and what better way to offer that than through our local arts and culture? A U.S. Travel Association report stated that 78% of U.S. leisure travelers participate in cultural or heritage activities, translating to a staggering 118.3 million cultural travelers. By investing in and promoting our rural creative assets, we can significantly increase tourism revenue.

4. **Strengthening Local Identity**: Every mural painted, every folk song sung, and every local festival celebrated adds to the unique identity of our rural communities. This identity not only appeals to tourists but also instills pride among residents, fostering community cohesion and resilience.

5. Leveraging Federal Funds: The proposed state investment has a multiplier effect. With an additional \$1 million annually in matching funds from grant recipients and the NEA, we can catalyze more extensive projects and partnerships, providing further momentum to our creative

economy.

6. **Potential for Innovation**: Creativity often begets more creativity. By fostering a thriving arts scene, we might also attract innovative entrepreneurs, tech start-ups, and other businesses that value vibrant, culturally rich environments.

In conclusion, I urge you to consider the Rural Wisconsin Creative Economy Grant Program not just as an investment in the arts but as a holistic approach to revitalize and redefine our rural landscapes. The future of Wisconsin's rural communities will be brighter, more prosperous, and culturally richer with this support. Let us come together to champion the talents and potential that have for too long waited in the wings.

Thank you for your attention, and I stand ready to assist in any way to ensure the success of this essential initiative.

Sincerely,

Ben Thietje Executive Director Phipps Center for the Arts Hudson, Wisconsin **Carolyn Nelson-Kavajecz** Sterling Silver Studio / The Ultimate Talent Connection 69 N 28 Street East Suite 1A Superior, WI 54880 218-260-7771 (mobile) Info@SterlingSilverStudio.com

- Sterling Silver Studio: Performing Arts School founded in 1991
 - Provide performing arts education to 350 students weekly.
 - 39% of weekly students are traveling from outside the 54880 zip code to attend classes at Sterling Silver Studio.
 - o 19 employees.
 - Currently located in a facility with 3 rehearsal spaces, a community room, and a retail boutique. Operating 7 days per week with a focus on expanding into a larger location to provide additional services and opportunities to the community.
- The Ultimate Talent Connection: Performing Arts Production Company founded in 1997
 - Provide performing arts opportunities to 700 artists annually.
 - Services provided to Wisconsin residents as well as artists from Minnesota and Michigan.
 - TUTC events bring thousands of spectators to Wisconsin from neighboring states on an annual basis.
- Performing Arts Student Scholarship Foundation: 501c3 founded in 1997
 - Provide scholarship opportunities to students interested in studying performance art.
 - Works directly with the City of Superior to provide free after school performing arts programming to all students in the Superior School District

Annual Community Events Hosted by these Organizations

Lake Superior Ice Festival Fire and Ice Show and Kid's Zone (January)

TUTC Spring Fling Performing Arts Competition (March)

Superior Public Museum's Annual Fundraiser (March)

Annual Performing Arts Student Showcase (3) (April)

Superior's 4th of July Parade & Community Celebration (July)

Superior Spooktacular Parade, Carnival & Music Festival (October)

Superior's Haunt Your House Tour of Homes (October)

TUTC Fall Performing Arts Competition (November)