

Wisconsin Assembly committee to vote on Foxconn incentives

August 14 2017, by Scott Bauer

The Wisconsin state Assembly planned a committee vote Monday on a \$3 billion tax incentive package for Taiwan-based Foxconn Technology Group, the start of what could be an intense month of legislative action to approve the massive deal.

The Assembly's jobs and economy <u>committee</u> scheduled a vote Monday afternoon on a new version of the <u>bill</u> that attempts to address some concerns raised by critics that the state is giving away too much to land the plant that could employ thousands of people.

Approval by the Republican-controlled committee would set up a vote by the full Assembly on Thursday. The Legislature's budget committee could hold a hearing on the measure early next week, with a vote in the Republican-controlled Senate sometime shortly after that.

Democrats have said majority Republicans are moving too quickly on the measure, which would waive a host of state environmental regulations and requirements in addition to extending billions in <u>tax</u> breaks.

Even so, Republican Assembly Speaker Robin Vos said last week he expected the bill to pass with bipartisan support. Foxconn is eyeing locations in Kenosha and Racine counties in southeast Wisconsin, areas of the state that include several Democratic lawmakers. It also is considering a secondary site in Dane County, a Democratic stronghold.



The proposal must clear both the state Assembly and Senate in identical form and be signed by Gov. Scott Walker before taking effect. Walker negotiated the deal, which was announced by President Donald Trump with great fanfare about two weeks ago.

That deal requires the Legislature must pass the bill by Sept. 30. Foxconn has said it may invest \$10 billion on the plant that would open in 2020 with 3,000 but could expand to 13,000 people within six years.

Concerns about what the state is offering Foxconn increased last week when the nonpartisan Legislative Fiscal Bureau said it will take at least 25 years for Wisconsin taxpayers to break even on the proposed incentives. It would take Wisconsin longer to break even depending on how many workers at the plant come from Illinois, the analysis said.

The Assembly committee planned to vote on making some changes to the bill to address those concerns, but key provisions related to the tax breaks and exempting Foxconn from filing a state environmental impact statement would remain.

Under the bill, for every acre of wetland disturbed on the Foxconn site, two acres would have to be restored. The amendment up for a committee vote Monday would say those should be in the same watershed, if possible.

The committee is slated to vote on tying payroll tax credits to the number of jobs Foxconn creates that pay between \$30,000 and \$100,000. The bill would also be changed to call for state officials to include terms in any contract with the company that encourage hiring Wisconsin residents, addressing concerns that many of the workers would come from neighboring Illinois.

The committee was also to vote on spending \$20 million on worker



training to help create a pipeline for high-tech workers who would be needed at the plant.

If constructed as promised, the Foxconn facility would be the first liquid crystal display monitor manufacturing plant outside of Asia.

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