

Wisconsin working on incentives to lure Foxconn to state

July 20 2017, by Scott Bauer



In this Thursday, May 27, 2010, file photo, a worker looks out through the logo at the entrance of the Foxconn complex in the southern Chinese city of Shenzhen. Two Republican state lawmakers said Thursday, July 20, 2017, that Wisconsin could announce it has landed a deal for Taiwanese iPhone manufacturer Foxconn to locate in the state as soon as the end of the month. (AP Photo/Kin Cheung, File)

Wisconsin is working on a package of incentives to lure Taiwanese iPhone manufacturer Foxconn to the state as part of a deal that two state

lawmakers said Thursday they believe could come as soon as the end of the month.

Wisconsin is one of several Midwest states vying for Foxconn as it considers building a \$7 billion display panel manufacturing plant that could employ up to 10,000 people. The company was expected to announce its decision by early August. Michigan passed new economic incentives to sweeten its deal for Foxconn last week.

Republican Senate Majority Leader Scott Fitzgerald told The Associated Press on Thursday that "huge, big numbers" are being talked about to help land Foxconn. And Rep. John Nygren and Sen. Luther Olsen both said the state could announce a deal by the end of the month. None of them said they knew how much in total incentives the state may ultimately offer.

"I really don't have a lot of information and any legislator up at the Capitol that tells you they do is not telling the truth," Fitzgerald told WKOW-TV. Fitzgerald said negotiations going on with the governor's office and state economic development officials have been "kept very close to the vest until they have something."

One idea being discussed is using \$200 million that Walker had proposed for a personal income tax cut and diverting it to help pay for transportation funding and possibly Foxconn incentives, Fitzgerald said. But he stressed that possibility was part of a "brainstorming" session he had with Walker and Assembly Speaker Robin Vos on Wednesday.

Vos did not immediately return a message seeking comment on Thursday.

Nygren, who is co-chairman of the Legislature's budget committee, said incentives for Foxconn would not be included in the two-year budget

currently being worked on that's already three weeks past due. But he said money being considered for tax cuts now, like the \$200 million Walker wanted to use to cut income taxes, may instead be needed for incentives later as part of any deal with Foxconn.

Nygren was optimistic that Wisconsin would win the high-stakes race to land Foxconn, but he stressed that talks were fluid and the company could just as easily choose another state. He and other lawmakers attended a barbecue at the governor's mansion with Walker and Foxconn Chairman Terry Gou last week.

"It was very clear a deal could come as quickly as the end of the month," Nygren said.



In this Feb. 4, 2016, file photo, employees enter and exit the headquarters of Taiwan's Hon Hai Precision Industry Co., also known as Foxconn, in New Taipei City, Taiwan. Two Republican state lawmakers said Thursday, July 20, 2017,

that Wisconsin could announce it has landed a deal for Taiwanese iPhone manufacturer Foxconn to locate in the state as soon as the end of the month. (AP Photo/Wally Santana, File)

Olsen said the state could announce it has entered into a memorandum of understanding with Foxconn by the end of the month. Olsen said he wanted to hold off on passing Wisconsin's overdue state budget "until we know what's going on with this."

Adding in Foxconn incentives is a new twist.

"This is something we have to take seriously if they decide to come to Wisconsin," Olsen said of incentives for Foxconn. "We have to make sure we're in fiscal shape to fulfill the obligations that are being presented to Foxconn to come to Wisconsin."

Walker's spokesman Tom Evenson declined to comment about what Olsen said about a pending Foxconn deal. Walker and state economic development officials have repeatedly declined to comment about it, saying they can't discuss ongoing negotiations with potential new businesses.

But House Speaker Paul Ryan said earlier this month that he had met with Foxconn officials at the request of Walker and he hoped they would locate a plant in his southeast Wisconsin congressional district near the border with Illinois. And President Donald Trump said in June that his administration was negotiating a U.S. expansion with "a major, major, incredible manufacturer of phones and computers and televisions" and that Walker could be getting a "very happy surprise very soon."

Foxconn assembles smartphones and other devices for Apple, Sony,

Blackberry and other brands. Most of its operations are based in China, where its plants employ about 1 million people.

For the company's U.S. plant, Gou has said it is considering Wisconsin, Michigan, Ohio, Pennsylvania, Illinois, Indiana and Texas as manufacturing [states](#) with which the company hopes to work.

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Citation: Wisconsin working on incentives to lure Foxconn to state (2017, July 20) retrieved 21 September 2024 from

<https://phys.org/news/2017-07-wisconsin-incentives-lure-foxconn-state.html>

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