JFC members quiz cabinet officials on clawbacks, diversity, environmental measures in Foxconn bill

Posted on Tuesday, Aug 22, 2017

Cabinet officials fielded a variety of questions from JFC members, many focusing on the ability of the state to recoup its investment if Foxconn doesn't fulfill its commitments, environmental concerns and workforce issues.

Responding to several questions from JFC Dems about clawbacks, Hogan said those are not included in the legislation and would be negotiated during the contract phase.

But Sen. Luther Olsen, R-Ripon, noted that Foxconn isn't to receive credits until after it builds and hires, and questioned what there would be to recover at any given time.

Hogan said one area where clawbacks could come into play is the up to $1.35 billion in capital expenditure credits over seven years. He said those credits could also be tied to employment numbers in the early phase of the project.

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Rep. Gordon Hintz, D-Oshkosh, raised questions about Foxconn's current commitments elsewhere and highlighted cases in which the company didn't follow through on promises.

Hogan said that the company has shown a commitment to investing in the state, noting that Foxconn employees have been looking at sites and meeting with economic development groups and other.

"We have seen nothing but a full commitment on the company's part to invest in

Wisconsin," Hogan said.

Sen. Lena Taylor, D-Milwaukee, questioned Hogan about what measures were being taken in the legislation to address diversity in who Foxconn hires and works with as suppliers.

Hogan said the bill didn't include such provisions, but noted WEDC is committed to ensuring opportunities are available for minorities and underemployed populations.

Taylor asked Hogan whether the state has reviewed Foxconn's pattern in areas of diversity and inclusion.

"I can't answer your question, because I have not asked that question," Hogan said.

"Shame on you," Taylor replied, saying diversity should be a concern given high unemployment in Milwaukee.

Rep. Katrina Shankland, D-Stevens Point, raised concern that the Foxconn enterprise zone could get expanded statewide or elsewhere and exempt more companies from environmental exceptions in the bill.

Hogan replied that the WEDC would keep the zone to the geographic area where Foxconn is building its facility.

Dems have also been critical of Foxconn executives for not appearing at the hearings. Asked about the issue today, Neitzel said the reason is that the administration views this as the state's end of the deal.

"This is our part of the bargain," Neitzel said.