

Rep. Spreitzer: Pushes to protect Wisconsin taxpayers

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MADISON- Today, the Wisconsin State Assembly met in Special Session to consider August 2017 Special Session Assembly Bill 1 (SS AB 1), otherwise known as the "Foxconn bill." Introduced merely 2 weeks ago and rushed to a vote, SS AB 1 is the largest incentive package given to a foreign corporation in United States history with a price tag of \$3 billion. Rep. Mark Spreitzer (D-Beloit) joined many of his colleagues in opposing the fast-tracked boondoggle.

"I am fully supportive of quality, good-paying jobs for every Wisconsin resident," Rep. Spreitzer said, "but this is a bad deal for Wisconsin. I cannot support Governor Walker's Foxconn gamble that will take money out of our children's schools and put it into the hands of already wealthy corporations. The public has had little time to fully examine and understand the proposal's huge costs and uncertain benefits, and little opportunity to have their voices heard."

Through a variety of refundable tax credit schemes, SS AB 1 would give nearly \$3 billion of Wisconsin taxpayer money to Foxconn, a Taiwanese technology company. With refundable tax credits, if the amount of the credit is more than the amount of taxes owed, that difference is given back as a refund. Therefore, once Foxconn eliminates its taxes owed by using existing corporate tax loopholes such as the manufacturing and agriculture tax credit, the \$3 billion in incentives will funnel to Foxconn as direct cash.

"Due to Governor Walker's weak negotiating, Wisconsin will be forced to use taxpayer dollars to write Foxconn yearly checks for up to \$312 million at the expense of our schools, roads, and healthcare," Spreitzer added. "Wisconsin will not

break even on the deal until 2043 at the absolute earliest, and may never break even if Foxconn creates fewer jobs than promised or leaves anytime in the next two decades.”

“Not only does this legislation provide an enormous giveaway to a foreign corporation while shutting out Wisconsin-based small businesses from accessing that kind of capital, it also strips away crucial environmental protections for wetlands and waterways,” Spreitzer added. “Wisconsin should be investing in our small businesses that create jobs in every community around the state while protecting our environment.”

In addition to the \$3 billion in tax credits the proposal gives to Foxconn, it also provides millions in seemingly random tax breaks to an unrelated company called Fiserv, \$250 million in new transportation borrowing, and no guarantee any jobs will be created or will go to Wisconsin workers. The proposal will go to the State Senate for a vote following passage by the Assembly.