

FOR IMMEDIATE RELEASE

August 10, 2017

Contact: Rep. Doyle (608) 266-0631

**REP. DOYLE: WE NEED TO DO OUR HOMEWORK ON FOXCONN**

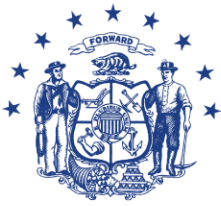
If you received an offer of a new job with double the salary would you accept it without doing your homework? I think most of us would have that moment of “YES!” but then common sense would prevail. We would take a step back and ask some questions. Where is the job? Will I have to pull my kids out of school? Will this job be for the long term or is there a risk that it might be short term? There is much to consider before grasping that shiny object. The State of Wisconsin is in a similar situation right now with Foxconn. Yes, the information we’ve been provided thus far makes us all giddy – 13,000 jobs and a new manufacturing hub in our state. But before we make a quick decision on handing over \$3 billion in tax breaks, eliminating environmental protections, and possibly overburdening taxpayers for the next 25 years, the Legislature needs to do its homework.

Right now, the State Legislature is debating a package of incentives to encourage electronics manufacturing giant Foxconn to build a new facility in Southeast Wisconsin. The deal includes \$3 billion in tax credits for Foxconn with a promise that the company will invest \$10 billion in the state and create 13,000 new jobs over 15 years. Having one manufacturing company in our state might pave the way for their suppliers to relocate here and create even more indirect jobs in construction and development. In short, we may well find ourselves in “Wisconn Valley” in a few years.

But just like that job promising a high paycheck, there are other factors that we need to consider. Because \$3 billion is such a huge financial investment for our state, it will take decades for Wisconsin to recoup those costs. Because our state is already struggling financially, this money is going to have to be taken from somewhere else – we just don’t know where yet.

The Legislative Fiscal Bureau recently released their own analysis of the proposal and they determined that if 100% of the new jobs are filled by Wisconsin workers, we will break-even on the project by 2043. But if some of those jobs go to out-of-state workers – from nearby Illinois for example – that break-even date gets pushed back. And right now, there is nothing in the bill to guarantee that those new jobs will be filled by Wisconsin workers.

Some of my colleagues are rushing to get this deal signed into law, skipping their homework in favor of flashy headlines and big announcements. I’m a strong believer in taking the time to get things right. What’s that saying? “Measure twice, cut once.” With something as big as Foxconn we need to take the time to do a careful analysis of the costs and benefits of this deal.



When you buy a car, you look at your financing options and shop for the best deal, right? That is what we normally do in the Legislature. All bills that deal with spending go to the Joint Finance Committee, a committee that specializes in fiscal analysis and close examination of legislation. But because they want this proposal to go through as fast as possible, the Assembly leadership chose to skip this important step.

Even within the Majority party, there is some disagreement about the Foxconn proposal. The leaders of the Senate will not be voting on the bill until September – all the more reason for those of us in the State Assembly to slow down and examine the issue from every angle.

If we can turn Wisconsin into the manufacturing hub of our nation, just like Silicon Valley is for information technology, we will have transformed our state. “Wisconn Valley” would jumpstart our sluggish economy and bring much needed jobs and businesses back to Wisconsin. This is an incredible, once-in-a-generation opportunity. But we only have one chance to get this right.

Before we pass any bill in the Legislature, we need to do our homework. We need to know exactly what sort of deal our taxpayers would be getting for such an unprecedented investment. We need to know the environmental impacts of creating permit exceptions for filling in navigable waterways and wetlands.

But most importantly we need to know what programs and services will suffer once we divert these taxpayer funds to Foxconn. No one knows how much our school districts are going to lose in state revenue, or how much our local governments will lose because of the tax breaks. We need answers before we take any action.

Foxconn may be the biggest economic opportunity our state has ever seen. We only have one chance and I am committed to getting it right. If we don't, we might find ourselves with something that sounded amazing on paper but turned out to be nothing like what we were promised.

###