



February 28, 2021

Senator Robert Cowles
118 South – State Capitol
Madison, WI 53707

Representative Samantha Kerkman
315 North – State Capitol
Madison, WI 53707

Dear Senator Cowles and Representative Kerkman:

The Legislative Audit Bureau's (LAB) Report 20-27 recommended the Wisconsin Economic Development Corporation (WEDC) provide a status to the Joint Legislative Audit Committee by March 1, 2021 on WEDC's efforts to implement LAB's recommendation contained within the report. As a reminder to the JLAC, Foxconn did not qualify or earn tax credits in 2018 or 2019.

Attached for your convenience, please find the WEDC's letter included in LAB Report 20-27 that contains our responses to the LAB recommendations.

WEDC staff have spent the time since developing methodology for ensuring that job tax credits are only earned and verified by WEDC for services performed in Wisconsin by eligible employees. Any revision to the EITMZ agreement will include this methodology and include reference that the \$100,000 statutory cap will be pro-rated to match the period of employment for eligible partial-year employees.

We appreciate the opportunity to provide updates to LAB regarding our actions to address the recommendation in LAB's Report 20-27. If you have any questions, or would like any additional information, please do not hesitate to contact me.

Sincerely,

Melissa L. Hughes
Secretary and CEO

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