

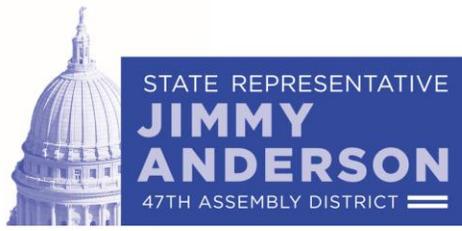
Thank you to chairman Rep. Neylon and to the members of the committee for giving me the opportunity to provide testimony. I'm Representative Jimmy Anderson and I'd like to highlight my concerns with the design and execution of the Foxconn deal.

I have serious questions regarding the Manufacturing and Agriculture tax credit and the nearly \$3 billion in tax benefits in the Foxconn deal. With the Man & Ag tax credit, the tax liability of Foxconn is effectively zero. With the \$1.5 Billion in refundable wage tax credits, the state of Wisconsin will pay Foxconn up to \$100 Million a year for 15 years to Foxconn.

In conjunction with the capital expenditure tax credit and the sales tax holiday, Wisconsin will provide somewhere between \$100 million and \$300 million dollars directly to Foxconn every year. Over the length of the deal, that's about \$1,200 per household in Wisconsin. For perspective, most other large projects with tax incentives amount to roughly \$2,500 per job. The Foxconn deal is spending \$15,000 - \$19,000 of taxpayer dollars per job! This plan is not a simple TIF district where we help localities offset infrastructure costs to spur investment. If it were that simple, everyone would be on board. This is a massive project involving billions of taxpayer dollars being paid directly to a foreign corporation. It should be done carefully and with many safeguards that this legislation lacks.

Under the current proposal, the legislature completely abdicates its responsibility to hold Foxconn accountable. The clawback provision that Governor Walker says will protect Wisconsin taxpayers is not mandatory and gives wide leeway to the WEDC to deliver benefits to Foxconn. Even if the clawback provision is used, Wisconsin can only get back one year's worth of tax credits. Foxconn gets to keep all the taxpayer money it has collected up to that point. The WEDC has had many problems administering much smaller projects. Granting them full power to negotiate contracts with Foxconn and enforce a \$3 billion agreement is alarming. The legislature needs to put into the bill more oversight and reporting requirements from the WEDC.

There are many environmental issues in this bill that the authors have overlooked. Granting Foxconn the authority to dredge wetlands without a permit sets a terrible precedent for future projects and completely guts the DNR of its ability to protect the environment and the public. It is important to note that the wetlands are our number one resource when it comes to fighting flooding. By filling wetlands, will homes and businesses in southeast Wisconsin be put in danger of increased flooding? Will the roads be able to handle the increased runoff and flooding of storms? Will flood insurance rates and policies be affected by massive environmental changes? These questions are easily answered with an Environmental Impact Statement (EIS), but the authors of this bill have granted Foxconn the authority to build without one. That these simple questions are left unanswered shows that this plan has not been well thought out. To put it plainly, it is dangerous to go forward with this legislation without further input from stakeholders and the public.



To sum it up, this legislation has been hastily put together, spends billions of taxpayer dollars with little accountability, and shows no regard for the environment. I'm calling on the members of this committee to slow the process down, provide more time for public input, and address the variety of simple fixes to this bill that are needed to protect taxpayers, the environment, and our communities. Thank you again to the Committee for allowing me to provide my testimony.

Sincerely,