

2017 Au7 DRAFTING REQUEST**Senate Amendment (SA-SSA1-AB1)**

For: **Jennifer Shilling (608) 266-5490** Drafter: **mgallagh**
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zwyatt
 Date: **9/6/2017**
 Same as LRB: May Contact:

Submit via email: **YES**
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Pre Topic:

No specific pre topic given

Topic:

EITM Zone, amendment package 3.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mgallagh 9/6/2017	anienaja 9/7/2017			
/P1	mgallagh 9/11/2017	anienaja 9/11/2017	mbarman 9/7/2017		
/P2	mgallagh 9/11/2017	jdye 9/12/2017	lparisi 9/11/2017		
/P3	mgallagh 9/12/2017	kmochal 9/12/2017	mbarman 9/12/2017		
/1			lparisi	lparisi	

Instructions:

- ? Requires company to hire 1,000 employees before company can begin claiming the capital credit.
- ? Limits sales tax exemption to only purchases from in-state suppliers.
- ? Requires the state to study the regional transportation and transit needs associated with this project and submit a report to the legislature by September 1, 2018.
- ? Provides a \$5 million grant to Gateway Technical College for worker training associated with the EITM zone, including potential engineering/construction costs associated with facility construction and expansion.
- ? Requires company to negotiate a "Good Jobs Agreement" (similar to Bucks) with potential workers that covers:
 - o Post-construction, end-use employment for workers employed by Foxconn, suppliers with whom Foxconn enters into a business relationship and located in or near the potential enterprise zone, and service contractors to the foregoing;
 - o A wage floor with a pathway to \$15 per hour for all covered workers, thereafter indexed to inflation;
 - o A labor peace agreement for all covered employers to ensure a free and fair process for workers to determine union representation and preventing adverse labor relations;
 - o First-source hiring for residents of particular zip codes; and,
 - o Sourcing of employees for covered employers through a hiring hall.
- ? Requires the company to require any construction contractors hired to:
 - o Have a preference for WI resident workers;

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
			9/12/2017	9/12/2017	

FE Sent For:

<END>

Amendment 3

- ✓ Requires company to hire 1,000 employees before company can begin claiming the capital credit.
- ✓ Limits sales tax exemption to only purchases from in-state suppliers.
- ✓ Requires the state to study the regional transportation and transit needs associated with this project and submit a report to the legislature by September 1, 2018.
- ✓ Provides a \$5 million grant to Gateway Technical College for worker training associated with the EITM zone, including potential engineering/construction costs associated with facility construction and expansion.
- ✓ Requires company to negotiate a "Good Jobs Agreement" (similar to Bucks) with potential workers that covers:
 - Post-construction, end-use employment for workers employed by Foxconn, suppliers with whom Foxconn enters into a business relationship and located in or near the potential enterprise zone, and service contractors to the foregoing;
 - A wage floor with a pathway to \$15 per hour for all covered workers, thereafter indexed to inflation;
 - A labor peace agreement for all covered employers to ensure a free and fair process for workers to determine union representation and preventing adverse labor relations;
 - First-source hiring for residents of particular zip codes; and,
 - Sourcing of employees for covered employers through a hiring hall.
- ✓ Requires the company to require any construction contractors hired to:
 - Have a preference for WI resident workers;
 - Provide health insurance to workers and their families at a premium coverage rate of 75% or more;
 - Drug test employees;
 - Participate in a state or federally recognized apprenticeship program
- ✓ Requires DOA to report annually on Minority, Women, and Disabled Vet-owned businesses as contractors.



10/25 9/7 Trucks!
State of Wisconsin
2017 - 2018 LEGISLATURE

August 2017 Special Session

LRB 1163?
MPG/JK/ZDW:...

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

SENATE AMENDMENT,

TO SENATE SUBSTITUTE AMENDMENT 1,

TO SENATE BILL 1

91166/51

ASSEMBLY

Insert 1-3

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 2, line 11: after "authority;" insert "making a grant to Gateway
3 Technical College;"

4 2. Page 4, line 16: before that line insert:

5 "20.292 Technical college system board

6 (1) TECHNICAL COLLEGE SYSTEM

7 (em) Gateway Technical College grant GPR A 5,000,000 -0-".

8 3. Page 5, line 4: after that line insert:

9 "SECTION 3m. 20.292 (1) (em) of the statutes is created to read:

1 20.292 (1) (em) *Gateway Technical College grant*. The amounts in the schedule
2 for making the grant under 2017 Wisconsin Act (this act), section 60 (2m).”.

3 **4.** Page 22, line 18: after “acquired” insert “from sellers located in this state
4 and acquired”.

5 **5.** Page 31, line 12: after that line insert:

6 “4e. Fails to demonstrate to the satisfaction of the corporation that each of the
7 business’s contracts with a contractor based in this state in connection with the
8 construction of any facility of the business that is located in the electronics and
9 information technology manufacturing zone requires the contractor to do all of the
10 following:

11 a. Ensure that applicants for employment with the contractor who are
12 residents of this state are accorded preference over other applicants having
13 substantially equal relevant qualifications and credentials.

14 b. Ensure that the contractor provides health insurance benefits to each of its
15 full-time employees at a premium coverage rate of at least 75 percent.

16 c. Test its employees for the unlawful use of controlled substances.

17 d. Participate in a state or federally recognized apprenticeship program.”.

18 **6.** Page 32, line 4: after that line insert:

19 “(hm) The contract under par. (fs) shall require a business certified under sub.
20 (3) to do all of the following:

21 1. Employ at least 1,000 full-time employees in this state before the business
22 claims any tax benefits based on a certification to claim tax benefits issued under
23 sub. (3m).

XXXX NOTE: Do you want to define "post-construction, end-use employment"?

1 2. Provide post-construction, end-use employment for the business's
2 employees in this state and the employees of the business's suppliers and service
3 contractors located in or near the electronics and information technology
4 manufacturing zone.

5 3. Maintain an hourly basic rate of pay, as defined in s. 16.856 (1) (b), for its
6 full-time employees of at least \$15 through the last day of February 2020. On April
7 1, 2020, maintain an hourly basic rate of pay, as defined in s. 16.856 (1) (b), that is
8 not less than an amount determined by multiplying \$15 by the rate of inflation for
9 the immediately preceding year.

10 4. Establish a labor peace agreement for the purpose of preventing adverse
11 labor relations and ensuring a free and fair process for the business's employees to
12 determine union representation.

13 5. Provide first-source hiring for residents of this state that reside in zip codes
14 specified by the corporation.

****NOTE: Let me know if you want to define "first-source hiring."

15 6. Source the business's employees in this state through a hiring hall."

****NOTE: If the business is required to hire through a hiring hall, would this mean
that there must be a collective bargaining agreement in place?

16 **7.** Page 37, line 9: after that line insert:

17 “(2m) In the 2017-18 fiscal year, the technical college system board shall pay
18 the amount appropriated to the board under section 20.292 (1) (em) of the statutes
19 to the district board governing the Gateway Technical College for training associated
20 with the electronics and information technology manufacturing zone designated
21 under section 238.396 (1m) of the statutes, including any engineering or construction
22 costs associated with facility construction or expansion.

1 (3) The department of transportation shall study the regional transportation
2 and transit needs associated with projects located within an electronics and
3 information technology manufacturing zone designated under section 238.396 (1m)
4 of the statutes and shall report its findings to the legislature under section 13.172
5 (2) of the statutes no later than September 1, 2018.

6 (3c) The department of administration shall annually submit to the legislature
7 under section 13.172 (2) of the statutes a report of all persons contracting with any
8 business operating in an electronics and information technology manufacturing zone
9 designated under section 238.396 (1m) of the statutes. The report shall include
10 information on contractors that are disabled veteran-owned businesses, as defined
11 in section 16.283 of the statutes, woman-owned businesses, as defined in section
12 16.285 of the statutes, and minority businesses, as defined in section 16.287 of the
13 statutes.”

14 **8.** Page 38, line 12: after that line insert:

15 “(2m) The treatment of section 20.292 (1) (em) of the statutes and SECTION 60
16 (2m) of this act take effect on the day after publication, or on the 2nd day after
17 publication of the 2017 biennial budget act, whichever is later.”

18 (END)

2017-2018 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBa1163/P1ins
MPG/JK/ZDW:...

INSERT 1-3

- 1 **1.** Page 2, line 17: after that line insert:
2 “**SECTION 1v.** 16.288 of the statutes is created to read:
3 **16.288 Reporting.** The department shall annually submit to the legislature
4 under s. 13.172 (2) a report of all persons contracting with any business operating
5 in an electronics and information technology manufacturing zone designated under
6 s. 238.396 (1m). The report shall include information on contractors that are
7 certified under ss. 16.283, 16.285, ^{and} ~~or~~ 16.287.”

END INSERT 1-3



State of Wisconsin
2017 - 2018 LEGISLATURE
August 2017 Special Session

LRBa1166/P1
MPG/JK/ZDW:amn

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
SENATE AMENDMENT,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 1**

198

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 2, line 11: after "authority;" insert "making a grant to Gateway
3 Technical College;".

4 **2.** Page 2, line 17: after that line insert:

5 "SECTION 1v. 16.288 of the statutes is created to read:

6 **16.288 Reporting.** The department shall annually submit to the legislature
7 under s. 13.172 (2) a report of all persons contracting with any business operating
8 in an electronics and information technology manufacturing zone designated under
9 s. 238.396 (1m). The report shall include information on contractors that are
10 certified under ss. 16.283, 16.285, and 16.287."

11 **3.** Page 4, line 16: before that line insert:

Insert 1-10

1 **“20.292 Technical college system board**

2 (1) TECHNICAL COLLEGE SYSTEM

3 (em) Gateway Technical College grant GPR A 5,000,000 -0-”.

4 **4.** Page 5, line 4: after that line insert:

5 **“SECTION 3m.** 20.292 (1) (em) of the statutes is created to read:

6 20.292 (1) (em) *Gateway Technical College grant*. The amounts in the schedule
7 for making the grant under 2017 Wisconsin Act (this act), section 60 (2m).”.

8 **5.** Page 22, line 18: after “acquired” insert “from sellers located in this state
9 and acquired”.

10 **6.** Page 31, line 12: after that line insert:

11 “4e. Fails to demonstrate to the satisfaction of the corporation that each of the
12 business’s contracts with a contractor based in this state in connection with the
13 construction of any facility of the business that is located in the electronics and
14 information technology manufacturing zone requires the contractor to do all of the
15 following:

16 a. Ensure that applicants for employment with the contractor who are
17 residents of this state are accorded preference over other applicants having
18 substantially equal relevant qualifications and credentials.

19 b. Ensure that the contractor provides health insurance benefits to each of its
20 full-time employees at a premium coverage rate of at least 75 percent.

21 c. Test its employees for the unlawful use of controlled substances.

22 d. Participate in a state or federally recognized apprenticeship program.”.

23 **7.** Page 32, line 4: after that line insert:

Insert 2-9

1 “(hm) The contract under par. (fs) shall require a business certified under sub.
2 (3) to do all of the following:

3 1. Employ at least 1,000 full-time employees in this state before the business
4 claims any tax benefits based on a certification to claim tax benefits issued under
5 sub. (3m).

6 2. Provide post-construction, end-use employment for the business’s
7 employees in this state and the employees of the business’s suppliers and service
8 contractors located in or near the electronics and information technology
9 manufacturing zone.

 ****NOTE: Do you want to define “post-construction, end-use employment”?

10 3. Maintain an hourly basic rate of pay, as defined in s. 16.856 (1) (b), for its
11 full-time employees of at least \$15 through the last day of February 2020. On April
12 1, 2020, maintain an hourly basic rate of pay, as defined in s. 16.856 (1) (b), that is
13 not less than an amount determined by multiplying \$15 by the rate of inflation for
14 the immediately preceding year.

15 4. Establish a labor peace agreement for the purpose of preventing adverse
16 labor relations and ensuring a free and fair process for the business’s employees to
17 determine union representation.

18 5. Provide first-source hiring for residents of this state that reside in zip codes
19 specified by the corporation.

 ****NOTE: Let me know if you want to define “first-source hiring.”

20 6. Source the business’s employees in this state through a hiring hall.”.

 ****NOTE: If the business is required to hire through a hiring hall, would this mean
 that there must be a collective bargaining agreement in place?

21 **8.** Page 37, line 9: after that line insert:

1 “(2m) In the 2017-18 fiscal year, the technical college system board shall pay
2 the amount appropriated to the board under section 20.292 (1) (em) of the statutes
3 to the district board governing the Gateway Technical College for training associated
4 with the electronics and information technology manufacturing zone designated
5 under section 238.396 (1m) of the statutes, including any engineering or construction
6 costs associated with facility construction or expansion.

7 ¹¹ (3) The department of transportation shall study the regional transportation
8 and transit needs associated with projects located within an electronics and
9 information technology manufacturing zone designated under section 238.396 (1m)
10 of the statutes and shall report its findings to the legislature under section 13.172
11 (2) of the statutes no later than September 1, 2018.”.

12 **9.** Page 38, line 12: after that line insert:

13 “(2m) The treatment of section 20.292 (1) (em) of the statutes and SECTION 60
14 (2m) of this act take effect on the day after publication, or on the 2nd day after
15 publication of the 2017 biennial budget act, whichever is later.”.

16

(END)

**2017-2018 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBa1163/P2ins
MPG:...



INSERT 1-10

- 1 **1.** Page 15, line 16: after “individual” insert “who is required to file a Wisconsin
2 income tax return for the same taxable year for which the employee’s employer
3 claims a credit under par. (b) and”.
- 4 **2.** Page 15, line 17: delete “\$30,000” and substitute “the average annual wage
5 for an employee employed in the same region”.
- 6 **3.** Page 15, line 17: after “health,” insert “including family health,”.
- 7 **4.** Page 15, line 18: after “health,” insert “including family health,”.
- 8 **5.** Page 19, line 20: after “individual” insert “who is required to file a Wisconsin
9 income tax return for the same taxable year for which the employee’s employer
10 claims a credit under par. (b) and”.
- 11 **6.** Page 19, line 21: delete “\$30,000” and substitute “the average annual wage
12 for an employee employed in the same region”.
- 13 **7.** Page 19, line 21: after “health,” insert “including family health,”.
- 14 **8.** Page 19, line 22: after “health,” insert “including family health,”.

END INSERT 1-10

INSERT 2-9

- 15 **9.** Page 24, line 21: delete “(bg)” and substitute “(bg),”.
- 16 **10.** Page 24, line 21: after “biennium” insert “and in each fiscal biennium
17 thereafter”.

END INSERT 2-9



9/12 ASAP Tracks!
State of Wisconsin
2017 - 2018 LEGISLATURE

August 2017 Special Session

LRBa1166/P2
MPG/JK/ZDW:amn

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
SENATE AMENDMENT,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 1

Handwritten initials and a circled number 193.

Insert

- 1 At the locations indicated, amend the substitute amendment as follows: ✓
- 2 1. Page 2, line 17: after that line insert:
- 3 "SECTION 1v. 16.288 of the statutes is created to read:
- 4 **16.288 Reporting.** The department shall annually submit to the legislature
- 5 under s. 13.172 (2) a report of all persons contracting with any business operating
- 6 in an electronics and information technology manufacturing zone designated under
- 7 s. 238.396 (1m). The report shall include information on contractors that are
- 8 certified under ss. 16.283, 16.285, and 16.287."
- 9 2. Page 15, line 16: after "individual" insert "who is required to file a Wisconsin
- 10 income tax return for the same taxable year for which the employee's employer
- 11 claims a credit under par. (b) and".

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2 for an employee employed in the same region”.

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9 for an employee employed in the same region”.

10 **8.** Page 19, line 21: after “health,” insert “including family health,”.

11 **9.** Page 19, line 22: after “health,” insert “including family health,”.

12 **10.** Page 22, line 18: after “acquired” insert “from sellers located in this state
13 and acquired”.

14 **11.** Page 24, line 21: delete “(bg)” and substitute “(bg),”.

15 **12.** Page 24, line 21: after “biennium” insert “and in each fiscal biennium
16 thereafter”.

17 **13.** Page 31, line 12: after that line insert:

18 “4e. Fails to demonstrate to the satisfaction of the corporation that each of the
19 business’s contracts with a contractor based in this state in connection with the
20 construction of any facility of the business that is located in the electronics and
21 information technology manufacturing zone requires the contractor to do all of the
22 following:

1 a. Ensure that applicants for employment with the contractor who are
2 residents of this state are accorded preference over other applicants having
3 substantially equal relevant qualifications and credentials.

4 b. Ensure that the contractor provides health insurance benefits to each of its
5 full-time employees at a premium coverage rate of at least 75 percent.

6 c. Test its employees for the unlawful use of controlled substances.

7 d. Participate in a state or federally recognized apprenticeship program.”.

8 **14.** Page 32, line 4: after that line insert:

9 ⁹“(fm) The contract under par. (fs) shall require a business certified under sub.

10 (3) to do all of the following:

11 1. Employ at least 1,000 full-time employees in this state before the business
12 claims any tax benefits based on a certification to claim tax benefits issued under
13 sub. (3m).

14 2. Provide post-construction, end-use employment for the business’s
15 employees in this state and the employees of the business’s suppliers and service
16 contractors located in or near the electronics and information technology
17 manufacturing zone.

****NOTE: Do you want to define “post-construction, end-use employment”?

18 3. Maintain an hourly basic rate of pay, as defined in s. 16.856 (1) (b), for its
19 full-time employees of at least \$15 through the last day of February 2020. On April
20 1, 2020, maintain an hourly basic rate of pay, as defined in s. 16.856 (1) (b), that is
21 not less than an amount determined by multiplying \$15 by the rate of inflation for
22 the immediately preceding year.



State of Wisconsin
2017 - 2018 LEGISLATURE
August 2017 Special Session

LRBa1201/1
MPG:klm

**SENATE AMENDMENT,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 1**

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 32, line 4: after that line insert:

3 (gr) ✓ The corporation shall ensure that applicants for job training that is
4 required for employment with a business located in the electronics and information
5 technology manufacturing zone who are residents of this state are accorded
6 preference over other applicants having substantially equal relevant qualifications
7 and credentials.”

8 (END) →

This is SenSub 4-6



State of Wisconsin
2017 - 2018 LEGISLATURE
August 2017 Special Session

LRBa1166/P3
MPG/JK/ZDW:amn&jld

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
SENATE AMENDMENT ,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 1**

1

* See edits on pages 3 & 4

1 At the locations indicated, amend the substitute amendment as follows:

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3 “SECTION 1v. 16.288 of the statutes is created to read:

4 **16.288 Reporting.** The department shall annually submit to the legislature
5 under s. 13.172 (2) a report of all persons contracting with any business operating
6 in an electronics and information technology manufacturing zone designated under
7 s. 238.396 (1m). The report shall include information on contractors that are
8 certified under ss. 16.283, 16.285, and 16.287.”

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14 **11.** Page 24, line 21: delete “(bg)” and substitute “(bg),”.

15 **12.** Page 24, line 21: after “biennium” insert “and in each fiscal biennium
16 thereafter”.

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3 substantially equal relevant qualifications and credentials.

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20 1, 2020, maintain an hourly basic rate of pay, as defined in s. 16.856 (1) (b), that is
21 not less than an amount determined by multiplying \$15 by the rate of inflation for
22 the immediately preceding year.

