Citizen Action Applauds Hansen's Outsourcing Accountability Bill

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STATEWIDE - Today Citizen Action of Wisconsin announced strong support for the <u>outsourcing accountability bill being drafted by Senator Dave Hansen</u>

(D-Green Bay). Senator Hansen's bill bans companies who receive public economic development money and then outsource jobs from state aid for a period of five years.

Hansen's bill follows revelations first reported by <u>WKOW TV Madison</u> that a multinational corporation, Eaton Corp., receiving state economic development support is outsourcing Wisconsin jobs to Mexico for a second time.

On Tuesday <u>Citizen Action of Wisconsin called on the Legislature</u> to enact stronger accountability measures. Citizen Action has repeatedly called on Governor Walker and lawmakers to use the proposed merger of the Wisconsin Economic Development Corporation (WEDC) as an opportunity to fix the loopholes that allow public economic development dollars to go to companies engaged in outsourcing jobs.

Reporting by the Milwaukee Business Journal on Tuesday lends further credence to the increased accountability proposed by Senator Hansen. WEDC officials have claimed that performance standards assure that companies receiving state assistance are adding jobs to the economy, even if they are also engaged in outsourcing. However, business reporter Tom Held found that Eaton received WEDC tax credits to create 25 jobs and to retain 150 jobs. They then turned around and outsourced 93 jobs to Mexico, a net loss of 68 jobs in Wisconsin.

"It is clear that the Walker Administration is continuing its destructive policy of doling out tax credits and other economic assistance to large corporations engaged in selling out Wisconsin workers," said Robert Kraig, Executive Director of Citizen Action of Wisconsin. "The best way to protect precious state economic development dollars, and make sure they are only available to companies creating more family supporting jobs here in Wisconsin, is a strict policy against giving public money to firms engaged in outsourcing."