

Last Minute Kimberly-Clark Agreement Protects Taxpayers and Workers

Posted on Dec 14, Posted by [Bob Kiefert, Green Bay Progressive](#) Category [Wisconsin](#)



Passing of AB-693 as originally touted before election was a bad deal for taxpayers and would have opened the floodgate for more Foxconn deals.

GREEN BAY, WI - Kimberly-Clark Corp. and Gov. Scott Walker announced an agreement in Fox Crossing Thursday that will keep the company's Cold Spring plant open. The deal comes after more than 10 months of political posturing, including an earlier more costly incentive package that stalled in the state Senate.

Under the deal, Wisconsin will give Kimberly-Clark \$28 million in tax incentives in exchange for the company keeping the facility open, retaining 388 jobs and making a capital investment of up to \$200 million in the plant, according to an article by Maureen Wallenfang in the [Appleton Post-Crescent](#)

The last minute deal was made by Walker using powers the Legislature recently voted to strip from his successor, Gov.-elect Tony Evers. Previously, K-C had announced that the Cold Spring facility and Neenah Nonwovens facility would close as part of its global restructuring and some in the legislature pushed a bill (AB-693) that would have given the company more than \$100

million to keep the two facilities open.



The bill stalled, as legislators objected to the cost, and the issue became a Walker re-election talking point during the fall election. Thursday's deal could have been offered by Walker under his powers all along.

Neenah Nonwovens, which employs about 110, is still slated for closure, according to the [Appleton Post-Crescent](#)

Responding to an announcement, State Senator **Dave Hansen** (D-Green Bay) said it shows that a deal could have been reached without passing a law that would have cost taxpayers tens of millions of dollars more and opened the floodgate for other corporations to ask for similar "Foxconn-type" deals.



"This is a victory for the taxpayers, the union workers at Cold Spring and for common sense," said Hansen who opposed the bill authored by Senator Roth and promoted by Governor Walker.

The bill, AB-693, was the reason Republicans gave for going into a lame duck session that they used to strip power from Governor-elect Evers. But it never made it to the floor for a vote because of broad bi-partisan opposition to it.

“I said throughout this process that I didn’t like the legislation, that it was too expensive for taxpayers at a time when our schools are underfunded, people are going without health care and our roads are in such poor shape. Thanks to cooler heads prevailing in the State Senate taxpayers got a much better deal than the one initially negotiated by Governor Walker.

“It begs the question of what type of savings taxpayers could have seen on the Foxconn deal had the initial agreement been done by a politician with better negotiating skills,” Hansen said.

State legislative writer Jay Wadd contributed to this story.

Tags: Untagged