FEDERAL BRIEF · MOVING WISCONSIN FORWARD, TOGETHER

Where Washington Comes In

Four pieces of Wisconsin's AI and data center plan that need Congress

Eleanor Dutton · Working draft · Nov. 2026

Wisconsin is ready to lead on AI and data centers: data centers that pay their full cost, sites the state picks, water anyone can check, and corporate dollars layered onto programs that already work. Most of that can happen in Madison. Four pieces need Congress.

1. Keep Social Security and Medicare whole as AI changes work

- **The problem:** Social Security's retirement fund runs short in 2032 and Medicare's hospital fund in 2033. Without changes, retirees face an automatic cut of about 22%.
- **The idea:** when AI replaces jobs, the payroll contributions those jobs made keep flowing. AI companies already bill business customers by computing use, tied to each employer's tax ID. A staged audit of state wage records, largest employers first, flags workforce cuts where computing use rose. No new reporting system.
- **Wisconsin's part:** design and test the measurement, direct a state share to Medicaid, and use a share for unemployment insurance, which Wisconsin runs itself. That funds stronger benefits in downturns and retraining for displaced workers.

THE ASK Federal legislation that directs these contributions to the Social Security and Medicare trust funds, phased in on a published schedule, and lets states pair them with unemployment insurance and retraining for displaced workers.

2. Protect conservation funding for farmers

- **The opportunity:** about 362,000 Wisconsin acres may be eligible for the Conservation Reserve Enhancement Program, and only about 39,400 are enrolled.
- **Wisconsin's part:** data center mitigation dollars pay farmers to restore marginal, flood-prone and streamside land. That steady income gives farmers an off-ramp from volatile commodity markets and builds food system resilience, while productive farmland stays in production.

THE ASK Protect and expand federal CREP funding so state and corporate dollars have a federal match to stretch.

3. Make room for river restoration and clean hydropower

- **The opportunity:** run-of-river hydro paired with dam removal lets rivers run free and still make power, with fish screens and minimum flows.
- **The barrier:** federal hydropower licensing can take years, even for small projects at restored sites.

THE ASK Move hydropower licensing reform, such as the provisions in the bipartisan Senate permitting bill (S. 5653).

4. Build rail and power together

- **The opportunity:** passenger rail linking Chicago, Milwaukee, Madison, Green Bay, La Crosse and the Twin Cities, with new transmission sited along the same corridors. Borealis, the Chicago–Milwaukee–La Crosse–St. Paul train, has passed 500,000 riders since it launched in 2024.
- **The I-41 corridor:** the Milwaukee–Green Bay line, already a federal Corridor ID study, would serve more than 820,000 residents from Fond du Lac to Green Bay. Passenger rail, freight upgrades and transmission can share that one corridor.

THE ASK Keep funding the federal corridor studies already underway in Wisconsin, and support siting transmission on rail land, which avoids taking farmland and most eminent domain fights.

Why this works

Every federal dollar lands on a program already running, matched by state rules and private money. No bans and no surprises: clear rules, published in advance, applied the same way to everyone.

Sources: 2026 Social Security Trustees Report; Committee for a Responsible Federal Budget; Wisconsin DATCP; Railway Supply; Akin Gump on S. 5653.

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