

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

May 10, 2005

LB 500

nor would I suggest would your local boards. Just the other day in Lincoln, we had the opportunity for a big hotel, and part of the agreement was that land would be acquired rapidly. But in the end, the city declined to use eminent domain to acquire that property, and we may or may not get that hotel now. It's certainly off track in terms of its timing. And it may well be that in this situation, even with respect to Cabela's, that either the board at the state level or the local officials at the local level will decide that it's not the right thing to do. And I wanted just to read quickly, and you can read for yourself on page 15, the factors that the joint entity, the local government, is going to have to make. And these will be similar factors to what the Governor is going to be thinking about when they make the decision. They're going to have to take into consideration the timing, number, wage levels; that is, all the benefits of the new jobs. That's predictable. (B), they're going to have to decide whether the activities contemplated by the company are qualified business activities and would lead to the establishment of a major commercial entertainment and tourism area. They're going to have to look at the timing and types of investment. Then the next one, also important, whether the city or joint entity believes the development project would occur in this state regardless of whether the development project plan application was approved. That's a question you and I grapple with on our economic incentives generally, and they're going to have grapple with it at the level of the individual project. And then finally, they're going to have to look at whether the benefits allowed by the act...

SENATOR CUDABACK: One minute.

SENATOR BEUTLER: ...for the development project, when compared to the local tax revenue and fees generated by the development project investment and employment, both on a direct and indirect multiplier basis, provide an adequate net benefit to the public bodies affected by such development projects. So it's going to be a net benefit equation that's going to be in the hands of the local officials and in the hands of the Governor himself and those who are working with him on the board. So even if we authorize this, neither Cabela's nor anybody else who might be competing with other retail establishment is home free by any