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FLOOR DEBATE

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and prior to a grant of financial assistance to the contracting public body, the board must first make a finding that as a result of the development project, retailers and other companies conducting qualified business activities will locate their business in that portion of the contracting public body's entertainment and tourism development district, occupied by a development project. Well, they'll probably say yes, they will, if they get--I would expect they would, if they got approval. "B," there will be a substantial increase in the amount of state sales and use taxes for services and tangible personal property sold at retail, or stored, used, or consumed in the development project area, and if applicable, a substantial increase in the amount of state sales and use taxes and state lodging taxes collected and remitted with regard to hotel occupancy charges in the development project area. Well, there will be a substantial increase in them, but under the terms of the bill, for up to 25 years, they would actually be diverted, other than 25 percent of the state taxes, which would be retained. But "C" is the one where I think it could be problematic for this board. They have to make a finding whether a substantial amount of the increase in the amount of state sales and use taxes, and if applicable, state lodging taxes collected and remitted, will be attributed, or attributable, to transactions with tourists who are not residents of this state. And I don't know how they would determine that. Now clearly, with a hotel I suppose you could take their license number and you would know, because usually people, when they stay at a hotel, are from out of town; that's why they need a bed to sleep in. But the sales tax portion of this, I think, would be problematic. And the reason I see some potential for mischief here is that we are looking in this two-year window at a governor, who will be running a competitive race against at least one other person who has represented District 12 in Congress, which represents Cabela's, so you're going to be putting pressure on the sitting governor...

SENATOR CUDABACK: One minute.

SENATOR REDFIELD: ...in making a decision, because he knows that the Cabelas and all their supporters aren't going to like it if he doesn't approve the project. So I don't think he's going to be able to make an objective decision there. The