Committee Action:
Do Pass _____
Amend & Do Pass _____
Other _____

Assembly Committee on Jobs and Economy
This measure may be considered for action during today's work session.
November 14, 2025

ASSEMBLY BILL 5
Enacts the Nevada Studio Infrastructure Jobs and Workforce Training Act. (BDR S-13)

Sponsored by: **Assembly Committee on Jobs and Economy**
Date Heard: **November 13, 2025**
Fiscal Impact: **Effect on Local Government: May have Fiscal Impact.**
Effect on the State: Yes.

Summary

Assembly Bill 5 creates the Summerlin Production Studios Project, for the creation of a new studio facility located in Clark County. The bill requires incremental capital investment requirements to be met by the lead participants between the effective date and June 30, 2029, as well as contributions to two different entities of at least $14 million total to support workforce development and educational opportunities in the motion picture industry. If certain capital investment thresholds are met by December 31, 2028, a total of $95 million per fiscal year in transferable tax credits may be approved and issued by the Governor's Office of Economic Development to qualified productions between Fiscal Year 2030 and Fiscal Year 2044.

Additionally, the bill makes several changes to the current program authorizing the issuance of transferable tax credits for motion pictures and other qualified productions, now known as "film noninfrastructure transferable tax credits," which would be effective from July 1, 2029, until June 30, 2044. These changes include increasing the maximum amount of credits that may be issued from $10 million to $25 million per fiscal year, as well as changing the credit calculation percentages and the types of expenditures that now qualify for earning of these credits, during this period.

Assembly Bill 5 also requires the creation of a production studio entertainment district, consisting wholly of parcels located within the boundaries of the Summerlin Production Studios Project, by the Clark County Commission. The bill identifies several different revenue sources whose proceeds generated in this district must be pledged to the Clark County School District for the enhancement of childhood education opportunities, including prekindergarten, for children in Clark County.

Finally, the bill establishes the Account for Nevada Film, Media, and Related Technology Education and Vocational Training for the purpose of allocating money to certain entities and organizations that provide education and vocational training for the motion picture industry. This Account is to be funded, in part, by required contributions from productions earning transferable film tax credits between FY 2030 and FY 2044 that are calculated based on the amount of qualifying expenditures used to calculate the amount of tax credits issued to the qualified production.

1. *Amend section 18(2)(d) to provide that the amount of basic city-county relief tax that is pledged to the production studio entertainment district is the amount remaining after deducting the 1.75 percent withheld by the Department of Taxation to cover the costs of collecting the tax.*

2. ***The tax imposed for the purposes of NRS 244A.597 to 244A.655, inclusive, at the rate of 4 percent of the gross receipts from the rental of transient lodging within the production studio entertainment district shall be placed into an account to pay costs associated with the purposes of NRS 287.023 and 287.046 the share of the cost of qualified medical expenses for each person who has retired with state service and whose coverage is provided through the Public Employees' Benefits Program by an individual medical plan offered pursuant to the Health Insurance for the Aged Act 42 U.S.C. §§ 1395 et seq., starting in Fiscal Year 2031-2032 and Fiscal Year 2032-2033 and each biennium thereafter to be paid by the State or a local government, as applicable:***

3. *Amend section 10 to require the development agreement to prohibit the development of a business requiring a gaming establishment within the site of the Summerlin Studios Project.*

4. *Amend section 10, subsection 1, paragraph (a), subparagraphs (6) and (7) to remove the reference to the Eastside Education and Training Center at the College of Southern Nevada and provide for the contribution of $6,000,000 for the construction of a center* ***in conjunction with Chicanos Por La Causa*** *on the east side of Las Vegas, as determined by the lead participant and GOED, or for the construction of an equivalent center at that location.*

5. *Clarify in sections 11(8) and section 26(7) that the 1 percentage point to the Account for Nevada, Film, Media and Related Technology Education and Vocation Training created by section 38 is a reduction of credits by providing that rather the production paying 1 percentage point of the credits to GOED, GOED will reduce credits to be issued by 1 percentage point then cause an amount equal to that to be credited to the Account.*

6. *Where ever the below definition of Diversity in the bill is described as follows add the word "race"*
    a. *Hiring a workforce that reflects the diversity of this State, including, without limitation, the age, gender, gender identity or expression, as defined in NRS 0.034, sexual orientation, ethnic,* ***racial*** *and geographic diversity of this State*

Sec. 19. 1. The lead participant shall, on or before August 1 of each even-numbered year, prepare and submit to the Governor, the Director of the Legislative Counsel Bureau for transmittal to the Legislature and the Office a report on the performance of the Project for the immediately preceding two-fiscal year period~~fiscal years~~ and cumulatively for the period beginning on the effective date of this act and ending on the last day of the immediately preceding fiscal year. The report must include, without limitation:

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(b) Subject to the provisions of NRS 603A, and subject to Sections 19.2 and 19.3 of this Bill, the ~~T~~he following information concerning the production of qualified productions, in whole or in part, at the site of the Project, regardless of whether the production company applies for or is issued film infrastructure transferable tax credits for the qualified production, for the two-fiscal-year reporting period:

(1) The total amount of direct production expenditures, as defined in section 10 of this act;

(2) The aggregate number of persons in Nevada employed by qualified productions, the aggregate amount of wages paid to those persons and aggregated demographic information concerning those persons;

(3) The number of persons employed by each qualified production who were paid compensation of more than $1,000,000 for labor or services provided for the qualified production and the total number of

persons employed by qualified productions were paid more than $1,000,000 for labor or services provided for the qualified production;

(4) For each qualified production and cumulatively for all qualified productions, the percentage of below-the-line personnel, by occupation and in aggregate, providing labor or services who were Nevada residents, calculated by dividing the number of workdays worked by Nevada residents who are below-the-line personnel, excluding background actors, by the number of workdays worked by all below-the-line personnel, excluding background actors;

(5) For each qualified production and cumulatively for all qualified productions, the percentage of below-line personnel, by occupation and in aggregate, providing labor or services who were Nevada residents, calculated by dividing the wages and salaries paid to Nevada residents who are below-the-line personnel, excluding background actors, for labor or services provided in this State by the total wages and salaries paid to all below-the-line personnel, excluding background actors;

(6) For each qualified production and cumulatively for all qualified productions, the percentage of above-the-line personnel, by occupation and in aggregate, providing labor or services who were Nevada residents, calculated by dividing the number of workdays worked by Nevada residents who are above-the-line personnel by the number of workdays worked by all above-the-line personnel;

(7) For each qualified production and cumulatively for all qualified productions, the percentage of above-the-line personnel, by occupation and in aggregate, providing labor or services who were Nevada residents, calculated by dividing the wages and salaries

paid to Nevada residents who are above-the-line personnel for labor or services provided in this State by the total wages and salaries paid to all above-the-line personnel;

(8) For each qualified production and cumulatively for all qualified productions, the percentage of total compensation paid to above-the-line personnel, by occupation and in aggregate, and the percentage of total compensation paid to below-the-line personnel, by occupation and in aggregate;

(9) The period during which each qualified production was in Nevada and employed persons in Nevada; and

(10) The number of qualified productions that were produced by persons or entities that are affiliated with the Summerlin Production Studios Project and the number of qualified productions that were produced by persons or entities that are not affiliated with the Project.

2. Any reporting requirements set forth in Section 19 that would result in the disclosure of an individual's compensation or other personally identifiable information, or the disclosure of trade secrets, as defined under NRS 600A.030, may shall be modified by GOED The Office through a memorandum of understanding to prevent such a disclosure. To be clear, no such modification shall be made that eliminates reporting of employment information for above-the-line or below-the-line spending or wage and salary payments at required levels, provided however, that in the event that wage and salary reporting requirements would disclose the aforementioned compensation or other personally identifiable information, or trade secrets, GOED ~~T~~he Office may shall allow such information to be grouped aggregated to avoid such disclosure.

3. If the information in Section 19.1.(b), subsections 3 through 8 has been provided to The Office under the requirements set forth in paragraph (e) of subsection 3 of Section 11, then Section 19.1.(b), subsections 3 through 8 ~~do not apply~~may be satisfied by providing a cross reference to such information in such documents as to eliminate any duplicative reporting.

4. The Office shall include a copy of the report received from the Project in the report required by section 20 of this act.

PROPOSED AMENDMENT – AB 5
DIVERSITY HIRING REQUIREMENT

Workforce Plans – Requirements for Diversity in Hiring

Currently, under **Sections 11** (Infrastructure) and **26** (Noninfrastructure) of AB 5, a production company is **required** to submit with its application a workforce plan that includes proof that the applicant has a workforce plan in place for the qualified production that outlines specific goals for:

1. Hiring a workforce that reflects the diversity of this State, including, without limitation, the age, gender, gender identity or expression, as defined in NRS 0.034, sexual orientation, ethnic and geographic diversity of this State;
2. Using vendors that are minority-owned business enterprises or woman-owned business enterprises; **and**
3. Achieving the requirements set forth in section 14* [Infrastructure] and NRS 360.7592, as amended by section 28 [Noninfrastructure].

The company is **required** to submit a final assessment of the workforce plan for final review by GOED prior to receiving any transferable tax credits.

Proposed Amendment: Revise Sections 14 (Infrastructure and 28) (Noninfrastructure), which require a 5% reduction if the production company does not meet specific requirements – as listed in those sections – for hiring a diverse workforce and offering certain training and work opportunities by:

- Deleting the list of requirements; and
- Require that a 5% reduction be imposed if the production company ***fails to ensure diversity among the workforce of the qualified production and meet the goals set forth in its workforce plan.***

Draft language for the amendment follows.

Section 14 Infrastructure Program

. . . .

2. Except as otherwise provided in subsection 3 and section 15 of this act, if the production company submitted the application for the certificate of eligibility for film infrastructure transferable tax credits pursuant to section 11 of this act on or after a date that is more than 36 months after the date on which the Office adopts the regulations required by section 11 of this act, the Office shall reduce the cumulative amount of film infrastructure transferable tax credits that are calculated pursuant to this section by 5 percent if the final assessment of the workforce plan submitted by the production company for the qualified production pursuant to paragraph (d) of subsection 3 of section 11 of this act does not include documentation that **the production company ensured diversity among the workforce of the qualified production and met the goals set forth in the workforce plan.** ~~at least two of the following requirements were met:~~
   - ~~a. The production company, distribution company or financing company for the qualified production offered training or work opportunities to traditionally underrepresented groups for the development of skills required for employment as below-the-line personnel or above-the-line personnel.~~
   - ~~b. Two or more persons who are members of a traditionally underrepresented group are employed on the qualified production as a casting director, cinematographer, composer, costume designer, director, editor, hairstylist, makeup artist, producer, production designer, set decorator, visual effects supervisor, writer, sound editor, sound effects editor, sound mixer, Foley artist or other similar personnel.~~
   - ~~c. Six or more persons who are members of a traditionally underrepresented group are employed on the qualified production in a technical role, including, without limitation, first assistant director, gaffer, script supervisor, digital imaging technician or other similar role.~~
   - ~~d. Not less than 20 percent of the below-the-line personnel employed on the qualified production, not including background actors, are members of a traditionally underrepresented group.~~
   - ~~e. One or more entities affiliated with the production company or distribution company has a program of substantive, ongoing paid apprenticeships or internships that include members of traditionally underrepresented groups in not less than three of the following~~
     - ~~i. Production and development;~~
     - ~~ii. Physical production;~~
     - ~~iii. Postproduction;~~
     - ~~iv. Music;~~
     - ~~v. Visual effects;~~
     - ~~vi. Acquisitions;~~

~~vii. Business affairs;~~
~~viii. Distribution; or~~
ix. ~~Marketing and publicity.~~

Section 28 -Amending NRS 360.7592 - Noninfrastructure Program

. . . .

3. *Except as otherwise provided in subsections 4 and 5 and NRS 360.7594, if an eligible production company submitted the application for the certificate of eligibility for noninfrastructure transferable tax credits pursuant to NRS 360.759 on or after July 1, 2032, and before July 1, 2044, the Office shall reduce the cumulative amount of noninfrastructure transferable tax credits calculated pursuant to paragraph (b) of subsection 1 by 5 percent if the final assessment of the workforce plan submitted by the production company for the qualified production pursuant to paragraph (d) of subsection 3 of NRS 360.759 does not include documentation that the production company ensured diversity among the workforce of the qualified production and met the goals set forth in the workforce plan.* ~~*at least two of the following requirements were met:*~~

~~*(a) The production company, distribution company or financing company for the qualified production offered training or work opportunities to traditionally underrepresented groups for the development of skills required for employment as below-the-line personnel or above-the-line personnel.*~~

~~*(b) Two or more persons who are members of a traditionally underrepresented group are employed on the qualified production as a casting director, cinematographer, composer, costume designer, director, editor, hairstylist, makeup artist, producer, production designer, set decorator, visual effects supervisor, writer, sound editor, sound effects editor, sound mixer, Foley artist or other similar personnel.*~~

~~*(c) Six or more persons who are members of a traditionally underrepresented group are employed on the qualified production in a technical role, including, without limitation, first assistant director, gaffer, script supervisor, digital imaging technician or other similar role.*~~

~~*(d) Not less than 20 percent of the below-the-line personnel employed on the qualified production, not including background actors, are members of a traditionally underrepresented group.*~~

~~*(e) One or more entities affiliated with the production company or distribution company has a program of substantive, ongoing paid apprenticeships or internships that include members of traditionally underrepresented groups in not less than three of the following*~~

~~*(1) Production and development;*~~
~~*(2) Physical production;*~~
~~*(3) Postproduction;*~~
~~*(4) Music;*~~
~~*(5) Visual effects;*~~
~~*(6) Acquisitions;*~~
~~*(7) Business affairs;*~~
~~*(8) Distribution; or*~~
~~*(9) Marketing and publicity.*~~