MINUTES OF THE
SENATE SELECT COMMITTEE ON JOBS AND ECONOMY

Thirty-sixth Special Session
November 16, 2025

The Senate Select Committee on Jobs and Economy was called to order by Chair Marilyn Dondero Loop at 3:34 p.m. on Sunday, November 16, 2025, in Room 2135 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 3 of the Nevada Legislature Hearing Rooms, 7120 Amigo Street, Las Vegas, Nevada. Exhibit A is the agenda. Exhibit B is the attendance roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Marilyn Dondero Loop, Chair
Senator Nicole J. Cannizzaro, Vice Chair
Senator Skip Daly
Senator Dina Neal
Senator Rochelle T. Nguyen
Senator Robin L. Titus
Senator Lori Rogich
Senator John C. Steinbeck

GUEST LEGISLATORS PRESENT:

Assemblymember Sandra Jauregui, Assembly District No. 41

STAFF MEMBERS PRESENT:

Jennifer Ruedy, Committee Policy Analyst
Wayne Thorley, Senate Fiscal Analyst
Michael Nakamoto, Chief Principal Deputy Fiscal Analyst
Bryan Fernley, Committee Legal Counsel
Jessica Dummer, Committee Counsel
Linda Hiller, Committee Secretary

OTHERS PRESENT:

Vince Saavedra, Executive Secretary-Treasurer, Southern Nevada Building Trades Unions

Thomas White, Business Manager, Secretary Treasurer, Laborers' Union Local 872
Brandon Morris, Western States Regional Council of Carpenters Local 1977
Apple Thorne, Business Representative, IATSE Local 720
Matt Walker, Howard Hughes Communities
John Vellardita, Executive Director, Clark County Education Association (CCEA)
Jhone Ebert, Superintendent, Clark County School District (CCSD)
Danica Hays, Dean, College of Education, University of Nevada, Las Vegas (UNLV)
Chris Heavey, Interim President, UNLV
Brian Sandoval, President, University of Nevada, Reno (UNR)
Guy Hobbs, PFM Group Consulting
Mallory Richards, Senior Analyst, PFM Group Consulting
Brad Keating, CCSD
Greg Ferraro, Warner Brothers Discovery
Kim Spurgeon, Director, Film Nevada, Division of Economic Development, Office of the Governor
Kaylyn Kardavani, New Day Nevada
Michael Brown, Fellow, The Lincy Institute
Maggie Babb, Teacher, Washoe County School District (WCSD)
Nalani Page, AFSCME
John Tsarpalas, President, Nevada Policy Research Institute
William Horne, Goodwill of Southern Nevada
Thomas Morley, Laborers' Union Local 872; Laborers' Union Local 169; Southern Nevada Teamsters Unions
Phil Jaynes, President, IATSE Local 720
Edward Goodrich, Political Director, IATSE Stagehands, Reno
Danny Thompson, Operating Engineers Local 3 and Local 12; IBEW Local 396 and Local 1245; Laborers' Union Local 872; Southern Nevada Chapter NECA
Greg Esposito, Plumbers and Pipefitters Local 525
Aesha Goins, Service Employees International Union (SEIU)
Rick McCann, Nevada Association of Public Safety Officers; Nevada Law Enforcement Coalition
Mark Anderegg, Operating Engineers Local 12
Keith Welch, Business Agent, UA Local Union 669, Road Sprinkler Fitters
Francisco Morales, Latin Chamber of Commerce
Robert Diaz, Sheet Metal, Air, Rail and Transportation Workers (SMART) Local 88

Cristian Cespedes, International Union of Painters and Allied Trades (IUPAT), District Council 16 Local 159
Chris O'Flaherty, IUPAT, District Council 16 Local 567
Karik Petlansky, IUPAT, District Council 16 Local 159
Sy Naoum, Laborers' Union Local 872
Ryan McInerney, Nevada State University (NSU)
Lizette Guillen Collins, Nevada Partners
Cameron C.H. Miller, President and CEO, Urban Chamber of Commerce
Stacy Klippenstein, President, College of Southern Nevada (CSN)
Steven Dudley, Western States Regional Council of Carpenters
Marco Rauda, Green Our Planet
Christofer Kimes, IUPAT, District Council 16
Alfonso Lopez, SMART Local 88
Jimmy Schwarz, Ironworkers Local 433
Ann Barnett, CEO, Nevada Contractors Association
Unidentified Testifier No. 1
Rudy Zamora, Advocacy Director, Chicanos Por La Causa (CPLC)
Vida Lin, President, Asian Community Development Council
Catherine Francisco, President, AAPI Chamber of Commerce
Zack Birlew, Co-President, Babs Do Productions
Eddie Rodriguez, Ironworkers Local 433
Jacqueline Abascal, Ironworkers Local 433
Shane Henderson, SMART Local 26
Sean O'Keefe, Business Representative, SMART Local 26
Justin Boyd, IATSE Local 720
Jaki Baskow
Emily Skyle-Golden, Founder and Executive Director, Cordillera International Film Festival; Future Filmmakers Foundation
John Grygo
Jason Soto
Ciara Byrne, CEO, Green Our Planet; Co-Founder, Green Our Planet Studios
Daniel Lincoln, Regional Director, IUPAT, District Council 16
Cesar Arcos
Cassie Charles, AFSCME
Alexander Marks, Nevada State Education Association
Maurice Washington, Americans for Prosperity (AFP)
Trish Lindauer
Cedric Williams, President, AFSCME Local 4041
Saniah Goolsby

Michael Keyes, Youth Voice of Nevada
Patty Machal, Treasurer, AFSCME Retirees, Local 4041
Karla Rios Ochoa, Mater Academy East; (AFP) Nevada
Blaine Harper
Kaitlyn Quezada Pozo
Alex Pike, Nevada Housing Coalition
Austin Krehbiel
Alana Bannourah
Imer Cespedes-Alvarado, Founder, Executive Director, Youth Voice of Nevada
Ed Uehling
Minjia Yan
Keira Fincher
Christian Solomon
Shaun Navarro
Al Rojas
Mack Gledhill
Unidentified Testifier No. 2
Barbara McFadden
Steve Scott
Kathy Harris
Adelice Peredes
Olivia Tanager, Executive Director, Sierra Club Toiyabe Chapter
Elisa Cafferata, Executive Director, Children's Advocacy Alliance
Shamika Abbott
Tara Webster, Progressive Leadership Alliance of Nevada
David Monachino
Michael Curtis
Ray May
Deni French
Mike Logan
Calen Evans, President, Washoe Education Association
Jessica
Isaias Gallegos
Fred Voltz
Steven Horner, President, Nevada State Education Association-Retired
Brian Harris
Beth Smith, Trustee, Washoe County School Board
Matthew Wilkie
Cyrus Hojjaty

Matthew Winterhawk
Mira Punzalan
Tony Ramirez, Make the Road Nevada
Shelbie Swartz, Executive Director, Battle Born Progress
Kobe Hopkins
Katrin Ivanoff
Cristiane Mersch, State Director, Bienvenido Action
Wiselet Rouzard, Deputy State Director, AFP
John Carlo
Unidentified Testifier No. 3
Unidentified Testifier No. 4

Chair Dondero Loop:
Before we begin our meeting today, I would like to make a statement to those of you here. And although required not under the Senate Standing Rules, I would like to disclose that my brother is employed with R&R Partners and under both Rule 13 and the Senate Standing Rules and sections 521 and 522 of Mason's Manual, Senators are obligated to vote on every matter that comes before this body, except in the limited circumstances of an excused absence or if the Senator has a conflict of interest that prohibits the Senator from voting. The public policy of this State favors the right of citizen legislators to perform the duties for which they were elected and ensure that constituencies have a voice. Conflicts of interest are determined under Senate Rule No. 11.5 of this Thirty-sixth Special Session.

And such a conflict may arise from a commitment to a member of the Senator's immediate family. Immediate family is defined in Rule 11.5 as a person who is related to the legislator within the first-degree of consanguinity. Under the degrees of consanguinity, the parents and children of a Legislator are considered to be within the first degree, whereas brothers and sisters are within the second degree. Because the plain language of the rule provides that a sibling relationship does not create a conflict of interest, I will be voting on Assembly Bill (A.B.) 5. I am very confident I can judge the legislation impartially under these circumstances. So thank you very much. And with that, we will open the hearing, and we will be hearing Assembly Bill 5 today.

ASSEMBLY BILL 5 (2nd Reprint): Enacts the Nevada Studio Infrastructure Jobs and Workforce Training Act. (BDR S-13)

Assemblymember Sandra Jauregui, Assembly District No. 41:
Thank you for the opportunity to be here to present the Nevada Studio Infrastructure Jobs and Workforce Training Act, better known as Summerlin Studios. At its core, this bill is about investing in Nevada, creating opportunities for hardworking Nevadans, growing and diversifying our economy, and establishing a long-term, sustainable industry that will benefit our communities for decades to come.

The numbers speak for themselves: 19,000 good paying union construction jobs, nearly 18,000 permanent jobs, and an additional $3 billion in annual economic activity. No tax credit can be issued until there is money spent. Before a single tax credit is issued, there must be, by statute, $400 million spent in private investment to build the studios, which, when completed, will total $1.8 billion in private dollars spent building the studios. There must be $8 million spent to build the workforce development center with Nevada Partners. Then there must be $6 million spent to build the workforce development center with Chicanos Por La Causa.

And all of this must be done with a project labor agreement. And then, again, before a single tax credit is issued, there must be production. And we have written into this bill that there must be $300 million spent every year producing films and TV content. Then, after all of these dollars have been spent, then will the State issue tax credits. Nineteen thousand union jobs, 18,000 permanent jobs, $3 billion in economic output, those are the numbers.

Since I was first elected, we have talked about diversifying our economy and making sure we are putting Nevadans to work. This special session, we have a real opportunity to do just that—to create and strengthen our middle class and shift Nevada's economy away from the boom-bust cycle that has defined us since our very beginning as a state.

Vince Saavedra, Executive Secretary Treasurer, Southern Nevada Building and Construction Trade Unions:
Before we get started, I see the folks in Las Vegas, and I just want to ask them to please stand up and show their support for this bill so that they could be recognized. I want to thank them for their patience and hard work showing up on a Sunday. It means the world to me and to them.

I’m so glad to be back in front of you all to support this legislation. Our members are incredibly eager to get to work and that's what this bill would do. We're talking about 19,000 construction jobs. You'll hear about a project labor agreement in this bill which is now expanded beyond the walls of the original bill. This is great, thoughtful legislation and gives us the opportunity to diversify the State and the industry and bring a whole new industry to the State.

Let's be clear, there are no major projects on the horizon. We're finishing up a lot of the bigger projects now, we have a couple that had started, but after this, there's nothing. And with that, I want to say thank you and look forward to answering any questions.

Thomas White, Business Manager, Secretary Treasurer, Laborers' Union Local 872:
I am the business manager and secretary treasurer of Laborers' Local 872, and I have held that position for over 23 years. When I spoke the other day in front of the Assembly, we had a box of cards that were handwritten cards—over 5,000 of them—from construction workers. When you look at those cards and you look at what we are trying to do here, we are trying to just create more and more work for the construction workers. And when I talk about construction workers—and I know I am a union guy, and I will always be a union guy—but there is just so much more work than just construction when you do a project of this size. It's everything else that goes on around that project once we're done.

You know, when we build a project like this, especially when we have done so many on the strip—Allegiant Stadium, T-Mobile—a lot of us, we're done; we finish the job, and we go home. And we go home and tell our families about those jobs, and we tell our families about the legacy we left on Las Vegas Boulevard. And for a lot of us, and also a lot of you when this is over, this will be your legacy. You'll be able to look at some of the movie studios and say, "I was part of that," the same as so many construction workers in Las Vegas when they drive down the Strip—from fathers to sons to grandfathers—they can say they were part of building that city.

This bill actually takes care of not only Southern Nevada, but it also takes care of a piece of Northern Nevada. So it's gonna benefit everyone. And like I said, it's not just gonna benefit us as construction workers; it's gonna benefit our communities, all of our communities. And you can see in some of this legislation where it also does cover a lot of the other little Nevada partners. These are just parts of what we can do. So again, I want to thank everybody for allowing me to be here and allowing me to speak in front of you. And I really hope that we could all get together on this and make this move and make this happen because there are so many people counting on us.

Brandon Morris, Western States Regional Council of Carpenters Local 1977:
First of all, I would like to thank the Senate for actually hearing this and bringing this before you guys. I'd also like to thank Governor Lombardo for his leadership in having this be looked at to be on the bill in this session right now. Like my colleagues have said, this is a very big thing for jobs. We're concerned that if we don't have jobs here in Las Vegas, or in the State of Nevada, our workers have to continue to go out of state. There's nothing that hurts worse than when they're continuing to go out of state than the strain it puts on families. It's a downward spiral from there. We do care about our workers; we care about our communities; we want to continue to grow our communities and keep our workers at home. For that, I appreciate your support on this, and we appreciate you listening to this, and thanks again for your time.

Apple Thorne, Business Representative, IATSE Local 720:
I am representing over 3,000 behind-the-scenes workers in Southern Nevada. When Tommy talks about the legacy of what the studios can bring, my workers will get to be that legacy. They will be the ones that hold the permanent jobs that operate in that space. And I say permanent jobs; and there's been a lot of talk about how film jobs aren't really permanent, they're temporary jobs. And the truth is, that's how the entertainment works in its entirety, whether we're talking about live entertainment, whether we're talking about convention, which is what my members are reliant on right now, and those jobs are reliant on tourism as well.

But film is the same way, we go from project to project. And right now, the film work that happens is a couple of days of a project, or a couple of weeks of a project. And this allows those projects to become weeks, or months, or years-long projects because there's permanent infrastructure for those jobs to last longer. But our industry is built on project to project, so while it's not permanent jobs, it is full careers, because that's the way that we operate. Our contracts are built so that our benefits go with us from project to project, so that we can bank our health care hours when we're working a ton of hours on a long shoot. And then we don't need to be a suck on the Medicaid programs or anything else when we're between projects because we've got those hours banked and we can maintain our health care. We can still build our pensions, and we can live with dignity and respect on these projects.

My members have been wholly reliant on the ability to gather large people together in Southern Nevada through tourism to come see shows, to come see concerts, to come to conventions. When COVID came, we were wiped out entirely. Our entire membership had nowhere to work. We were the first ones kicked out the door, and the last ones brought back to work. And we were told again and again that we were non-essential workers, and that was devastating, because it was still essential to put food on the table. It was still essential to keep roofs over our heads. And the glimmers of hope that we had was when television shows started using our convention centers as sound stages, and our people could go back to work, and it gave more opportunities.

So this diversifies Nevada's economy, but it’s personal for us because it diversifies our job opportunities for the jobs that we have. It allows opportunities for primarily female-dominated crafts that have been disappearing as large production shows disappear, and we don’t have such a need for our costumers and hairstylists and makeup artists. Film and television gives them opportunities where they can go back to work and they’re not looking for jobs that are low paying outside the industry.

The contracts that we have with Sony Pictures and Warner Brothers, those contracts are already done. They're national agreements, so we don’t have to guess what those rates are gonna be; we already know. And they pay better than corporate convention work, and they pay better than live entertainment work. So these are good jobs in the $40-, $50-, $60-, $70-an-hour, $80-an-hour rate kind of jobs. And so this is gonna help build a stronger middle class. It is gonna help build stronger opportunities for the entertainment capital of the world.

Chair Dondero Loop:
Thank you very much for your time. All right, Mr. Walker, are you going to go through the bill for us?

Matt Walker, Howard Hughes Communities:
Yes, Senator. I’m really grateful for the opportunity to be here for the least exciting part of the presentation, which will be a brief walk through the bill. Because it is lengthy, I’m going to be summarizing some of the intent of the

sections and impact of the sections, but of course, happy to dig in further in more detail through Q and A at your direction, Chair.

So sections 1 and 2 outline findings and conditions for a special act of the Nevada Legislature, including findings that content production industry will bring thousands of high-paying jobs to the State.

Section 3 outlines the intent of the legislation should the Nevada Studio Infrastructure Jobs and Workforce Training Act be adopted.

On pages 6 and 7, sections 4 through 9 define key terms.

Turning to page 7 through page 14, this is section 10, and this is what I refer to as the “show me section.” This isn’t the “trust me section.” These are commitments that we’re making in statute, and they begin with a development agreement that must be entered into between lead participants and the State within 120 days of passage of the bill. Section 10 continues to set aggressive capital expenditure targets to ensure that we build a high-quality studio that's part of a larger studio-oriented development with a minimum construction spend of at least $1.8 billion.

Section 10 on page 8 also sets a minimum production spend of $300 million per year to ensure that we’re spending at least $4.5 billion over the life of the 15-year program on Nevada wages and state purchases, and other qualified expenditures. In addition, section 10 requires an investment in Nevada Partners Training Studios of at least $8 million and sets a deadline for the training studios to open.

Similarly, page 9, subsection [subparagraph] (6) of section 10 [subsection 1, paragraph (a)] requires the establishment of the east side training center in conjunction with Chicano's Por La Causa. Page 9 continues with subsection [subparagraph] (8) to ensure that no resort or tavern is developed within the entertainment district formed by this bill during the period of incentive.

Still in section 10, on pages 10 through 11, gives GOED [Governor’s Office of Economic Development] the ability to lien the property, should we fail to follow through on our construction commitments and incur a penalty. It gives GOED the ability to not only put that penalty into place, but also lien the property and ensure that penalty is paid.

Pages 12 through 13, still in section 10, allow for GOED to impose significant penalties for any shortfalls in production: any shortfalls of that $300 million commitment in annual production with revenues from such penalties going to the General Fund.

Lastly, in section 10, prohibits the Office [GOED] from granting additional abatements. So as the industry grows and attracts jobs, we're committing to not double dip by taking advantage of the existing statutory abatements to attract jobs here. We would just be taking advantage of the standard property tax abatements that all properties across the State take advantage of.

Section 11 on page 15 sets a deadline of December 1, 2026 for regulations to be adopted. They describe the application information that must be provided, including a plan to hire a substantial set of Nevadans, as well as have a hiring diversity that reflects the diversity of our State.

Importantly, section 11 requires each production to be audited by a qualified firm selected by the Office. And the audit will not only identify how many qualified expenditures were associated with that production but also ensure that compliance with the Nevada hire and Nevada diversity requirements.

Section 10 [12] describes what qualified expenditures are—essentially in-state wages and expenses that must be verified in order to earn a film tax credit. Section 13 sets the most ambitious local hiring requirements of any film tax credit program in the country, ramping up from 10 percent in year 1, to over 60 percent over the life of the program.

Section 14 sets the incentive rate at 30 percent and delineates how production hires should reflect the diversity of our State. Additionally, the section includes significant clawback languages in the case that a production provide any fraudulent information to the State in order to obtain those benefits.

Section 15 outlines the amount of annual credits allocated to be earned at Summerlin Studios.

Section 16 outlines the credit qualification certificate that is a critical tool to help the State and studio partners manage the cap and maximize the amount of production and employment that can happen based on the $95 million in allocation.

Section 18 … here I get to take a breather and hand it over to our education experts to talk a little bit more about the entertainment district and its impact on Pre-K in our State.

John Vellardita, Executive Director, Clark County Education Association (CCEA): Before I go through section 18, I just want to put into context why the largest teachers' union in the country, fastest growing teachers' union in the country, is weighing in on this and supporting this piece of legislation. You know, we represent over 18,000 teachers; there's 40,000 employees with the school district, a little under 300,000 kids, but there are also a lot of parents of these children that need jobs. And there's a significant population of our students that need to develop more proficiency levels to be able to attain and get a decent education in the school system.

What we learned was there was an opportunity in this bill. And to simply square this bill and frame it as an argument, "Well, the State gives away this, but it doesn't get that in return," I don't think you're going to come to the same conclusion that we have come to as to why we think this bill is added value. So first off, I just want to say Legislators are not required under the constitution to fund Pre-K. It's not in the constitution—K-12 is, but Pre-K is not. And so what we do is we go from one session to another session and we try to find a bucket of money for Pre-K, and sometimes there's a little bit more, sometimes there's a little bit less.

Now, I think universally among all legislatures, there's an acknowledgment that Pre-K is actually very, very important for a child's education. It's foundational in terms of their growth. And what we have is an underserved population that doesn't have that opportunity. When I first heard this bill introduced during the legislative session, I waited three hours before I had a chance to speak in neutral because I looked at where the opportunity in this bill would be to possibly help Pre-K, and it's around the local funding piece. And so where the constitution prohibits, you know, the county for raising money for K-12, it does not prohibit funds to be raised for Pre-K. We actually passed a bill in 2019, A.B. No. 309 [of the 80th Session], that allowed the County of Clark to develop Pre-K taxation. And this is now an opportunity that we seized on.

So we worked with the sponsor, and we essentially said, "What can we capture with this local revenue?" Because there's actually more of an argument of local revenue coming in than there is if you just look at the return to the State. And so what we learned was that over a period of time, the local revenue will increase and it was an ideal match to create a model on how do you create a Pre-K program for Clark County School District that'll allow us to ramp up and provide opportunity to the greatest need of students that, you know, just don't have access. You're going to hear from the Superintendent of the Clark County School District, Jhone Ebert, more details as to how that works and how many kids are just even on a waiting …

[Due to technical difficulties, a portion of this meeting's recording is lost and unable to be transcribed.]

… a dedicated revenue stream—first time historically in the State of Nevada for Pre-K, first time in the State of the Nevada, a dedicated revenue stream for Pre-K. And so what that allows is for the school district to plan for implementing, as more revenue comes up, opportunity, and access of Pre-K for kids that are in need. And so the other opportunity that this provides is for the school district to work with the College of Education at UNLV [University of Nevada, Las Vegas] to develop a career path for early childhood educators. Because even if we had all the money in the world today, we need teachers, we need aides, and we need classrooms. And so this is an opportunity for us to build and ramp up to provide that type of opportunity for these children.

So I want to go through section 18 … essentially creates a special production studio entertainment district that essentially … section 18.2 [subsection 2] says it captures and it lists all the revenue streams that can go into this special school district. There's an amendment in there that added a new revenue stream that would go to the Public Employees' Benefits Program.

[Sub]section 3 essentially outlines how that transfer of that money is made to the Clark County School District, as well as the Public Employees' Benefits program, as well as creating more detail as to how that works.

[Sub]section 4 allows for the school district to deposit that money in a segregated account not commingled with the district's regular money to provide for Pre-K programs as well as early childhood career opportunities working with the University of Nevada, College of Education.

And then [sub]section 4, [paragraph] (b), requires a report as to how that money is used. And the balance of section 18, [subsections] 5, 6, 7, and 8 are referencing adopting regulations by the Department of Taxation, the County Commission adopting some kind of ordinance or procedures related to this, and the rest speaks for itself.

So in closing, what I would like to end with is, you know, this integrates with an argument that you heard before that we need jobs and we need good paying jobs. We have a lot of homeless kids in Clark County School District. We have a lot of parents that don't have jobs. We have parents that have jobs that are underserving for them and their family. And so this gives an opportunity for creating the jobs, as well as providing a lifeline for Pre-K on a strategic plan so that kids can attain an education that they deserve. So with that, I'd like to turn it over now to the superintendent of the school district, Jhone Ebert.

Jhone Ebert, Superintendent, Clark County School District (CCSD):
As we accelerate student learning in the Clark County School District, we've honed in on Core Four, and the first component of the Core Four is Pre-K. Pre-K, as we know, is an essential investment to our children's future. And the extensive research demonstrates that it provides the strong foundation necessary for future success, leading to significant, long-term benefits and consistently showing return on investment, which includes school readiness.

Our Pre-K programs build essential cognitive skills, including early literacy, numeracy, and vocabulary. Social emotional growth—children develop crucial life skills, including self-regulation, cooperation, problem solving, and conflict resolution through a combination of structured and play-based activities. Our long-term impact studies consistently show that participation in prekindergarten leads to higher high school graduation rates, increased college enrollment, improved adult earnings, and better health outcomes. CCSD's vision is simple: to increase access to full-day Pre-K for all 3- and 4-year-olds in our district, ensuring every student is ready to learn upon entry into kindergarten. Despite the clear benefits, we know that here in Nevada, roughly 11 percent of those children, ages 3, 4, and 5, are served currently through the Nevada Ready Pre-K Program. This contrasts sharply with many other states that provide 100 percent opportunity for Pre-K students, 3- and 4-year-olds.

We have significant need in Clark County and our full-day program for our general education students in Nevada, our Pre-K Nevada Ready Program. We currently serve 2,032 students. In that area, we have 590 students on a waitlist. In our half-day program, which includes our Title 1 students, we currently serve 2,016 students and we have a waitlist of 689. For a half-day, early childhood inclusion program, we currently serve 3,687 students with a staggering 5,882 students on a waitlist. Note that these are the general education programs, and we also serve, in addition to, with our students with IEPs [Individual Education Plans], 6,232 students.

So the sheer volume of the waitlist gives you a clear indication that we need to expand as soon as possible. In addition to adding these full Pre-K classrooms, we would like to move away from any half-day programs that we have. So first, CCSD estimates that the annual cost of these Pre-K seats will be the same as our Nevada Pupil-Centered Funding Plan or adjusted per-pupil base of the amount of $9,501. This amount is comparable to approximately the $10,000 that families pay on average for private Pre-K. Our intention is to focus the funds from the legislation primarily on reoccurring costs, and those reoccurring costs are jobs—the teachers in the classroom, the support that happens there, and our support professionals for all of those new Pre-K classrooms. Our strategy for expansion is to maximize existing resources and immediately address high needs areas. So I have three phases that I'd like to share with you.

Phase 1 is expanding prekindergarten into high schools where we have capacity and where there are gaps in Pre-K service. Some people pause and say, "What are you doing putting Pre-K programs into high schools?" It is genius. First, we already have Pre-K programs in three of our high schools. And this phase will create that powerful synergy that we've been working with our colleagues—the Teacher Academy College Pathway Program—where high school students in the program gain valuable experience right there on the high school campus with our Pre-K students and our K students.

For 2028 through 2035, Phase 2 will convert our current 55 half-day programs to full-day programs and establish new full-day Pre-K programs in the remaining 51 Title elementary schools.

For Phase 3, 2030 through 2035, we'll establish Pre-K centers, and this is the final phase we'll identify by retrofitting existing CCSD school campuses into dedicated Pre-K centers. This model is currently used with our colleagues in Washoe County School District and other areas of the county to accelerate Pre-K expansion without the need to build new schools. Our strategy to utilize the funds from this bill maximize the current revenue projections provided by Mr. Hobbs, which start with relatively modest numbers, but build impact every single school year.

So I talked about our Four Core earlier. Our fourth item in our Four Core is workforce and college readiness. As part of our focus, we'll work to ensure that every student has more opportunities to explore the career pathways that have been spoken about, and on-the-job experiences. And so we're excited for the possibilities for our students to be able to engage and work directly with the studios through internships.

So the final thoughts from us here at the Clark County School District: We know that our expertise is in teaching and learning, not in tax structure. And we're here today to express an urgent need for the additional Pre-K funding. And I want to personally thank all of you, the Legislature, and Governor Lombardo, for considering the expansion for Pre-K within the Clark County School District. We'll utilize this revenue from the legislation to transform education for our youngest and most vulnerable learners.

Danica Hays, Dean, College of Education, University of Nevada, Las Vegas (UNLV):
As my co-presenters shared, we need investment in both Pre-K as well as the early childhood education workforce. And this bill really provides that framework to expand industry and jobs while addressing our State's need for high quality Pre-K. I'd like to briefly share UNLV's early childhood education workforce pathways that have been helping to already strengthen Nevada's economy and the communities. UNLV has established a tiered workforce pathway approach that opens doors for high school students, young adults, and nontraditional learners, to pursue and advance in early childhood education. Each of these groups participate in paid work experiences or apprenticeships, while completing coursework toward licensure—earning while learning, and contributing directly to Nevada's schools. For our youth, our early college programs allow students to graduate high school with 18 to 36 college credits that are transferable to any NSHE [Nevada System of Higher Education] institution to finish their degree. They also gain paid early childhood experience and mentorship, putting them up to a year closer to becoming licensed educators at graduation. For our adults, we offer apprenticeships for paraprofessionals, retraining for current teachers, and advanced programs for early childhood educators.

These three options are well designed to expand the workforce and create this upward mobility for Nevada serving our schools. To date, we've served hundreds of higher ed students in these pathways, but the demand for high quality Pre-K continues to outpace the supply of our Pre-K educators. Expanding this workforce is essential, not only for our youngest learners as Superintendent Ebert shared, but for the working families who rely on these services to be able to stay in Nevada's labor workforce.

We're proud to partner with CCEA and CCSD and Nevada's future film industry to expand the access to early childhood programs for our kids; to support high school and adult learners to become early childhood teachers; and to strengthen Nevada's workforce by supporting the families who sustain it.

Chair Dondero Loop:
Thank you very much, and I should thank UNLV for my education degree of which I have a minor in early childhood.

Chris Heavey, Interim President, UNLV:
Thank you, Chair Dondero Loop and members of the committee, for the opportunity today to speak in support of A.B. 5. As the president of UNLV, I view this legislation as much more than an opportunity for economic development and diversification. It also represents a transformative opportunity for higher education and workforce development in our State. At UNLV, we prepare tens of thousands of students across a wide range of disciplines, from film and fine arts to accounting, engineering, business, and hospitality for meaningful careers in Nevada's economy. Establishing a major film studio here in Southern Nevada would open real doors for students in all of those fields. Film students would gain hands-on experience and sound stage production. Business and accounting students could work on production budgets, logistics, and operations. Engineering and architecture students could help design and maintain studio infrastructure, while hospitality and event management students could learn how to handle large-scale productions and interact with entertainment and tourist sectors. This kind of real world, interdisciplinary learning produces graduates ready to contribute immediately to Nevada's economy.

Our College of Fine Arts enrolls more than 2,600 students across fields that feed directly into the State's creative economy, including more than 400 students working for a bachelor's degree in film. These students are beyond eager for the kinds of internships and professional opportunities that a film studio would provide. We've seen how important these programs are for students with some of our students majoring in film, having already completed paid internships with Warner Brothers Discovery in Southern California this past summer. Additionally, the College of Southern Nevada (CSN) offers a two-year videography and film program leading to an associate's degree, and we already maintain a strong pipeline between CSN and UNLV for students pursuing film.

The arrival of a major film studio will only strengthen that pathway, giving students a clear route from classroom to career. This bill's creation of a dedicated account for film, media and related technology education, and vocational training aligns directly with our mission. UNLV and our sister institutions across the Nevada System of Higher Education are prepared to develop new curricula, certificates, and microcredentials in production, postproduction, sound design, and creative technologies; expand internships and apprenticeships programs in partnership with industry and offer continuing education and retraining for professionals who want to enter the growth of this sector.

A thriving film and media industry will also keep our talented graduates in state, rather than losing them to Los Angeles, Atlanta, or Vancouver. They'll build companies, buy homes, and pay taxes here, diversifying our economy. This industry's presence will also make it easier for UNLV and other institutions to attract and retain top faculty and professionals who can teach, mentor, and work on productions simultaneously. It creates a second workforce ecosystem alongside gaming and hospitality, where Nevada can lead the nation in hands-on training and career opportunities.

In sum, this legislation represents a strategic investment in Nevada's future, one that unites higher education, workforce development, and economic diversification. We are tremendously excited to support this unique opportunity and eager to grow partnership when this project becomes a reality.

Brian Sandoval, President, University of Nevada, Reno (UNR):
We are very proud to support A.B. 5. This legislation represents a forward-looking and fiscally responsible investment in Nevada's economy, workforce, and higher education system. It connects economic diversification with education and opportunity, ensuring that the benefits of this new industry stay right here in Nevada and serves Nevadans. A.B. 5 is first and foremost a jobs bill. It will create homegrown job opportunities for our residents, not just in

film and television production, but in design, post-production, creative technology, and the many small businesses that support them, as well as the construction jobs that you heard testimony on earlier today.

In my opinion, this is a once-in-a-generation opportunity for Nevada; one that could position our State as a national leader in creative and technological innovation. This bill ensures that Nevada students and Nevada workers are the ones that will fill these jobs. At the University of Nevada, we see every day how eager students are eager to pursue these fields. In the Reynolds School of Journalism, the film and media production emphasis now has the highest enrollment of all six areas of study. Students are drawn to these programs because they recognize the power of storytelling, digital design, and production technology.

And our interest doesn't just stop with film. Our e-sports and gaming programs are also booming because students understand that film, gaming, and media production rely on the same creative and technical skills: lighting, editing, broadcasting, and design. A.B. 5 supports the infrastructure that connects all of these rapidly growing disciplines from gaming to film to digital production. This bill also addresses one of the most important challenges facing our State: keeping Nevada graduates in Nevada. Each year, hundreds of talented students trained in journalism, art, engineering, and business leave the State to find work elsewhere.

And I wanted to add that we have over 5,000 students enrolled in our university from Clark County that I think would like nothing better to have the opportunity to learn in Reno and go back to Las Vegas.

With this legislation, we can create the diverse, high-value jobs that allow our graduates to stay, work, and thrive right here at home. A.B. 5 also strengthens the partnership between higher education and industry. It establishes the account for Nevada film, media, and related technology, education and vocational training, which enables the State to work directly with universities and colleges. At the University of Nevada, we are ready to first develop curriculum aligned with the industry needs, deliver workforce training programs that prepare students for these new jobs, build partnerships for internships, co-ops, and applied research with the production companies and studios. In other words, we're ready to train the workforce that this bill will help create.

In closing, A.B. 5 is about Nevadans, their jobs, their education, and their future. It connects economic growth to academic excellence, empowering the University of Nevada to help lead our State's next wave of innovation. As I mentioned, this is a once in a generation opportunity for our State. I urge your support for this legislation, because it's not just about film studios or tax credits; it's about Nevada's people, our prosperity, and our potential.

Mr. Walker:
I'm gonna to do very briefly the remaining sections of the bill, and again, I promise to be brief.

Sections 19 and 20 outline nation-leading transparency reporting to ensure the legislature has information it needs for future legislative decisions around the entertainment industry as an economic development sector.

Section 21 is one that we worked with members of this panel on quite a bit, and that is a fiscal trigger. So this fiscal trigger in section 21 is patterned after the State's Rainy Day Fund procedures, and ensures that in periods of declining revenues that we are able to suspend monetization of the credits. So that is an effort to ensure partnership with the Legislature, and ensure that the State can get the Legislature back into a special session or regular session where it has all of the tools in its toolbox to address the fiscal shortfalls the State may be experiencing, keep the employment and production going, but ensure that whoever is holding those credits—whether they are a production company or someone who has purchased credits from a production company—are not cashing those credits in during that period of pause. Pause can be up to 18 months, and this section sets forth those conditions and process.

Section 22 ensures continuity of the existing program. It's really important that the folks that are in the queue and in production currently are not interrupted as this new program is phased in.

Sections 23 through 32 set out the parallel requirements for non-infrastructure productions, or independent productions in our State. The bill sets aside $25 million annually to be earned by such productions, sets forth the $7 million cap per production to help the State manage and maintain access to those producers. And what's really unique about this proposal in these sections is that some states have an infrastructure requirement, and those folks get one rate of incentive, and then everybody else gets a much lower rate of incentive. This is the first time where you both have an infrastructure requirement, and also an open door to independent productions, whether they be a Paramount that just chooses to not do business with Summerlin Studios, or a small independent student production that is spending enough to qualify. We're really excited about the results and the parallel reporting that goes into place so that a future legislature can take a look at both of those types of production types and see which ones deserve, have earned the ability to continue on or grow, and which ones may need to be wound down based on their results.

Ending my presentation, section 38 establishes the Account for Nevada Film, Media and Related Technology Education and Vocational Training. It’s not the shortest account name that we’ll have, but it’s an important one. The State, under the provisions of section 38, will withhold 1 percent of the film tax credit earned by a production, and deposit it in this account. The account has a statewide board of education stakeholders that will determine where these grants should be going, but it’s all in the effort of creating a sustainable mechanism to ensure that there's a one-to-one match between new opportunities in this industry and Nevadans who are trained and ready to fill them. With that, Madam Chair, my walkthrough is complete.

Guy Hobbs, PFM Group Consulting:
Joining me is Mallory Richards. She is a colleague with PFM Financial Advisors, and we are going to give a brief summary of the economic impacts of this project. And before going into the numbers, because you'll have a lot of those thrown at you today, I think it’s important to state that economic impacts are the economic reaction to some form of stimulus. And in this case, the stimulus is the investment that’s being proposed by the project on the entire project site, including the movie studios and the other assets that are part of that overall development. The economic impacts occur because of those investments.

So I think it’s also important to say that some of these numbers that we’re going over—whether they be economic output, job creation wages, those sorts of things—essentially will only happen if the investment is actually made. Barring there being an investment, there might be alternative use for the property out there at some point in time, certainly not in the near future, but it wouldn’t come anywhere close to what is being discussed here. So it’s the actual investment that leads to these economic impacts, and without the investment, these impacts do not occur.

Mallory, the first slide that I would like to show is the economic impact of construction, (Exhibit C), [page 15]. And some of these are numbers that you heard earlier in Majority Leader Jauregui's comments, but I think it is important to just reinforce them. This is the construction phase. Hopefully you all can see those numbers. If you can't, they are in the packets that I believe were delivered to you, our most recent update of all of the numbers. And on the top table that you see is the cumulative construction impacts. And that's over the roughly eight-year period from beginning to end when the different assets are being delivered with the studios coming online early and some of the other assets—the retail, office, and hotel assets coming on over time over an eight-year period. And you could see that the total number of jobs that would be created over that amount of time would be in excess of 21,000. You heard numbers over 19,000 earlier.

Since those initial numbers were run, there's been some spend that has actually been added to the overall program, and also a delay of several months. So that's why the difference, but these are the most up to date—reflective of what's in the bill—numbers that we have at this point. Of those 21,000 jobs, 14,000 are direct, 2,000 are indirect, 5,000 are induced. And next to that, you could see the labor income that's associated with that over the cumulative eight-year period—$1.4 billion, with total output during the construction phase, bottom right hand corner—of nearly $3.2 billion. We thought the question might be asked if you broke that down into an annual average, what might that look like? That's the box underneath that, where it would be an average of 2,639 jobs per year, with income approaching $177 million and annual output during the construction phase approaching $400 million.

Obviously, with numbers like this, this is not a minor investment that's being made. But we wanted to show you both the cumulative and the annual average to help you digest this a little bit more simply.

On the next slide, Exhibit C, [page 16], as these different assets are being brought online, some come online earlier than others, and then you reach a period when all of the assets are up and running, and that's the period that we refer to as stabilization. So once all of the assets are online, our expectations are that annual employment would be 17,525 jobs—9,200 of those would be direct—annual labor income of $1.15 billion, and total economic output on an annual basis in excess of $3 billion. So this is the simplest way we could think to capsulize what these impacts look like. And again, these are the up-to-date impacts that reflect the estimated spend by Howard Hughes in bringing all of the assets online, as well as all the different provisions in the bill.

The very last slide, Exhibit C, [page 22], is where we relate the fiscal impacts to the economic impacts, and I think this is an extremely important slide for digesting this. You'll see on the chart that's down below the annual film tax credit amount—$110 million—that's $95 million infrastructure tax credits plus $25 million for the independent productions, less the existing $10 million program that is already in place. The economic impact of stabilization—the number that you saw a little bit earlier, just over $3 billion next to that on the right—the aggregate film tax credit over the 15-year period, $1.65 billion; the aggregate economic impact over that period of time, $40.6 billion.

And so the gross economic return on investment for each dollar spent on the fiscal side, the economic return is in excess of 24 dollars—$24.59. The number that I think is more important to focus on is the next set of numbers down, because those take into account the revenues that will be returned to the State. On the left side of that, you see a number of $384.4 million. Those are the tax revenues that are expected to be returned, which nets down the State's investment by that sum of money to $1,265,000, and on a net basis, that provides for a return on the fiscal investment of $32 per dollar spent.

And then the next part down beneath that, I also think is important to recognize the total tax revenue. So this would be a combination of state and local tax revenue, because there is both, which reduces the total net public investment—public, including both state and local—down to about $780 million. And that drives the economic return on investment up to just over $52. So those are some of the highlights of the economic return and we'd be happy to answer any questions that you may have and happy to go into it deeper if you like.

Mr. Walker:
On behalf of Howard Hughes Communities, that concludes our presentation, and we stand ready for any questions the committee may have at your direction.

Senator Nguyen:
I just want to first by start off by saying I really appreciate all the work that has gone into this proposal, and I recognize that we're always looking for opportunities to diversify and strengthen Nevada's economy. And so I'll just

lead with that.

I will be the first to say that when we first discussed this bill, while we didn't actually hear it here during the regular session, my focus was on one portion of some of the numbers that were presented. I think I was focused mostly on the projected state revenue, but as we've looked at this proposal evolve, and I think, become better than it was at the close of the 2025 Legislative Session, I can't overlook the fact that the impact on local revenue and local impact is just significant.

So I guess I will admit I fully didn't appreciate that local portion at first, and I don't think it is something that any member of this committee or the legislative body should under, you know, it shouldn't be undersold. It's my understanding that this studio is only about 31 acres, but the entire project of mixed use is about 100 acres. Is that correct?

Mr. Walker:
Yes, that's correct. The studios—and it's confusing because there's kind of overlapping definitions of project, and so I appreciate the opportunity to outline that a little bit better—it's already entitled and is located near the corner of Flamingo and Hualapai. Thirty-one acres is the studio and the cafeteria, all of the associated support services that will be right there on site. And the remaining 71 acres will be developed for office, hotel, retail, restaurant, and other services to service the new emerging industry.

Senator Nguyen:
And when I am looking at some of these numbers, I know that my focus again was initially on that $384 million in projected state revenue, like, actual dollar amount, I guess I should say. But when I looked at the total tax revenue, it's obviously about $870 million, but about $486 of that appears to be—if I'm doing subtraction correctly—about local revenue.

So I guess, can you walk us through what types of local revenue we're talking about here and how those increase local revenue? Especially—I guess, it would be in Southern Nevada, like in the City of Las Vegas or in parts of most of Clark County—how those actual dollar amount revenue could go to support things like our schools, public safety, transportation, and other community services. I just, I know it was something that I did not focus on because I was so focused on state impact, but can you talk about what is arguably a bigger economic impact and boom for our local communities in Southern Nevada?

Mr. Walker:
We're proud to be a net beneficiary to our local government partners and, you know, because we build our own parks, our own streets, our own fire stations and police stations. That allows more of our generated property tax and sales tax to go to those critical services that are provided by the county and city and we're very proud that this project continues that beneficial cycle for local governments.

Mr. Hobbs, in addition to the Senator's question, could you also orient folks to what is not captured in the fiscal return in terms of the $4.5 billion of minimum production spend, and just make sure that folks are aware there's additional revenues anticipated, but not projected, in this report.

Mr. Hobbs:
I'd be very happy to do that, and I think that turned into a multipart question along the way. Mallory, if you could share from the deck, slide 4, Exhibit C, that would be helpful for the local revenue discussion portion of it. To the Senator's question, this doesn't show quantification, and we have another exhibit where we may be able to do that, but I thought this would be helpful to talk through. When we're talking about fiscal impact, we only spoke to five different revenue sources when we put this together—property tax, sales tax, modified business tax, commerce tax, and transient lodging tax.

The bullet that you see on the very bottom explains why that is somewhat conservative, because there are other revenue sources, such as things like business licenses, insurance premium tax, and a host of others that could've been added to the mix as well, but they weren't as material as these revenue sources. So that made us confident that the fiscal numbers that we produced were conservative because of exclusion of a lot of other revenue sources. But these were the principal ones.

And if we just talk through a couple of these—property tax—there's a portion of that that goes directly to the State of Nevada. That's largely used for support of capital projects. There are property tax levies that are a part of the Clark County levy that support different things. Those include general government functions, but also include public safety, police and fire, criminal justice, public works, parks and recreation, and those sorts of things. The City of Las Vegas is also a recipient, and it supports similar functions as those I mentioned for Clark County, the Town of Summerlin overlays this district, and that specifically provides funding to the county for police, fire, public works, and parks and recreation.

Looking down to the sales tax, you have a portion that goes to the State of Nevada directly, a portion that goes to the State Education Fund—of course, the State Education Fund is part of the State of Nevada—a portion that goes to Clark County, the cities, and also to support the Water Authority's capital projects, which are very busy these days. Modified business tax and commerce tax are revenue sources that inure solely to the State and go directly to the State's General Fund.

And then transient lodging tax. I don't know that there's another tax source that has so many component parts to it as the room tax does, but you can see all of the different beneficiaries of a portion of that. I think it's also important here to make note of the fact that when you look at the number for local taxes, because of the changes that have occurred during the discussion of this particular bill, there's now a portion that I want to say is approaching about $90 million of the number that you see for a local revenue that would be dedicated to Pre-K. That wasn't part of something that was initially carved out. But of those "local revenues," you now have a portion that is going to potentially fund Pre-K. You have another portion that—if my understanding is correct—would go to support public employee benefits at the state level that would otherwise go to local government. So you have a piece in there that is being segregated for a specific purpose—Pre-K. You have another piece of local revenue that's being transitioned over to what I would say is a quasi-state purpose on the public employee benefit side. I hope that in all of what I just said, I answered a good part of your question, but I would also like to invite Mallory to provide some comments as well.

Mallory Richards, Senior Analyst, PFM Group Consulting:
I'll just add to what Guy said by saying that on the fiscal impacts as well, we've only included the fiscal impacts associated with the direct economic activity; so the real spending taking place over the construction period and at stabilization. What we haven't included is the fiscal impact of the indirect economic activity. So the business-to-business transactions that will result as a product of some of that activity, as well as the induced economic impacts, which includes, you know, additional household spending due to higher household incomes, so folks

having jobs that just are able to put more money in their pockets that they'll then spend throughout the local economy. And so we believe that our fiscal impacts are built in with an additional layer of conservatism due to that.

Mr. Hobbs:
Madam Chair, just following up on Mallory's comments. Where we did include direct and indirect and induced on the economic side, and you saw that in the earlier tables we went over. The point that we're making here is that in generating the fiscal impacts, we did not include those. We totally believe that there's additional value on the fiscal side from the indirect and induced, but quantification of those wasn't something we felt as comfortable about. But I would say that they put a very large plus sign by any of the fiscal estimates that have been produced.

Senator Nguyen:
Just to follow up on that. I appreciate that because I noticed in there, and I was wondering why some of these, I guess, more indirect economic impacts were not included in there. So I actually appreciate the more conservative approach to presenting those numbers because I was curious about business-to-business investment, just the increase … I mean, if you have another 18,000 or 19,000 people working in a community, you're inevitably going to have more people from everything, from buying gas to groceries, to buying houses, to spending in our community with any other discretionary income that they might have. But I appreciate that answer.

Chair, if I can ask another question about a separate section of the bill? I realize that, you know, the portion that's dedicated towards Pre-K obviously isn't a full investment that brings us immediately in alignment with universal Pre-K. But I do appreciate, and I like how it creates the first dedicated revenue stream for our Pre-K and early childhood programming.

I know that in my district with my constituents, I probably hear every day that families can't find childcare. Affordable childcare is even harder to find, or works for us. In talking with things like the Children's Advocacy Alliance, I know that we hear about how the workforce in this space is stretched thin. And I also know if we want working families to be able to work, we need to be able to provide a place for their kids to start learning and be ready to learn early when they get into kindergarten.

So given everything that I know we've all heard on this dais from our families, and schools, and employers about the lack of childcare and the need to grow our early childhood workforce, is there someone that might be able to talk about how they see this need, how this will help develop that early childhood workforce and help teachers to be able to utilize these Pre-K services? And even in some cases where we have young parents that are also CCSD students be able to take advantage of having their kids in their schools that they are attending.

Brad Keating, CCSD:
I think I've had more conversations with you, Senator Dondero Loop, and Senator Cannizzaro about Pre-K over the years than anybody. And you all know the importance and what the research shows about Pre-K moving the needle. This bill is an important first step for the State of Nevada in creating a predictable stream of funding that will come into the Clark County School District so that we can expand our Pre-K services.

We've got, as Superintendent Ebert mentioned before, over 8,000 students on the waitlist currently for services. This project in Las Vegas, as it ramps up, we will ramp up our efforts and be able to provide Pre-K services all across the valley. Over the last few sessions, you all have prioritized the Teacher Academy College Pathway Program in partnership with the Clark County School District and with CCEA, giving our high school students the opportunity to learn how to become educators and hopefully stay in the system and come back to the Clark County School District as educators.

One of the priorities that the superintendent mentioned earlier today was that we want to put more Pre-K centers and more Pre-K classrooms at our high school programs so that these individuals who are in the teacher pathway program can work alongside licensed individuals every single day learning how to work with these students, building their capacity, and be more successful. So I think to answer your question, the best way I could do it is that this bill goes further than any bill has—for as long as I have worked with the legislature—in truly providing an opportunity for the Clark County School District to move the needle on Pre-K and be able to support our families.

Senator Nguyen:
No, thank you. It was just very timely. I know I had attended an early childhood summit with actually Senator Rogich down here, as well as Senator

Cruz-Crawford and Assemblymember Marzola, and one of the things that we had talked about was having childcare Pre-K services, and how we can improve those services. So I appreciate the inclusion of that in this more permanent, ongoing source of potential revenue dedicated to this program.

Mr. Walker:
I just want to point out in that section—section 18—that the district formed by this legislation lives on past the sunset of the program until the future Legislature determines that the district should no longer serve that purpose. So certainly, similar to our infrastructure-based program, having a dedicated revenue source over a number of years helps you build the robust pipeline and move, not just the services in that direction, but move the job training in that direction, and really increase the capacity across the system. It really mirrors exactly what we're attempting to do in the entertainment industry.

Senator Titus:
I have a number of questions if that's alright. I have a confession also. I am not a fan of the movie industry and I'm not starstruck, with the notable exception of President Reagan. So having said that, with the movie industry, I have a couple of questions, because I do not know the movie industry. And so, Mr. Walker, you talk that you represent Howard Hughes. And so is Howard Hughes part of Sony and part of Warner? Who is Howard Hughes?

Mr. Walker:
Howard Hughes is the master developer of Summerlin, in addition to other master plan communities across the country. We have developed and invested in the Summerlin community since 1987 and are really proud of the 120,000 plus residents we have there in our master plan. We are the master developer of the larger entertainment-oriented development associated with the entertainment district. Whereas Warner Brothers, Discovery, and Sony Pictures Entertainment are joint venture partners, equal partners with us on the development of the production studios, the 31 acres of production studios. So not only will Warner Brothers, Discovery, and Sony Pictures Entertainment be committed by this legislation to immense amounts of production spending, they'll actually be owners of the production studios.

Senator Titus:
Thank you for that. And so it's then … so Warner Brothers and Sony are part of this, then, this plan to move forward and in some, they will perhaps be receiving

some of this money?

Greg Ferraro, Warner Brothers Discovery:
Yes. I think the simple answer is yes, Senator, that they've committed to enter into the joint venture. They are committing to a 15-year lease, and they are committing to a minimum spend of $300 million in each year in order to cover the credit allowance for each of those years. So it's $4.5 billion of commitment plus a long term, 15-year lease. Warner Brothers wants to be a part of the Nevada economy. They're expanding in Burbank, they are expanding in the UK, and they want to grow here. They want to own and operate their facilities.

Senator Titus:
Thank you. I appreciate that. And the reason for this question that I am going with is that today, there was an announcement that Saudi Arabia Public Investment Fund has put a bid in to purchase Warner Brothers.

Mr. Walker:
I will say that, you know, from the last three years of being involved with Warner Brothers Discovery in this policy conversation, it went from, "Oh my gosh, are they a failing business" to, "Oh my gosh, there's ten different suitors to purchase them." I think it's just indicative of the incredible run their production company has had over the last two years.

I think the social media post you are referencing was a reporter linking to a rumor that a Comcast executive went to Saudi Arabia, and folks trying to connect the dots, and I don't think it's any more than that.

Senator Titus:
I think it's really important because—thank you for that—because I think people are concerned, "What, are we going to have Saudi Arabia now owning part of Summerlin?" Along that same line, I am not a Southern Nevada person. Can you give me some definition in on page 8 of the … we just have a printed copy of this bill, I'm not sure what you're working on … page 8, you go down to line number 11, and it says, "made at the Downtown Summerlin site," and then the downtown mall.

Can you give me what the physical roads and streets are? I have some people wanting to know, well, where does that begin; what's the address? Do we have a … I couldn't find a description of what that means. I've certainly been to

Summerlin, but I do not know what the, what the street addresses are. Where does that define? Cause I've had people reach out about, well, could I develop here then, and can I develop there? So can we get a description, if you don't mind?

Mr. Walker:
Absolutely. I would say that downtown Summerlin is defined with Clark County as Village 13 Master Plan. It is a 400-acre master plan that includes over a million square feet of retail, in addition to office and other residential uses. So we are essentially allowing for spillover where Village 15—which is the location of the entertainment district at Flamingo and Hualapai—any companies that choose to relocate to Nevada, wanna do business with the studios that are looking for a different property type or unable to find property at the entertainment district, this allows for us to provide evidence of a nexus between the studios and a future commercial development within the downtown Summerlin boundaries.

And I'll give you a direct answer to your question. It is located between Sahara and Charleston, and it is west of Town Center and east of the 215. That is the 400-acre, Village 13 Master Plan.

Senator Titus:
Thank you. On page 38, it talks about … you speak toward the education and the percent, and I don't know what these type of … I don't know what type of employment we're discussing here, you know—the different workers, et cetera, and what they do and what they don't do. But I see that you have a different ratio as a mandated Nevadans, that you've hired … from 40 percent in one year, then you must, you know, 50 percent and 60 percent. And I can see that you're anticipating is educating Nevadans to take these jobs, and I appreciate that you have teased out and making it mandatory that you hire more Nevadans as we go along.

My question is, what currently, if we were to open tomorrow, because you start out the 40 percent level … and when I spoke to the folks in Georgia about their employment, they actually had to change it because they couldn't fill those spots initially. So they had to adjust it … much along what you're doing, and I'm just curious, where do you think you are today?

Mr. Ferraro:
I think that's a good question directed to IATSE. Apple touched on that a little earlier. I think she can talk about the existing workforce. I will say when this program is approved, and we start going after the development agreement is signed, we want to start to build and expand on the existing workforce, and that starts with a lot of the people that Apple represents.

Ms. Thorne:
So the reason that there's a build-up is so that we can keep up and make sure that we're expanding the workforce. If all of those studios filled on day one, we don't have a workforce to necessarily provide 60 percent of the local crew. However, we do feel confident with the numbers that are set right now that we will be able to provide the percentages, and we'll be able to ramp up the workforce. We do have thousands of workers in entertainment that have very similar skillsets that are working in the convention industry; they're working in the live entertainment industries. It's the same kind of jobs—there's sometimes some different language because of the type of industry that you're in—and so there's minimal transition, minimal education to move them into working on film.

Senator Titus:
So based on the current—my question was based currently—if you we are just to open up, what percent of the jobs in this business would be Nevadans at this time?

Ms. Thorne:
I believe that the year one is set at 10 or 20 percent …

Mr. Ferraro:
It starts at ten in year one and we grow each year. It spells out the requirements for each year through the 15-year program. Obviously, we're striving to get to the 60 percent and above. The attractive nature of this project for Warner Brothers and Sony is to be able to take advantage of the existing workforce, grow that. You've heard both presidents from both universities talk about the commitments the studios have already demonstrated in starting to integrate programs that—at the teaching level where we can, at the same, time work with existing workforce—grow it so that we can get to those milestones each of those years and exceed those.

Senator Titus:
Final question, I promise you, Madam Chair, and this is near to dear to your heart: the Pre-K component. What I heard in this Pre-K, it's a new revenue that's going to go to the Pre-K, and I'm only hearing that Pre-K is going to be expanded in Clark County. And I'm understanding from our pupil-centered formula that all monies go into a pot regardless of where they come from for our State. It's distributed based on pupils. But now I'm hearing this is only going to be used in Clark County?

Mr. Walker:
I think that that's a question that I can jump in and help shine some light on. So section 18 does line up the revenues that will be captured by the entertainment district. Those revenues are local revenues from Clark County. They will be distributed to Clark County School District for use of Pre-K seats that'll be earmarked and prioritized for folks in Title 1 school attendance zones, and attendance zones associated with those learning zones …

Senator Titus:
Well, I know … and thank you for that …

Mr. Walker:
… they are local revenues, so it only seems fair that they go to serve local Clark County students …

Senator Titus:
… yeah, unfortunately … I think perhaps, too, but I know in my rural counties, they've had other revenue—like White Pine County from the mines and everything—those revenues were stripped and put into the pupil-centered formula. So I'm just wondering how this works for Clark County to keep those revenues when we very clearly have created an educational system where all Nevada students, it goes into one pot, and then it's distributed throughout the schools. Can I maybe ask our legal if this has been … if this is, I know we have legal on board, can we get a description on that?

Chair Dondero Loop:
We can work on that, and Mr. Thorley can answer.

Wayne Thorley, Senate Fiscal Analyst:
My understanding from reading language in the bill is that this money would not

flow through the PCFP [Pupil-Centered Funding Plan], that it would be provided directly to the Clark County School District, so it would not flow through the current funding model.

Senator Titus:
So given that statement—thank you, Mr. Thorley—given that statement, if other businesses come into other counties and they can direct their monies and their income with this policy now to go strictly and stay within their counties?

Mr. Thorley:
The language in the bill is specific to Clark County and the taxes collected in Clark County. So I don't believe that it would allow other counties to do something similar to the language of this bill.

Senator Titus:
Do we have an attorney that can give us some advice?

Bryan Fernley, Committee Legal Counsel:
So the entertainment district covers the money that is pledged to Clark County School District is for Pre-K. The PCFP funds K-12; Pre-K is funded on the local level. So this funds Pre-K, which can be funded on the local level. I think there are Pre-K dollars that can come from other levels, but the PCFP is solely for the K-12. So this is outside of that, and this is Pre-K that can be funded by local dollars.

Chair Dondero Loop:
Thank you, Mr. Fernley. And yeah, the Pre-K is not in the funding formula, just to be clear, and this is why we vote for K-12 funding when we vote for K-12 funding in this body. And we are Nevadans at the other end of the State.

Senator Neal:
So I had a question on section 18, sub (e) [subsection 1, paragraph (e)], this is the basic city-county relief tax (BCCRT). So I was looking at the presentation, but I'm trying to … did we account for the fact … so when you read the statute for BCCRT, there is a second drop, and it's distributed amongst all of the counties based on population. And so there are two distributions: there is what the county gets, and then a second drop that goes to all counties. So how did you deal with the distribution of what the other counties may not receive because you have put this in section 18 (e)?

Mr. Walker:
I will pose an additional answer to your question and then ask staff to confirm. The basic city-county relief tax, this is the portion that is earmarked for Clark County, unlike the supplemental city-county relief tax. There is a portion of BCCRT—1.75 percent—that is withheld by the State to offset the cost of overseeing this revenue. And that, by amendment in the Assembly, was removed from the mix of revenues anticipated here. But Mr. Nakamoto, is there anything else to say about those revenues?

Michael Nakamoto, Chief Principal Deputy Fiscal Analyst:
I will do my best to try and explain the C [Consolidated] tax as quickly as possible. So the basic city-county relief tax is the 0.5 percent component of the sales-and-use tax, and it's one of six revenues that goes through the C tax.

And so there's a first-tier distribution and a second-tier distribution. So the BCCRT would go … all the proceeds from this district would go to Clark County at the first tier. And then at the second tier, there are a host of different entities who share in that distribution—the county itself, all of the cities, and then towns, and some special districts, which include library districts, and fire protection districts, I believe.

And so there are, to my recollection, 23 different entities who could potentially be affected by the pledge of this revenue. So it is my understanding that the provisions of section 18—because they exclude any proceeds that would go for public safety—would exclude three fire protection districts from the distribution. And so the other 20 entities would be affected. And so it's the county itself, the cities, towns, and library districts would not gain revenue. The revenue that they would have gained from the BCCRT would be pledged to CCSD.

The Department of Taxation would have to work through and give the money that it would or should go to the fire protection districts to the fire protection districts, that revenue would not be pledged. And I don't know if that answers your question or not, Senator Neal.

Senator Neal:
So this is the way I understand it, and thank you, Mr. Nakamoto, because you really did break that down. Probably not to everybody else. So on the second drop, my understanding when you mentioned these 20 entities, that includes Mesquite, Henderson, Boulder City Enterprise, Bunkerville, Laughlin, Moapa

Valley, Paradise, Searchlight, Spring Valley, Sunrise Manor, Whitney, Winchester, Boulder Library, Henderson Library, Las Vegas, Clark County Libraries—excluding because of the public safety piece, the ones that would not have their distribution siphoned would be Clark County Fire, Moapa Fire, and Mount Charleston Fire. But all of the rest, their second-tier distribution would now go somewhere else rather than to those existing political subdivisions.

Mr. Walker:
Because we've had these conversations with Bryan Fernley and staff during the drafting and consulted with Clark County and their bond counsel to purposefully exclude things like the Clark County Library District and critical fire services, I'm wondering if Mr. Fernley may have any additional information about what is captured in this language and what is not.

Senator Neal:
That would be super helpful.

Chair Dondero Loop:
Mr. Fernley, are you still with us? Senator Neal needs to ask you a very direct question.

Senator Neal:
So Mr. Fernley, is Bunkerville, Enterprise, Laughlin, Moapa Valley, North Las Vegas affected by 18 sub (e)? Were there exclusions to the entities who fall into the second-tier distribution?

Mr. Fernley:
I think I might need some help from Fiscal to explain that, because I know from the BCCRT, that is county-based money on the first level and then there are second level monies that go to local districts. Currently, the language excludes public safety from being distributed to the district. I think that would include fire districts being excluded from having money distributed to the district, but I'm not sure at what level in that second level of distribution within Clark County, what entities could be affected. The ones that are excluded are public safety, and I think that would cover fire.

Senator Neal:
Are the libraries excluded? So in the political subdivision list, it is Henderson Library, Boulder Library, and then the Las Vegas Clark Library, and this would be

an exclusion for the length, I believe, all the way to 2044. So are the libraries excluded?

Mr. Fernley:
I don't believe that would fall within public safety or indigent services. So if there are distributions at that second level that go to those types of districts, that would probably—instead of being distributed to those districts—be distributed to the district.

Mr. Nakamoto:
Just to clarify one aspect of this provision, section 18. This, to my knowledge, is a permanent district. So there is no sunset for the distribution. This would go on in perpetuity.

Senator Neal:
So it wouldn't end in 2044, so any of the second-tier distributions, they just wouldn't get this money back. So Moapa Valley, if they were expecting anything from the second tier of the BCCRT within the C tax, it would just be completely gone.

Mr. Nakamoto:
Of the proceeds of the BCCRT that are generated within the district—this does not eliminate the second-tier distribution for all entities. It's just the BCCRT that is generated within the district, with the exception, to my understanding, of the three fire protection districts who would fall under the public safety exclusion.

Senator Neal:
Okay, we are just now completely educated on a portion of C tax within a very narrow chasm. That is something that I think should be addressed, or needs to be further analyzed, because I guess the question is, is Moapa Valley, Searchlight good with not receiving their portion, whatever that portion, based on this, what is that, 0.5? Yeah, that would now be siphoned away, and I think those are real considerations that we need to have a conversation about.

I have a second question but it's still in sub (e), 18. Just because when I looked at the language—and I don't know if you guys want me to ask you, you want me to ask Nakamoto, you want me to ask Fernley—but when it was saying that "with regard to tangible personal property sold at retail, or stored, used or otherwise consumed," right? Because I've been all over, like, marketplace facilitator. So would that also "otherwise consumed" also include a marketplace facilitator that might sell into, or be captured, with that language? My understanding is yes but tell me if that was something that you guys assumed.

Mr. Walker:
I think these are sales that are taking place within the district. So in as much as a business is located in the district, making that sale within the district, and the Department of Taxation has applied that tag to those revenues, I think that that's what's contemplated in the language and we're happy to further coordinate with your staff and the Department of Taxation to further clarify.

Senator Rogich:
Actually, this question is for Brad, if I could ask, please. Back to the Pre-K program, how will the school district address the current overcrowding in high schools within certain districts in order to establish a Pre-K program?

Mr. Keating:
We are, as a district, currently we've been over the last year going through … so two pieces of the puzzle, I think … number one, we are going through a facility masterplan review. So we are looking at all of our schools across the valley to determine their capacity levels, where space exists currently, and making decisions as to … it could be zoning boundaries, it could be changing of schools in some capacity, whatever it might be.

So over the next year, we will work with the community over a full facility master plan review. Right now, we've identified 12 high schools to begin immediately, as this project moves forward, to where we could—space currently exists in the high school, and what we as a district would have to do is just convert that classroom to provide the little kiddo toilets and some playground space and all of that, and be able to provide services.

There are also schools currently—Northwest CTA [Northwest Career and Technical Academy], East CTA, a few of them—that already have Pre-K or childcare programming. So we're looking how we can expand the services at those programs to fulfill more seats as we move forward.

Chair Dondero Loop:
Thank you very much, and real quickly before we go to the majority leader, Mr. Hobbs, did you have something you need to weigh in on? I see your hand

raised.

Mr. Hobbs:
Thank you very much, Chair Dondero Loop. This refers back to one of the questions that Senator Neal asked earlier. I'd like to just provide some clarity on part of it. With respect to consolidated tax, the other entities within Clark County—and specifically mentioned were the unincorporated towns, a number of those were enumerated—they receive consolidated tax as a whole. Basic city-county relief tax is part of it, and as Mr. Nakamoto knows, explaining consolidated tax is as much an art as it is a science.

But with respect to the unincorporated towns, there are certain revenues that go back to the late '70s that each of those towns are allowed to receive. Then caps were put into place subsequent to that, that bound them to those revenue sources—property tax, consolidated tax, and a couple of other, like local gaming revenue portions. Those amounts in those unincorporated towns—having prepared the county's budget for some number of years, I can speak to this with some authority—are never sufficient to pay for the services that are provided to those towns. The county's General Fund makes up that difference, and then fully provides the police and fire and other services that they receive.

So if there was to be an impact, it would likely be on the Clark County General Fund. And I know that Clark County has reviewed this part of it, and I have spoken with them about it as well. So hopefully, that helps to answer part of that question.

Senator Neal:
Thank you, Mr. Hobbs. So in the testimony that you just said, you said that they receive the revenue, but it has hardly ever been enough to sustain them, so they typically go into the General Fund, the Clark County General Fund. So when the county addressed this issue, did they have a conversation with these political subdivisions to determine if the little bit that they do get, if that somehow would be a negative impact in regard to losing it in perpetuity, being forever? Is that something that the county said I will just shoulder this burden; I'm shouldering it now, so now I will shoulder whatever the little bit of money that they got that they weren't able to … that where they need it more, now, the county is saying … like, for example, if it was Mesquite. Mesquite, then based on—well these were kind of older numbers from May—but they would, if it was 2044, Mesquite, actually, Las Vegas would be out of $3.5 million up to

2044. That's not a forever number; that's just 2044.

So did the county say that they would shoulder that amount of money and say, "I will give you that $3.5 million back because you're not going to get that in your distribution."

Mr. Hobbs:
Senator Neal, I don't think I'm in a position to comment on what conversations the county may or may not have had with the unincorporated towns. But the board of county commissioners actually is the governing body for all of the unincorporated towns that exist within Clark County. So the discussions with the county were more from a macro perspective. And if there was to be a reduction in future revenue, however slight that may be, the county knows that the General Fund would have to pick up that difference to provide services on an ongoing basis. That's the part that I wanted to clear up with you is the relationship that exists between the county's General Fund and its unincorporated towns.

Mr. Walker:
So those revenues aren't being taken because those revenues don't exist today. These are undeveloped parcels. As those revenues grow, they would not be distributed in that way. They would not be distributed as they would have absent the formation of the district, and should Winchester need services, they only have a Winchester Town Advisory Board that's advisory in nature. It is the county's budget providing those services to those townships. And we have coordinated very closely with the county in the formation of this district and their bond counsel on the language before you today.

Senator Cannizzaro:
I wanted to follow up on that because we're talking just about monies that are existing because of the creation of this taxing district. Currently, there's not anything in this area that is generating any taxes. I wanted to make sure that I was just understanding that correctly.

Mr. Walker:
That is 100 percent accurate, especially in the sales tax. You can quibble with some of the property tax associated with vacant land, but that is 100 percent correct on the sales tax front.

Senator Cannizzaro:
Okay, I wanted to make sure that, because the Chair and I were chatting a little bit about that. I want to make sure that we were on the same page. I want to talk about a couple of different pieces of this, only because I think that there have been certainly some changes to this bill as we saw in the last legislative session. And then maybe some things that are not reflected in the bill but that are part of this, and I just want to make sure that I am clear.

Can you talk just about when this bill was here last legislative session? I believe that since then, there have been additional agreements for additional—either project labor agreements, or letters of intent, memorandums of understanding—for additional jobs on additional pieces of this entire project as it relates to the Summerlin Studios.

Mr. Walker:
Thank you for the opportunity to talk about that because it's not only a critical partnership, but a critical part of the community impact of this project as it develops. So since the 2025 regular session version of the bill, A.B. [No.] 238 [of the 83rd Session], was not successful, we have continued those conversations. We've expanded project labor agreements (PLA) and agreements with the Southern Nevada Building Trades to include every piece of the entertainment district. Specifically on the PLA, the retail core and shell components of the studio entertainment district, local bidder preference to Nevada contractors to make sure Nevadans are always first in line for these opportunities are a component of every component of the entertainment district.

Additionally, it's not just about expanding geographically the land covered by such agreements but also deepening the impact in terms of making them longer-lasting commitments on behalf of the studio partners. And that is encapsulated best, I think in the Southern Nevada Building Trades operating agreement, where we not only have apprentice labor and skilled union labor on for the construction of these facilities, but also for the maintenance of the unique systems and physical plant and maintenance of the grounds associated with the facility. That's really exciting because not only is an apprentice starting out their career on this project, they could actually be wrapping up their career at this project and that's a foundational element of this. In addition, we have agreements in place with many other organizations critical to the project inclusive of SEIU [Service Employees International Union], culinary ...

Senator Cannizzaro:
Yeah, that was gonna be my next question. If you can just talk … and I don't mean to cut you off necessarily, but that was kind of my next question, because what I do want to make sure we talk about here is some of the additional jobs that are being assured and associated with this project as it relates to not only the addition of construction agreements. And so for the construction union folks, I know we heard testimony earlier today from IATSE representatives and certainly with film, that's a huge piece of it. Additionally, I believe that there are agreements with some of the other folks in town, and I know you mentioned briefly SEIU but if you could talk about that, and whether or not you have agreements also since last session with, I believe, Teamsters, and then I think you also have agreements with Culinary members. And if you could just speak to that.

Mr. Walker:
Yes, Madam Majority Leader, and I apologize for stepping on your toes on your follow-up. Yes, we have agreements in place, and I think that when you look at the entertainment industry, you're looking at a patchwork, because there are national agreements in place that ensure that there's a certain wage scale and working conditions met by these productions. But in addition, we have customized, supplemented those with local agreement, some of those which I highlighted previously, but also agreements with SEIU for medical facilities on site that are available for productions and employees of the studio. Also, Culinary for the cafeteria and catering operations, Teamsters, many, many more.

This will be a facility, unlike some other projects in the past where you've had very high-quality, high-skilled, high-wage construction labor, and then the jobs that are created once that project is operational maybe look, feel, and pay a little bit more like the wages and job descriptions that are in our economy today. That's where this project really shines, I think, is that these are high-quality, high-wage jobs with pension and health benefits on an ongoing basis.

Senator Cannizzaro:
I appreciate you talking about that, because I think that that's an important point when we're talking about jobs is that these are jobs that do come alongside, and I know anyone who has known me in this building for the last many, many years, that the pensions and health care benefits piece and a good-paying job is something that I like to talk about.

Additionally, so that we have it on the record, there are agreements associated—I know in this bill, there is an addition for money that is to go to Nevada Partners for the purposes of a vocational training center—and then also money for Chicanos Por La Causa. If you could talk just about the fact that you have, as I understand it, agreements for the jobs on those as well, and then just what those two projects are.

Mr. Walker:
I'm going to have Mr. Saavedra speak to that directly.

Mr. Saavedra:
Yeah, the agreements with Chicanos Por La Causa, they didn't exist; they now do, and we feel confident that we're going to be able to put some local workforce on those projects. So with the Nevada Partners, our hope in the agreement is to put people that live in the area on those projects so that the community could build the community. And we give opportunities and pathways into apprenticeships for those communities who traditionally don't have the pathways there. Same with Chicanos Por La Causa on the east side.

Senator Cannizzaro:
And then, can you just talk a little bit about the assurances around the Nevada Partners piece?

Mr. Walker:
I'll talk about assurances in two ways, and please let me know if I miss the mark. One is that it will be built under a project labor agreement. And I'm excited that Mr. Saavedra was able to touch on some of the other components, because I think when people think PLA, they just think, is it union or nonunion, and what's the wage scale. And these agreements go way beyond that to include not only apprentice labor, but also local community workforce that we're really excited to see that take shape.

In terms of the commitment to build the facility itself, in section 10, sub [section] 1, we're required to make these investments. And if we do not make these investments, we are in breach of the development agreement and we no longer have the $95 million allocated for Summerlin Studios eligible to be earned. It's that serious, and that is exactly how committed we are.

Senator Cannizzaro:
Great, I appreciate that. That did answer my question, and I just wanna take a moment to add one more question if I can, Madam Chair. And then I wanna just sort of make a statement. One of the things that I know that I pushed on with you all in session was ensuring that we were adding additional jobs—good-paying jobs that have the hope of retirement, that have benefits associated with them—and I appreciate the willingness to bring those additional jobs alongside with the bill that we have here today to sort of grow that from what we saw last session, and to get some of these other folks to ensure that those jobs are going to Nevadans, that they're going toward their work. So I appreciate your work on allowing for me to not only make that ask, but also to meet that ask when it comes to adding jobs to this project.

The last thing I just wanna touch on because I thought this was important, as we're talking about Nevadans and the percentages, can you just clarify—and it can be a simple answer—this, as we have talked about it, is per project as it relates to Nevadan workers, not in the aggregate. So we are talking about, like, every time we have a project, you have to meet that threshold for Nevadans working on the project.

Mr. Saavedra:
Yes, that's 100 percent correct. Each project has its own agreement, so we went from one to four.

Mr. Walker:
I'll also touch on that. I think you maybe were alluding to the 10 to 60 percent scale-up. And here, we have a commitment to hiring Nevadans that's much strengthened since A.B. No. 238 [of the 83rd Session]. Why does it ramp? Why does is start slow and end up high? That's because if you're gonna invest $10 million in a Nevada production, you need to know with confidence that as a business, you're gonna be able to earn the incentive at the end of the day. And it's always a chicken and egg when it comes to production activity—is there a production pipeline; is there a trained workforce able to support a production pipeline—and something has to go first. This bill clearly breaks that cycle by requiring investments in the studio facility and infrastructure, and in the vocational training programs. And then it appropriately scales those up to make sure that not only are we following through with our commitments on training, but we're following through with our commitment on hiring.

You have a chicken and egg where if you start at 60 percent, that's gonna be too risky for a production to plan a $10 million production, not being sure 100 percent whether they're gonna be able to earn the credit at the end of the production. Because if you fail by more than 80 percent, you don't get a penalty; you get zero. And the penalties have been significantly enhanced in that regard to enforce the Nevada hire requirements, and so you gotta break the cycle by making the investment, and then you gotta break the cycle by scaling up at levels at which you're not presenting too much of a risk where productions just are unsure whether they could start day one at 60 percent and because they'll get zero dollars, they're just not gonna risk $10 million on production spend.

Mr. Ferraro:
To answer your question, the conversations we had leading up to the special session, that per-production requirement is in this bill.

Senator Daly:
I hope my questions are fairly easy for you guys, but I did wanna touch on one part, and I know you mentioned it and it got added in, I think, in the drafting. Regarding if there's an economic downturn in the State and various things, and a pause, hasn't killed them or anything, but means they won't get … can you just flesh that out just a little bit so I have it and make sure I understand it, because I think it's an important element when you look at the overall picture. I think it's an important element for the State. And I have a follow-up, different question.

Mr. Walker:
That's section 21 and thank you for the opportunity to revisit that in a little bit more detail. So should there be a revenue shortfall at the scale captured in section 21, the Governor can call for this fiscal trigger or pause in the program and then that goes through the process, matching the State's Rainy Day Fund process. Why a pause and not a stop? As you know, construction doesn't necessarily stop and start. Additionally, when you're experiencing those revenue drops, you're likely in a period of significant unemployment, or folks are headed toward the unemployment rolls. This is an effort to strike a balance and to stop monetization of credits, whoever's got them—whether that's the production studio or a business that has purchased them—so that the State is not outlaying additional expenses associated with the film production. But it allows for the jobs to continue, and it allows them to continue for a significant amount of time

so that the Legislature can be back in session and us as state partners can come forward with the Legislature having the full statutory toolbox at its ability to adjust the program as needed to meet the current economic conditions.

Senator Daly:
And I understand, and I understand the pause. And I don't have a problem with that rather than, you don't wanna kill the whole thing when people have relied and made expenditures and stuff on that. But a pause is not gonna be, hopefully, catastrophic. You did say the Governor "may" … is it automatically triggered, or is it still a may? And I know there's some IFC [Interim Finance Committee] and board of examiners provisions, because, I mean, that's how some of the money in the Rainy Day Fund has to get down there … has to be other findings from other people when that triggers.

Mr. Walker:
I should've known not to use a may or a shall interchangeable, especially with Senator Daly on the panel. So we had "it shall submit a request" when those conditions are met. The other decisions points of the board of examiners and the legislature are conditional. I think we saw during COVID, that not all revenue drops or periods of unemployment are equal—they're not all the Great Recession—and so this would allow for some decision making, some review of the conditions that exist, before that decision is made to pause the program. Or maybe a 6-month pause is more appropriate than an 18-month pause, based on the conditions.

Senator Daly:
Understood, I just think that the safeguard there is an important element of the overall picture, if you will. The second separate question, and maybe I missed it, but I didn't see it, so I hope it's not there … there was a provision perhaps in a past draft that would've allowed GOED [Governor's Office of Economic Development], my favorite people, to by regulation change what is a qualifying expenditure. Is that no longer in there?

Mr. Walker:
Qualified expenditures, of course, are those wages and in-state expenses that qualify for incentive. It's a critical component of the program that is largely copied from existing statute in 2013. But, right, it is allowed to breathe and live over time to take into account other industry standard practices that are also tied to in-state expenditures. I'm wondering if Kim from the film office could

come up and expand a little bit further on how that has worked in the past.

Kim Spurgeon, Director, Film Nevada, Division of Economic Development, Office of the Governor:
The current program, and what would happen in this proposed program, outlines qualified expenditures that productions are allowed to incur. And those are also further clarified through regulations, which is also approved by the legislative body. So typically, those qualified expenditures are either qualified or not, and they are approved by this body and we adhere to those laws and interpret with consistency when needed when the law itself is not clear.

Senator Daly:
And I'm not sure if you answered my question. So I understand that we have a list of qualified expenditures, and I understand that you're saying that may change, and I'm looking for that explanation on why it's there. But then we're giving GOED authority to change what those qualified expenditures might be that would be eligible for tax credit without coming back here—and I don't know if it's a timing issue or not—but they would be able to go forward, promulgate regulations. Yes, they have to go to the legislative commission for review on that end of it. But I'm distrustful of GOED, I guess, right? I don't particularly like that part of it. I'm not saying it's the end of the world, but I'm just looking for an explanation on why is it really necessary. Why can't you wait the two years and bring back to the Legislature and look for an expansion of what the qualified expenditure might be?

Mr. Walker:
I appreciate the question and the line of questioning. I think that it's flexibility that was part of the original program since 2013, it would go through the Leg [Legislative] Commission process. And I guess it comes down to what we're trying to attempt to do. We're trying to attract billions of dollars' worth of investment in this State, and because the investment—that private spend—comes first, not after the State, these folks need to know enough about the program with enough clarity that they can make that decision to do business in Nevada, as opposed to them having a lack of clarity getting to the end and realizing, "Oh, I guess we're gonna have to wait until a legislative session because we have a disagreement about whether this qualified expenditure qualifies or not."

I think the only other thing to say is that this is a rapidly evolving industry, you know, going from camera reels to digital cameras, all of the technology around virtual screens, et cetera, and so there could just be a new category of technology that is entirely appropriate to be considered, and I think the industry would appreciate the opportunity to work through the regulatory process. But I hear you loud and clear, Senator, and it …

Senator Daly:
And I understand. You wouldn't be able to get something through if you just left it open-ended and then said, "Well whatever is a qualified expenditure, I'm not gonna tell you what they are."

Mr. Ferraro:
Senator, I would just add, I think the industry is looking for some competitive flexibility. That's probably the best way to say it.

Senator Daly:
And I get that, and that's where I was kinda just going. And so I understand. So anytime you make that list—and obviously, we're gonna wanna see the list and not just have it be open-ended, right—then you limit yourself, obviously. If it's not on the list, then it doesn't qualify, but you need the flexibility. That's why you're giving it the go and if you can give it to someone else, I'd be happier. I'm gonna keep needling GOED, but that's okay.

So I understand. So I would say if you did go through a regulation and you come through, be prepared to explain why and how and all that kinda stuff, and what the implications are gonna be by expanding that and everything, because it's a process that's there—I recognize that—but you also know that, you know, it shouldn't just be as open-ended as it possibly could be if we're not looking at it closely. So I would say, be prepared if it does come through a regulation. And you know that already.

Senator Neal:
So it's in the same section on section 21. On the condition for the 10 percent where if the State's in a 10 percent shortfall, do you have any kind of history of when that has ever happened before? How did you come to that number? I mean, know I heard that you based it off of this 5 percent for the State, but how did you just pull 10 percent out of the universe?

Mr. Walker:
This is the number that was suggested through negotiations with the Governor, legislative leadership, and other stakeholders. This is not something that was picked by Howard Hughes alone. In terms of when these conditions may exist, a 10 percent revenue shortfall is a very significant shortfall, and so it would be along the lines of a Great Recession or a Great Depression or an extended COVID event absent federal support. Those are my understandings of recent examples of what that would look like. But certainly … I apologize for the long answer … but certainly, they are conditions that would lead to a call of a special session. And this is exactly what that's intended to do: is help the State manage the cash flow until it can get into a special or regular session to deal with whatever economic crisis is happening.

Mr. Nakamoto:
I'm gonna take off my chief principal deputy fiscal analyst hat and put on my staff to the Economic Forum hat. In going back and looking just when the bill was introduced, I was curious to see when these conditions … that is, if actual revenues were below the Economic Forum's forecast by 10 percent in a fiscal year. It's only happened once since the outset of the Economic Forum, and that was in FY 2009 when, I believe, the actual revenues for FY 2009 compared to the May 1, 2007, Economic Forum were approximately 39.1 percent short. So I was actually surprised that it was only that one time because it wouldn't have even triggered during COVID. So that is the only time where that has occurred.

Chair Dondero Loop:
Alright, what we're going to is we are going to do a little bit of a transition. We are going to finish this presentation; we are going to go into a quick work session because we need to get a bill moving. And then we are going to do opposition; we will have a presentation from the opposition, and then we will go into public testimony. So hang tight while we get our papers for Senate Bill (S.B.) 8.

SENATE BILL 8: Revises provisions relating to employment. (BDR 53-35)

Mr. Thorley:
I'll be walking the committee through a quick work session on S.B. 8. This bill was heard yesterday in this committee, presented by Paul Moradkhan with the Vegas Chamber, Paul Trimmer with the Nevada Resort Association, and Virginia Valentine, also with the Nevada Resort Association.

There is a proposed amendment (Exhibit D) that has just been handed out to you all and also will be shortly uploaded to the committee website. This proposed conceptual amendment would amend section 3 of the bill and the language would indicate that, "the amendatory provisions of this act apply to any action or proceeding pending on the date of or commencement [commenced] after this act's passage and approval, including, without limitation, such an action or proceeding where an act, omission or underlying event giving rise to the action or proceeding occurred prior to its passage."

That's the only amendment, and happy to answer any questions that the committee members might have.

Chair Dondero Loop:
Alright, are there any questions from the committee? Okay, seeing none, I'll accept a motion.

> SENATOR CANNIZZARO MOVED TO AMEND AND DO PASS AS AMENDED S.B. 8.
>
> SENATOR NGUYEN SECONDED THE MOTION.

Any discussion on the motion?

Senator Daly:
Well, based on the fact that we were looking for other protections for labor, if we adopt the Portal-to-Portal Act without any other amendatory provisions to protect workers, workers will have fewer and less protections than they have now under the statute. People are gonna argue back and forth and say, "No, they're not; it was the status quo." It wasn't. People believed that they had certain protections, and they didn't. I understand that their belief doesn't make it a fact. Bottom line is, without the other amendment that was proposed to talk about under direction and control of the employer, that that is compensable time, without that provision, workers will suffer in this State.

When we get this thing to the other side, everybody in labor … if the AFL-CIO can't pull their head out and try to get something done on the other side, we need to go from there. But, in accordance with this amendment that we have here, just so people understand, that workers who legitimately put in and have rights under a lawsuit for activity or actions that happened prior to the decision that caused this, are now going to be denied their ability to take their action to court and get an adjudication for something that happened before there was a decision that brought this bill forward.

So I think taking people's right to go to court away for an action at that juncture after it's already been taken is wrong. I understand in what the federal government did when they instituted the Portal-to-Portal Act, it gave relief for people for something they may have done prior to the date it was enacted. And that's what the original amendment would have done—would only have that on a case after that decision. This goes back to cases, and several of them go back to 2024, because I asked, even though I was told it was all happened recently. Some of them go back to 2024, where there was a cause of action for a violation of potential law that's in proceedings now that this will kill—deny most people the right to their potential backpay that they legitimately may have deserved—and it's gone now. That's why I can't support this measure at all. Two prongs ... can't take people's right to go to court away, and it doesn't add protections to workers who will be damaged and have less protections without an amendment to the Portal-to-Portal Act.

THE MOTION CARRIED. (SENATOR DALY VOTED NO.)

* * * * *

Chair Dondero Loop:
We will now move back into our Senate bill hearing and we will hear from opposition.

Kaylyn Kardavani, New Day Nevada:
New Day Nevada, members of our revenue coalition, and other groups oppose S.B. [A.B.] 5. Fiscal staff and many experts have testified that this proposal will definitively reduce the State's General Fund to critical levels. To support S.B. [A.B.] 5, we are being asked to suspend our disbelief that this doesn't affect Nevadans now. Delaying the impact of this bill doesn't make our problems go away. The work of our proponents is admirable, but as the home of the revenue coalition, New Day Nevada is all too aware of how stretched thin the many critical services that serve our communities are now. Giving away our General Fund dollars to multi-billion-dollar corporations ultimately takes away our ability to fully fund a Pre-K program, fund teacher raises, ensure a sound and stable fund for feeding our hungry, and so much more. These numbers do matter. The

people who are affected by the loss of services matter. State employees matter, teachers matter. The consequences of passing this giveaway are unavoidable. Future legislatures will have to either cut essential services or raise taxes to backfill the hole this creates. There is no third option.

With that, we have several people here to testify on our side and present. We will have Michael Brown from The Lincy Institute who is on Zoom. Followed by Michael will be Maggie Babb from WEA [Washoe Education Association], who is here next to me, and then Nalani Page who is from AFSCME Local, and last, John Tsarpalas with Nevada Policy down south, who should be coming to the table soon. After that, we are happy to answer any questions.

Michael Brown, Fellow, The Lincy Institute:
I have been looking on and off at this issue for three years; it actually goes back to when I was economic development director. I can remember when we first were kicking this idea around, and my staff came in and said, "Well, you know, this is an interesting idea, of course it'll take a billion dollars out of the State General Fund." And I was like, well, how could this be? I mean, I'd toured many movie studios, and I thought, well, this can't be.

And, you know, it continued, that analysis, I continued that study; and then it ended up, we lost the election, I didn't continue in that position. Came back to Lincy, and this issue was still percolating in Nevada. And so I opened up a research file on it, really, just to collect as much information on this issue as I possibly could to provide the policy makers in my new role as an academic. And eventually, I consolidated all of that.

In this course of this, I reviewed 22 peer-reviewed articles, 39 white papers, 16 legislative audits, read 3 books, talked to the top 3 economists on this in the nation, along with about 20 other people that I knew in Washington, D.C. and Hollywood about film tax credits. I also became a regular reader of *Variety*, *Hollywood [Magazine]*, *Deadline*, and investor relations materials for the studios. As I attempted to look at the economics, fiscal returns, the job numbers, and what the industry's outlook looked like … and then I also accelerated that and added, you know, what does it do for tourism and what about these claims that it's recession-proof? And that eventually turned into this paper (Exhibit E) that I issued about two weeks ago for the benefit of Legislators.

I've researched a lot of issues in life, and I have found issues where it's kind of

50:50, maybe 60:40. I've never encountered an issue where it is nearly the universal consensus of the experts in the field that film tax credits do not deliver the jobs, the fiscal return, they're not recession proof, they don't boost tourism. And yet, I was astounded by all these findings, and I've just tried to put it together. Now, I am not a lobbyist, I am not an advocate, I am not being paid to be here; this is my research. My views are not those of the University, or the Nevada System of Higher Education. I am in this role to simply provide advice.

If we look at the industry, this industry's motto last year was, "survive 'til '25." Today, the motto of that industry is, "exist until '26." This is an industry of massive transformation, I mean, massive transformation. What we thought was true in '22, in '23, this industry made a major shift—audiences departed, streaming services fell, streaming viewers fell, they signed a new writer's agreement, they started to move abroad. The industry that existed just three years ago doesn't exist today. Now we're seeing massive consolidation, we've seen the merger of Paramount, we now see Warner in play, the previous chairman of Sony Pictures said that at an investment conference, he was expecting about 18 months to 2 years of payouts in the industry emergents and acquisitions. If you're looking for stability, if you're looking for sustainability, I don't believe you'd find it here. We're in a renaissance in manufacturing and logistics. Investing in an industrial park on the southern part of Las Vegas, I believe, would actually bring the sustainability and the jobs that you're looking for.

So then I looked at the film industry itself and the claims. And the Federal Reserve Bank of Boston did the first big study on film tax credits, and they found that—they coined the term that this was a "footloose industry,"—that there were all sorts of people that would come in and out of that, that it was agglomerated in New York and Hollywood, and that it was very nomadic, and people would travel to it. And consequently, conventional economic development analysis really didn't show that it created the jobs or supported the economy in the way it did. And that has been proven over and over and over again, in all the studies that I've presented here, Exhibit E. I also looked at audits in 16 different states, and every audit was showing that returns to their General Fund—and I've always just focused on the General Fund—I mean, we lose roughly 50 cents out of the shoot on this proposal to begin with. But the General Fund in my estimation in looking at it, only recovers about 10 cents for every 90 cents you put forward.

The other states, when they've evaluated these programs and conducted these audits, they have looked at their General Fund return, and the states where you have the agglomeration like New York, like Hollywood itself, you see a little higher return. In other states, though, you're really looking at General Fund returns at 8 cents, 10 cents, 12 cents, 15 cents, 20 cents. GOED had Applied Economics do a study last year on this, and they came up with 23 cents. I took the Applied Economics study and I compared it to the audit from Georgia, and it pretty well aligned. So I think what the GOED folks came up with Applied Economics is probably pretty accurate.

This would be the largest program in any state without an income tax, so I would encourage you to ponder that. The states that do this have the luxury of recovering perhaps through induced benefits from income taxes. Now, I don't believe you've also received all the information you need to be provided on this. You haven't been provided with the above line jobs are, which is the talent, the producers; you haven't been provided with the estimate of below line jobs are. What's been discovered by the folks that have looked at this is generally, the jobs that end up in the locality tend to be part-time, they tend to be catering, they tend to be security, because in this nomadic, footloose industry, the cinematographers and those folks, they move in and out and they move around the country. Making a movie is extraordinarily expensive and it's very high risk. This industry figured out 20 years back that they could get states to kind of kick in some funds on this, that they could help subsidize the production of these films. And many states have gone that way.

I thought we created a nice program that fit Nevada well. I think, actually, the provisions in here that enhance the existing program are actually very good. But when you start to scale it top this level … and I tried to run numbers myself … the material that Mr. Hobbs presented wasn't in NELIS [Nevada Electronic Legislative Information System] when I looked last night. But when I looked at it last May, I calculated that the General Fund would recover—of $1.4 billion dollars put into this—would recover only $141 million, meaning that over the course of the 15-year program, we would be looking at a loss to the General Fund of almost $1.3 billion over the course of the program. Made me wonder how Nevada could afford that.

So I've presented this research, I've tried to be as well documented as I can. I've provided every resource, I've talked to the three leading professors on this, and like I say, I've not been able to affirm the claims of job creation, claims of economic activity. When I looked at this claim that it's recession proof, this actually dates to the 1930s, and it is kind of a myth that is perpetuated in Hollywood. It was really the invention of talkies that kind of drove people into the theaters. There's an excellent academic paper that documents that. I looked at tourism, and yes, site tourism, location tourism, it does exist. I went to see the Shawshank prison. I was there for maybe ten minutes, and then I got in my car and I drove on, now when I was in Mansfield, Ohio earlier this year. But studios themselves, they don't, and there's a very good book came out of Australia that documents that it's really location if there's any tourism attracted to it; it's not actually the studios.

Anyway, my job these days, my 30 years in Nevada, is to try to give unbiased, thoughtful advice on issues of interest to public policy makers. I'd be glad to answer some questions on this and turn to some of the other folks on the panel here who will also present their views.

Maggie Babb, Teacher, Washoe County School District (WCSD):
I've been a second grade teacher in WCSD for ten years, and I'm here asking you to oppose A.B. 5. I love what I do. There is nothing like seeing a student's face light up when they finally understand the new math strategy, or when a reluctant reader discovers a book that they can't put down, I chose this career because I believe education changes lives, and because I believe that Nevada's children deserve the same chance that every other child in America has.

Like many educators I know, I don't stop caring when the bell rings. I spend hundreds of dollars of my own money every year on pencils, snacks, glue-sticks, prizes that motivate my students. None of this is a requirement. I'm not required to do it, but I do it because my kids need it, and because I want my classroom to be a place where every child feels seen and supported. And I'm not complaining. I know teaching wouldn't make me rich. But it's hard not to notice when teachers in other states like New Mexico, Colorado, and even Utah are earning more than we do here.

I have stayed in Nevada because I love it here, and these are our kids. That's why in 2022 I supported the ballot measure to increase the gaming tax for education. I also supported the increase in the mining education tax. It's why just earlier this year, I supported A.J.R. [No.] 1 [of the 83rd Session]. Those measures were about fairness. Some were asking about profitable industries to invest back into our schools and our children, and some we are part of the plan set forth by the commission on school funding. We were told that those revenues would strengthen education funding, reduce class sizes, and give students more support.

Now, I'm hearing that the Senate may give hundreds of millions of dollars in transferable film tax credits to build a movie studio. These credits will come from the same pot of General Fund money that supports my classroom. And if you take money away from that fund, you limit the State's ability to hire and retain educators like me. It's disheartening the same dollars we fought to direct toward education are now being offered to large film corporations. I don't begrudge anyone trying to create jobs or build new industries, but I can't help wondering how we can afford to fund a movie studio when so many of our classrooms still lack basic resources. You've heard it said plenty of times: we are near the bottom in education funding with the largest class sizes in the country, and this effort is not going to help that situation.

If the goal is long-term, economic growth, I understand that argument, but my students can't wait for the long term. They need help now. My second graders won't be in school 15 years from now when this hypothetical economic benefits might appear. They'll be out in the world, and their opportunities will depend on what we invest in them today. Education is the economic development that we need. I'm not here out of self-interest. I'm of course going to keep teaching, no matter what happens to this bill.

But I'm here because I see every day what underfunded classrooms look like. You have bright children sharing out of worn-out textbooks, teachers juggling 40 students, schools struggling to hire aides or counselors, or keep teachers on. So please don't take money meant for our kids and redirect it to corporate tax credits. Nevada's future does not depend on whether we can host a film studio. It depends on whether we can teach a child to read.

Nalani Page, AFSCME:
I'm a Fallon native and current resident. I come from an extensive line of state, federal, and DOD. [U.S. Department of Defense] workers. Protecting and helping those in need is a deeply rooted core value. I worked for the State of Nevada for 11 years. I am an eligibility worker, and I work in the Claims Division for the Division of Social Services, where I get to help Nevadans apply for SNAP [Supplemental Nutrition Assistance Program], Medicaid, and TANF [Temporary Assistance for Needy Families], and other assistance programs that are in

critical need.

I am here today as an AFSCME [American Federation of State, County and Municipal Employees] member and a Nevadan who cares deeply about how we use our limited dollars in the General Fund. I'm respectfully opposing A.B. 5, the proposal to give billions of dollars in transferable film tax credits to out-of-state corporations and real estate billionaires. I also oppose removing precious state funds that appears to only serve Las Vegas when so many of our rural communities are significantly underfunded.

In 2009, when Nevada's economy collapsed, many state workers furloughed to help close the budget gap. For years, our paychecks were smaller, and our work continued. It wasn't the Legislator that generally ended the furloughs; it was our union AFSCME, who said enough was enough fought to end a three-session era of furloughs.

At every economic downturn, the General Fund is put under enormous pressure. Every dollar is scrutinized. Reducing expenditures becomes the preferred solution to a balanced budget. Ultimately, reducing expenditures means the hardworking, unionized state employees like me receive reduced wages and lose our job security. State workers are always the first to make sacrifices and followed by the programs that we provide to keep our communities healthy and strong.

State employees like me finally won the right to collectively bargain only a few years ago. For the first time, we can sit across the table to advocate for fair pay, better training, manageable caseloads. But those negotiations don't happen in a vacuum. They depend on the General Fund revenues, the very revenues that you are giving away to film studios and real estate companies. When the Legislator commits future General Fund dollars to corporate tax credits that can be sold or traded, it limits the State's economic flexibility. It makes it harder to invest in the very people who keep our communities running, including state employees who process applications, staff health clinics, maintain roads, and keep schools safe.

I'm not against the arts or film, but I'm against picking winners and losers when it comes to public dollars. Nevada shouldn't tell a Hollywood studio that it deserves a tax break while telling our own employees we can't afford to pay them for the work we do. When the next economic downturn comes, because it always does, it will inevitably be the state employees that are forced to make the first sacrifices. Those of us Nevadans that serve the public are always required to sacrifice our own financial security to remain public servants.

John Tsarpalas, President, Nevada Policy Research Institute:
As the bill sponsors and proponents paint the picture, a film tax incentive sounds like a glamorous investment—job creation, tourism and economic diversification. But the reality proven by decades of data from over 30 states with film tax credits tells a dramatically different story. Let's consider four major reasons why this is already a risky and outdated choice for Nevadans.

One: an uncertain future for the film industry in the age of artificial intelligence. This year, for the first time Coca-Cola produced its famous Christmas ad entirely using artificial intelligence, cutting its production time from one year to one month. This is not an isolated case, but a sign of rapid transformation in the entertainment industry. Many creative and technical jobs that film tax incentives are designed to attract are evolving or disappearing altogether with studios resorting to major layoffs, mergers, and acquisitions. Giving a long-term subsidy in a rapidly changing industry in a very high-risk investment.

Two: weak in-state employment guarantees. Even under this proposal, productions only need to employ 50 percent of Nevada residents to qualify, despite the leading calculation method. Failure to meet this threshold results in a mere 5 percent tax credit reduction. The result can be big spending with little benefits for Nevadans.

Three: overstated tourism benefits. Although a major part of the promise lies in increased tourism activity, this is a questionable projection in a state already built on entertainment. Will this program generate new tourism or merely divert it? Instead of going to Cirque Du Soleil or the Sphere, visitors may just go to a studio tour instead. That doesn’t bring us new revenue, just spreads it out.

Four: investment in higher ed. No guarantees that UNLV students will be employed in Nevada after completing the degree, and no guarantee that a studio will be necessary 10 or 15 years from now. These concerns should give pause. What truly paints the picture is the data from states showing the never-materialized returns.

Across the country the pattern is the same: film tax credits fail to generate positive returns. Georgia, one of the most aggressive players in film incentive races, found that its tax credit program returns just 19 cents to the state for every dollar spent. The state audit revealed that 92 percent of Georgia's film industry exists solely because of the subsidy, meaning it is not sustainable, but one entirely dependent on taxpayer funding and continued funding. If the subsidy ends, that industry leaves.

California, despite being the center of global filmmaking, the same problem still exists. A recent analysis from the California Legislative Analyst Office found the state is largely responsible for the majority of motion picture jobs in the nation. This does not get a positive fiscal return to the state. With realistic assumptions applied, the California return drops to 20 to 50 cents in revenue for every dollar of credit.

Connecticut had one of the clearest fiscal pictures: from 2007 to 2023, the state lost $900 million in net revenue due to its film credit program, averaging more than $60 million per year in lawsuits. In its 2024 annual report, the state confirmed that recent years still show negative returns. The pattern continues in in New York, which expanded its program to $700 million annually. It receives about 15 cents in direct tax revenue and 31 cents total when counting all possible sources. In West Virginia, nearly $21 million in wages went to nonresidents, and because 85 percent of all credits were sold, which could happen here, rather than being used directly, West Virginia taxpayers ended up subsidizing profits for other industries through resale markets often at 90 cents on a dollar.

Pennsylvania shows the same story: 95 percent of tax credits are sold or transferred because film companies lack enough tax liability to use them. On average, sellers get 93 to 94 cents per dollar, losing about 6 or 7 percent of the taxpayer's money in that transaction. And about 40 percent of total film spending flows out of state, mostly in salaries to nonresident actors and crew.

Proponents claim that $1.6 billion taxpayer-funded subsidy will make Nevada a new film hub. The evidence from over 30 states says otherwise. States with far more developed infrastructures and workforce pipelines are losing money, despite years of subsidy. Film jobs are temporary, imported, and subsidized by local taxpayers.

One of Nevada's already existing film tax credits, according to the Nevada

Independent, almost all of Nevada's existing film tax credits are not being used by film companies. Instead, they're sold off, often to gaming corporations or other industries looking for tax relief. Nevada has always been smart about risks and real rewards. This is not one of them. They have draped many options to this bill, but the bottom line is, what do we get back from the movie industry? And we've heard reports maybe we get back $380 million of the $1.6 billion they are asking for? Why is Nevada Policy, a libertarian conservative research organization, presenting this research with liberal progressive groups? Because all sides know that this is crony capitalism at its worst. You're giving billion-dollar corporations at least $1.2 billion in subsidies.

Let's be clear, this is money that is going to go to the bottom line of the Howard Hughes Corporation or whatever they call themselves, Walker, the Warner Brothers Corporation, and Sony. Those are the three partners that are asking for this gift, because we're not going to get it back. Left or right, Democrat, Republican, Independent—this only helps a few insiders. What of the other 3.2 million Nevadans that this does nothing to improve their lives? What about funding education, affordable housing, dealing with homelessness, mental health, fixing our water crisis? We have so many urgent problems and we're putting money into these three large corporations. Do what's right for the people of Nevada. Vote no on A.B. 5.

Ms. Kardavani:
Thank you again for the opportunity to present our opposition, and I know it's a really hard decision to make that all of you have. It's complicated, and I appreciate how much work has gone into this and I appreciate you all spending the time with us this evening and giving us this time.

Senator Rogich:
This question is for Michael Brown. Could you please discuss how the absence of a personal income tax in Nevada would affect the State's ability to offset the State's loss of $1.3 billion over the course of the program?

Mr. Brown:
GOED, when it makes decisions about economic development, it's decision making on direct and indirect benefits, because those are fairly measurable. Frankly, the application for a GOED abatement would require far, far more detail than anything that the Legislature has been provided on this proposal. But when you get into this area of induced benefits—and that's where the money is

moving around the system and supposed to be providing enrichment to everyone in the community—we don't have an income tax in this State. And so there's actually no way to recover that.

The other thing that happens in the states that do have film tax credits is the talent, particularly the expensive talent that is there, if they're working for a period of time in Georgia, or they're working in a period of time in New Jersey or Louisiana, they end up being captive of that income tax system for the time that they spend in those states. And I understand this also occurs with sports athletes. You know, we don't have that here, so that that opportunity for recapture doesn't exist.

Senator Neal:
So I just have a question to Mr. Brown. I was so surprised to see you because you're the former director of GOED. I'll just ask this question: What is your opinion on the multiplier that's been presented in the presentation? Do you think those multipliers are accurate in those assumptions?

Mr. Brown:
I would refer you back to the independent analysis that GOED prepared by Applied Economics, that's the firm that GOED always turned to for independent assessments of these kinds of matters. And as I recall, what they found is that the … you know, much of the job creation in this proposal is actually at the office park and in the retail part; it's actually not at the film studio. And they could not align the output per worker with the national average for that kind of office space and that would be in there.

I don't have an opinion on multipliers. I will tell you from my life experience, particularly dealing in other countries, I have always tried to be extraordinarily conservative about using any kind of multipliers.

Chair Dondero Loop:
Additional questions from the committee? All right, seeing none, we are going to go to support and opposition and neutral.

William Horne, Goodwill of Southern Nevada:
Goodwill of Southern Nevada is a nonprofit. As many of you know, or are most familiar with, they have a lot of gently used, secondhand stores throughout the valley. You recognize their bins. But what a lot of people don't know, and

we've been educating over the years, is they also provide training programs—nursing assistants, CNAs, and stagehand training. And particularly for this bill, the stagehand training is important.

Goodwill has the ability, and they currently do, they do the stagehands training and they put workers into the field throughout Southern Nevada with the skills that can be readily taught in a quick fashion. Also, these modules are easily modified by the industries of which need those skills. So if the studio were to come to open up in Las Vegas and need certain skills that the stagehands could do, Goodwill would be able to modify those trainings and be able to get workers on jobsites relatively quickly. And so for that reason, Goodwill stands in support of A.B. 5.

Thomas Morley, Laborers' Union Local 872; Laborers' Union Local 169; Southern Nevada Teamsters Unions:
Earlier Senate Majority Leader asked a question in regards to hotel operations and collective bargaining. I can assure you that I represent Teamsters Local 986. It was a pleasure working with Mr. Walker and the Howard Hughes Corporation and securing an LOI [Letter of Intent]. And this is a jobs bill, not just for the construction industry, but for the service industry as well. We support the jobs, we support economic development, and the diversity of economic development we feel is a necessity to Nevada, and I urge your support.

Phil Jaynes, President, IATSE Local 720:
Just want to mention before I go into my prepared remarks, the gentleman earlier from Las Vegas said that there are 30 states that are doing these programs. There's a reason 30 states are doing these programs is because they add value to the state economy, they add value to the state workers. It's not 30 states that are getting duped into an economic, you know, machination; they figured it out and they're doing it and they're continuing to update their systems.

A.B. 5 is not about jobs; it's about careers. Careers that provide workers and entertainment industry with stability, portable health care, retirement benefits and great pay. *Stranger Things*, *Ozark*, *The Walking Dead,* all the spinoffs of *The Walking Dead*, were shot in Georgia. Before Georgia had their film program, they were not having any programs, episodes shot like that in Georgia.

Breaking Bad, *Better Call Saul*, *Pluribus,* and *The Cleaning Lady* were shot in

New Mexico. The producers of those shows didn't choose the locations because of the storylines. Interesting fact, *The Cleaning Lady* takes place or is set in Las Vegas, shot in New Mexico. They choose these locations because of tax incentives. And guess what? The people I talked to in those states are very happy that their states passed tax incentives programs. You can't put a dollar amount or an ROI [return on investment] on a value of a career. Careers hold families together, put kids through school, and create strong, diverse communities that thrive within a very welcoming entertainment industry. And for those reasons, I strongly support A.B. 5.

Edward Goodrich, Political Director, IATSE Stagehands, Reno:
We are probably the one group that was most effective in the past six months as this bill reformed. However, we still support it strongly. This has become more of an economic development bill, an investment in a new industry. It's important. It's an investment in an industry that will eventually make us money. We are confident that the industry will come unto us and we will be able to grow organically from your investment in Las Vegas. That's basically it. It's coming, and it'll be a good thing. By the way, I have been here since 1982. I am not a native Nevadan, however, I am neither a transient.

Danny Thompson, Operating Engineers Local 3 and Local 12; IBEW Local 396 and Local 1245; Laborers' Union Local 872; Southern Nevada Chapter NECA:
You know, my whole life, everyone has talked about diversifying our economy in Nevada, and we have made some progress on that, but nothing that would compare to this. This will be a quantum leap in diversifying our economy away from a single industry, because we all know what happens when that industry is negatively affected.

This bill will create 19,000 construction jobs and 18,000 careers. Those jobs aren't jobs; those jobs in this industry are careers. Those are jobs that won't need a Medicaid and won't be on public assistance. And today, Nevada has the third-highest unemployment in the nation, and it's getting worse every day. And so if you want to help all three of these problems, pass this bill, because it will certainly do that. We urge your support.

Greg Esposito, Plumbers and Pipefitters Local 525:
Some of you have had the opportunity to tour our training center, which has two different apprenticeship programs—one is for construction, and one is for

long-term service and maintenance. When, in early 2024, Matt Walker with the Hughes Corporation came and spoke to us about this project, and I turned the conversation toward long-term service and maintenance for HVAC apprentices. And we started enthusiastically talking about the complex systems in these studios where air conditioning has to run silent, or else it'll affect the audio of whatever it is they're recording.

And so very exciting conversations about the technology, about new things that these apprentices can, as Mr. Jaynes said previously, build their careers on. As you know, I was very interested in the long-term service and maintenance during the regular session. We've come to an agreement now, as he mentioned during his testimony, that this will be something that people can be employed at long term, earn pensions and health care long term, and hopefully retire from.

And so, first of all, thank you very much for the time you've spent this week and weekend, these long nights. I appreciate your service and those of state staff, and we urge your support for this bill.

Aesha Goins, Service Employees International Union (SEIU):
SEIU thanks EST [Executive Secretary-Treasurer] Vince Saavedra, and Assemblywoman Monroe-Moreno for understanding the importance of ensuring that the nurses and ancillary workers who will be serving the workers on site and at the studio receive the best health care possible, and that is only possible with union nurses and union ancillary workers. On behalf of our 10,000 health care workers and 14,000 home care workers that represent the largest health care and public sector union in Nevada, we thank you for your time, President Michelle Maese and Executive Director Sam Shaw.

Rick McCann, Nevada Association of Public Safety Officers; Nevada Law Enforcement Coalition:
In the interest of time, I will simply say on behalf of our statewide law enforcement communities, we support A.B. 5, and we encourage this community to do the same.

Mark Anderegg, Operating Engineers Local 12:
I am a 40-year resident of Las Vegas, Nevada, and a union rep for our Local 12 Operating Engineers in Southern Nevada. I strongly urge you guys to support this bill, and I do, too.

Keith Welch, Business Agent, UA Local Union 669, Road Sprinkler Fitters:
I am the business agent of UA Local 669 Fire Sprinklers. I was raised on the east side of Las Vegas. Where I lived, life wasn't easy, and it was hard to see a clear path forward. But one thing I did have was a union foundation. My mom and dad were divorced, my mom managed to raise three boys off of her union, Local 226. My dad is retired Local 12 Operating Engineers.

I grew up knowing that the union work could change a person's life. Even if I didn't always believe that that could be mine. I took some hard turns. I ended up in places most people didn't like to talk about. And for a long time, I didn't think I would ever get another chance. But when I was released and came home, I had the opportunity to join UA Local 669 Fire Sprinkler Fitters, and that decision changed everything.

My union gave me my purpose, stability, and a chance to build a life and I'm proud of it. I bought my first home, I was able to give my wife a beautiful wedding, and now I get to raise two beautiful kids together in a stable home. All because I got a second chance and I owe that to my union. That's why I am here supporting A.B. 5. This bill brings real, year-round jobs to Nevada; jobs that stay local, pay well, and create opportunities for people who just need a shot, just like I did. It invests in our young people, strengthens our schools and puts union labor, local hiring, and training at the center. We talk a lot about diversifying our economy. This bill actually does it, and it opens the door for thousands of Nevadans to build the kind of life that I was lucky enough to rebuild.

Francisco Morales, Latin Chamber of Commerce:
I'm here on behalf of Peter Guzman in the Latin Chamber of Commerce in support of this bill. The Latin Chamber of Commerce is celebrating our fiftieth anniversary this year, and for half a century we focused on supporting policies that ensure the economic success of our small businesses and our families. Our guiding principle is simple—we support good policies that put Nevadans to work and this bill does just that. But it's more than just development. It's an investment in our workforce and our future by creating thousands of high-paying, good jobs—jobs that we desperately need right now in Nevada. Let's pass A.B. 5 so that we can get shovels in the ground right away and put our families and Nevadans to work right away. Thank you and we urge your support.

Robert Diaz, Sheet Metal, Air, Rail and Transportation Workers (SMART) Local 88:

I am coming to you as Robert Diaz, the sheet metal worker, dues-carrying member. I want you to understand that the testimony I'm presenting is because I am a member, not a hired gun. In a building that hires people to do a lot of the talking for them and make the numbers add any way they needed to, we just wanna go to work. Sheet metal workers, construction workers do our math on Friday, and if that math adds up to zero, we're in trouble. Jobs like this are important to our community because without them, we don't feed our families.

I think it's important to remember—as most of you have traveled through Nevada, coming here to Vegas back and forth, what have you—we're a state mostly of ghost towns. If we don't be careful, and keep relying on the gaming industry, knowing that there's four other states right now considering adding casinos to their market and portfolio, then we will let ourselves die if we don't continue to diversify.

Cristian Cespedes, International Union of Painters and Allied Trades (IUPAT), District Council 16 Local 159:

I'm an organizer for District Council 16, Local 159, Las Vegas Painters and Allied Trades Union. I'm here today to express my strong support on A.B. 5. We are a workforce tied to the casino industry where we experience big booms of workflow by long periods, but sometimes we have little to no work at all. When these jobs slow down, many of our members are left struggling, or even forced to leave the State just to find steady work.

The film industry can fill that gap, providing steady year-round employment that keeps our members working, earning, and supporting their families without interruption. As an organizer, I'm tired of seeing this misclassification and work confused that is too far common in Las Vegas. Projects like this can set the standard for how things should be done, creating fair jobs, protecting workers, and investing in our communities.

And when we talk about raising standards, we all know what works. Unions build infrastructure using project labor agreements, ensure skilled local workers are hired, and projects are completely safe for the workers in Nevada. They provide strong wages, benefits, and protections. This approach strengths the middle class and provides more opportunities for the next generation. I am proud to be part of East Las Vegas community where hardworking people like me want to see good jobs, growth, and opportunities here at home.

Chris O'Flaherty, IUPAT, District Council 16 Local 567:
I'm business representative for District Council 16, Northern Nevada. I am also a proud 18-year-old member of the Painters and Allied Trades Union Local 567. I'm here today in support of A.B. 5, and I stand with fellow brothers and sisters in Southern Nevada building trades. This bill will create numerous opportunities for individuals much like myself in this State, offering good paying union jobs. These jobs are critical for starting families, purchasing homes, and realizing the American dream that seems unattainable for many. I was fortunate enough to join an apprenticeship program that led me to achieve this dream.

A.B. 5 will create these apprenticeship opportunities for the next generation of Nevadans just like me to pursue their own dreams. Beyond the construction jobs created by this bill, it also presents many more opportunities such as a new industry that will emerge within the State. We need to diversify our industries in this State, as we are heavily dependent on tourism and mining. As a proud native Nevadan, I thank you for your time and urge you to pass this bill.

Karik Petlansky, IUPAT, District Council 16 Local 159:
I am an organizer, District Council 16, member of Painters Union Local 159. As someone who has been a Nevada resident for more than 20 years, and has spent my career in the construction industry, I know firsthand what stability and opportunity mean for working families. This bill would create jobs for workers across multiple trades, crafts, and backgrounds. By creating 19,000 construction jobs and 18,000 permanent jobs, it provides the stability Nevada needs and generational work for us blue collar workers to provide for our families. This bill creates a future that expands opportunities for our kids and our communities—a future where the jobs we build will stay here.

Sy Naoum, Laborers' Union Local 872:
I come to you as a Nevada worker. I appreciate you allowing us to address you this evening. I appreciate all the hours you have put in and the hard work you put in considering this bill. Again, this bill is a jobs bill. I come to you as an apprenticeship graduate. I did go through the apprenticeship program. I did learn the skills, and I was able to go out in the field and apply those skills as a journey worker. Again, to reiterate what some of the other people have said, this is a jobs bill. This is an unemployment situation. So I urge you, I implore you, to please support this bill.

Howard Hughes has made the commitment to our State, Sony Studios has made the commitment to our State, and Warner Brothers has made the commitment to our State, so I urge you all to make the commitment to Nevadans. Get us off SNAP, get us back to work, and we'll definitely be grateful.

Ms. Spurgeon:
I am the Director of Film Nevada, a Division of the Governor's Office of Economic Development (GOED), and I'm here today to offer my support of A.B. 5. Prior to my role as director, I was the incentive program manager. For the past 11 years, it has been my responsibility to administer Nevada's current film incentive program, ensuring each qualified production approved to participate in the program meets the laws and regulations established by this body, and also following the changes and trends in incentive programs throughout the U.S. and worldwide.

One thing that sets this bill apart from other programs is the required investment in infrastructure. Tying a film-incentive program to an infrastructure project is a relatively new concept and it ensures that long-term investment is prioritized over short-term spending. A strong infrastructure base creates the ability to maintain consistent, high-quality productions that sustain a workforce and local spending, not one-off projects that create only a temporary benefit.

Another aspect unique to this proposal is that it requires a minimum amount of qualified production spend each year. It's a requirement that I have not seen in any other program. While most tax incentives establish a program and wait for the business to come to them, hoping that the ancillary services and additional spending will eventually come as well, this is a true public-private partnership that not only has minimum spending benchmarks, but also implements penalties if those benchmarks are not met. This creates a guaranteed economic impact, the likes of which I've never seen before.

And perhaps most importantly, this bill requires an investment in Nevada jobs. These jobs are accessible. Almost anyone can start as a production assistant and work their way up. These jobs are diverse. The wide array of departments on a film set including construction, art, lighting, camera, sound, wardrobe, hair and makeup, transportation, accounting—the list goes on—means that almost any skillset can find a job on a film crew. These jobs also provide opportunity. Not every industry has the ability to train folks from any socioeconomic background, including low income, underrepresented, the formerly incarcerated, into six-figure careers that are not just financially beneficial, but also personally rewarding.

Recent editorials have cited studies criticizing film incentive programs, but what some of them have failed to acknowledge is how this bill has mitigated those risks by requiring a $1.8 billion private investment in infrastructure, adding a minimum annual production spend, ensuring millions of dollars flow through our local economy, requiring a minimum number of Nevada residents hired, and making a private investment in workforce training facilities and programs to ensure those Nevada residents are trained to work on those productions. With many of these benchmarks required before the State is liable to award any tax credits ensures that this is a forward-looking investment in assets in Nevada, in studios, in skilled workers, in new jobs, which can yield recurring economic activity for years to come. This creates a film tax credit program that is strategic, responsible, and beneficial for Nevada's residents and economy.

Ryan McInerney, Nevada State University (NSU):
I'm here on behalf of Nevada State University in support of this bill. Nevada State is a rapidly growing institution reaching a record 8,400 students this fall. Our visual media program alone has expanded by 50 percent over the past four years and now enrolls nearly 200 students. We are enthusiastic about connecting these talented students with future studio projects and enhancing our academic offerings to meet the demand of this innovative industry. I also want to highlight that NSU's core mission—preparing critical workforce roles like teachers—is supported by a robust early childhood education program, as well as an on-site, early-childhood education center. We appreciate the early childhood education framework outlined in this bill, and we stand ready to partner with CCSD to further develop pathways that support children and families in any way that we can.

Finally, I'd like to thank the bill's sponsors and the team behind this legislation for proactively including Nevada State in early conversations. We look forward to continuing this partnership and playing a key role in strengthening and growing Nevada's film industry workforce.

Lizette Guillen Collins, Nevada Partners:
I serve as the Executive Director and have been with Nevada Partners since 20 years ago. Since Nevada Partners was incepted in 1992, we've been serving

the historic west side and surrounding communities as a trusted backbone community nonprofit organization. Our work is really created around economic mobility, cradle-to-career for education, workforce development, housing entrepreneurship, and wraparound services. This film legislation is more than an economic proposal—it is a job bill, but it’s also a hope bill. Supporting the bill means supported families on the east side, the west side, across underserved and underrepresented communities, Southern Nevada, Northern Nevada—this is a community approach and really trying to build an ecosystem across the State. And I hear the hesitation around the separation, but this is a community approach, and we really want to hear from you, and also listen to your guidance on how this is going to best serve our community.

We are now no longer limiting to zip codes, income levels, or backgrounds. We spent decades preparing for a moment like this. We've received federal funding, state, and county partnership dollars. Now it’s an opportunity to be able to use these dollars and really truly do a return on investment. We've received educational dollars, training dollars, we've trained individuals, funds are already coming in to be able to build up these types of programs. Now, it’s an opportunity to actually get these individuals into high wage paying jobs.

The legislation brings creative industry into Nevada but also brings an education and workforce development fund that allows Nevada Partners to continue offering high-quality employment opportunities. Our campus already has a STEM center of excellence with career pathway programs. We collaborate with UNLV, Nevada State University, we've done work with UNR, and we really want to continue to do those efforts within the community. We have an entrepreneurship hub that’s been in partnership with UNLV, local SPDCs [Small Business Development Centers], local chambers; we are working with expanding our facility to include a youth empowerment center that already had some components of film production and sound production and also working with IATSE to see how they can also become subject matter experts in the film industry.

This bill doesn’t start something new; it really creates something that’s already been in motion. We are really looking to see how we can establish key partnerships and ensure readiness and impact. We have an MOU [Memorandum of Understanding] established at Summerlin Production Studio, securing the $8 million for our training center when the bill passes. We have a strong partnership commitment with the building trades through a project labor commitment. We're a strong partner of the Culinary Union, and other partners in the unions as well. And we have a cross-collaboration with over 50 sector multi-partners statewide.

As someone who grew up living on the west side and built my career in the historic west side, grew up on the east side, worked on the west side for 20 years—I say that because I am a product of our community—firsthand, it's shaped me, it's invested in me, and it's prepared me. And because of that, I know firsthand that our residents are talented, resilient, and ready for a meaningful opportunity.

Cameron C.H. Miller, President and CEO, Urban Chamber of Commerce:
I mean, I personally know firsthand the power of having a career in this industry and the weight of the decision you have before you as your former colleague. I often have too much to say in these two minutes, so I'm going to try to get through it all. But you already know I am the Las Vegas native who had to leave the State to pursue a film career. You know I provided well for my family, but I had to leave at a time when my children were in critical years of their life. And when I came back home, I brought the State's first workforce training and career exploration program to Nevada Partners. That's why I pushed for that training facility commitment, which helped set the foundation for the awesome expansion to the community benefits in this bill.

You should also know the non-infrastructure budget exists because I asked for it and worked with Senator Neal to carve it out in the original version of the bill. I'm grateful the bill sponsors have maintained it. We did that so small, local, independent producers have a path to participate, because that's where I come from and that's who I work hard for every day at the Urban Chamber: the small business. And let me be clear, this industry doesn't just touch production companies. It touches hundreds of small businesses—the barbers and hairstylists, caterers, florists, dry cleaners, electricians, plumbers, carpenters—all of these are Urban Chamber members. For many of them, one production can be months of revenue. This bill gives them a chance to grow higher and expand their businesses in a shifting economy.

Many of the studies and data being cited reflect the industry of yesterday. Yes, the industry is changing, but so is our economy. What we know for sure is people are not consuming less content. We're not becoming a less visual society. We are watching more than ever, just in a multitude of new ways. And yes, our government should always be concerned about the return on its investment. But the return that matters most is whether our households are becoming profitable, and whether we are lifting people out of poverty and off the margins. More revenue in the budget does that for everyone.

And this bill is doing that—it's adding, it's not taking away. It's adding billions in infrastructure investment. It's adding hundreds of millions in annual revenue. It's adding thousands of high-level, high-paying jobs. It adds workforce training, educational support, and new career paths. These are options for today's workers and the next generation of Nevadans. It adds real contracts for small businesses that keep our communities running, and hope for the displaced workers that will become entrepreneurs simply due to our changing work environments. Madam Chair, you said this is a winning weekend—UNLV got to win, UNR got a win—come on committee, let's round out the weekend by giving our entire State another win. Support A.B. 5.

Stacy Klippenstein, President, College of Southern Nevada (CSN):
On behalf of CSN, I am here to provide support of this bill, which will help diversify the economy and bring new film industry to Southern Nevada. Since 1971, the College of Southern Nevada has grown to become the fifth-largest college of this type in the country. Serving over 40,000 students, CSN is a multi-campus community college, with three main campuses as well as multi-sites and centers across the Las Vegas Valley. CSN is ready to help support this new film industry as we are proud of our videography and film program at the College of Southern Nevada, which constitutes the most state-of-the-art program of its kind in the region with close to 500 students currently majoring in programs within the film industry. These students are preparing for real jobs in the film industry.

CSN is the largest producer of college graduates in Southern Nevada pursuing jobs known in the film industry as below-the-line positions. Below-the-line positions are the skilled technicians and film industry practitioners who operate the cameras, design the sets, perfect the lighting, and edit the sound, among other things. Since 2014, students and our programs have been nominated for 123 student Emmy Awards. We have won a total of 68 student Emmy Awards, the largest number of student Emmy winners in the State and region. Our graduates work nationwide, and it would be wonderful if we could see more job opportunities for them to stay here in Southern Nevada.

This bill will present an exciting opportunity to support the early childhood education. CSN has a robust early childhood education program comprised of an associate's degree in early childhood education meant to transfer to our four-year partners, such as UNLV and NSU. CSN is proud of our Emmy Award film program and early childhood education programs, and we look forward to continuing to produce career-ready graduates, and we stand in support of A.B. 5.

Steven Dudley, Western States Regional Council of Carpenters:
We represent 6,000 carpenters in Southern Nevada, 2,000 carpenters in Northern Nevada. Carpenters we brought with us today built the building that we’re sitting in. Labor wants to build, but labor wants to build sustainability in local markets, diversity in local jobs, and accessibility for Nevada youth. We remember what COVID did to our state’s economy. All of our members were driving down the 215 and not passing another car on the ride home. You know what didn’t stop during COVID was filming TV shows and movies that kept everybody entertained while the world was crumbling around us.

This is moving the needle. This isn’t Formula One that comes into town every year and disturbs everything and leaves. This is focusing on Nevada. Nevada's halls of education want this, Nevada's labor markets want this. When you build in your community, you build confidence in your community. This bill, once approved, will change the economic landscape of Nevada, and Nevada cannot afford to allow this opportunity to pass. Carpenters in Nevada support A.B. 5.

Marco Rauda, Green Our Planet:
Green our Planet is a school garden hydroponics program with STEM-based curriculum. We are in over 400 schools in 16 out of 17 counties in Nevada. I want to thank the committee for listening to A.B. 5. The co-founder of Green Our Planet, Ciara Byrne, will be calling in, but I wanted to testify just in case she was not able to. The co-founder, Kim MacQuarrier, of Green Our Planet is a Las Vegas native and award-winning filmmaker and Kim and Ciara understand what a studio industry can bring to Nevada. The founders are also co-founders of Green Our Planet Studios who produced the STEM-based curriculum for Green Our Planet and are excited about the small studio provisions in the bill.

I am also here for my cousin who is a member of the Carpenters Union. And this bill will ensure that him and his union brothers will continue to receive work building a studio. Thank you for your time and your leadership.

Christofer Kimes, IUPAT, District Council 16:
I am with the District Council 16 of the IUPAT, that's the International Union of Painters and Allied Trades. We're the finishing union for Northern Nevada. I'm here today with my building trades brothers and sisters from all over Nevada, asking you to support this bill. I moved to Nevada 33 years ago, joined my union, was able to take advantage of the opportunity to end generational poverty and build a better life here for myself, my children, and now my grandchildren. I'm the first of my family to buy a home, first to be able to attend and graduate from college.

I truly believe this legislation is a game changer for our State and that the bill allows you the opportunity to provide to countless other families the same opportunities that have been provided to me. The bill provides thousands of good, stable, year-round jobs for Nevadans through the creation of 19,000 construction jobs and thousands of permanent jobs after the studio's completion. The bill's benefits reach deep into our communities as well, through a dedicated revenue stream for Pre-K education in the State, and strong provisions for training apprenticeship programs, and workforce development.

The commitment to union-built infrastructure using project labor agreements ensures quality and fair wages for the workers able to take advantage of the job opportunities that I mentioned. Ultimately, this bill helps build a diversified and modern economy that supports the next generation of Nevada workers build the future in which our kids and communities have more opportunities, a future where the jobs created here stay here, and where economic development is tied directly to the lives of working Nevadans. I urge you to vote yes on A.B. 5, because it's an investment in and for the working people of our State.

Alfonso Lopez, SMART Local 88:
I represent the Sheet Metal Workers and Air, Rail Transportation Workers on Local 88. I'm here to urge your support for A.B. 5, because like you've heard in earlier testimony, we're leading the nation in unemployment, and we've had members in our local, a couple hundred of them, that have been out of state for well over two years now. And that equals thousands of construction workers that have been working in different states for the past couple of years, once the Sphere, Resort World, and Fontainebleau all wound up at the same time. So these guys have been away from their families, trying to provide for themselves, but they're thankful we have those opportunities to work out of state, but it's time to bring them home, and hopefully you guys support A.B. 5 to get that

opportunity to bring everybody home.

Jimmy Schwarz, Ironworkers Local 433:
I'm proud to represent the men and women of the Ironworkers Local 433. Lots of questions have been posed this afternoon, mentioning things like meeting the minimum requirements for Nevada's … there's not a worker shortage, there's a job shortage. We need this bill so that we can fix that. We've got hundreds of members, like everybody else, out of work. You come on down for yourself. Meet our members that are sitting at the hall every day waiting on you to pass this so we can go to work. Just give us the opportunity. Vote yes. Put Nevada to work, bring Nevadans home.

Ann Barnett, CEO, Nevada Contractors Association:
We are in support of A.B. 5. The development of film infrastructure will not only diversify our state's economy, but also generate significant construction projects, benefiting our local contractors, suppliers, and provide thousands of great-paying jobs. Investing in workforce development and infrastructure aligns with our commitment to building a stronger economy. And we ask that you support A.B. 5.

Unidentified Testifier No. 1:
Yeah, hi. I don't have anything written up, but I'm just sitting here listening. Born, raised, bred, Nevadan … third generation Nevadan, family of miners, grew up in the casino industry. I know a lot about my State. I don't really get too involved in the local politics, but this one, this one irritates me. The State of Nevada already gave away $1.25 billion in tax incentives to Elon Musk for his gigafactory …

Chair Dondero Loop:
Ma'am. Ma'am. I didn't mean to interrupt you, but are you in opposition?

Unidentified Testifier No. 1:
Yeah, I am.

Chair Dondero Loop:
Can you hang on just a minute? We're in support right now.

Unidentified Testifier No. 1:
The only option for me to select was star 9. So I think the only option that you

guys provided wasn't support, but I'll wait.

Chair Dondero Loop:
Okay, that would be great. Thank you very much. I appreciate your patience.

Rudy Zamora, Advocacy Director, Chicanos Por La Causa (CPLC):
I'm here today to speak in support of A.B. 5, because this project represents one of the largest private investments our communities—especially communities like the east side of Las Vegas—has ever seen. For decades, families on the east side have been waiting for an opportunity of this scale: tens of thousands of good paying, long-term jobs, a real workforce pipeline that trains local residents for high-skill careers and partnerships with our schools, colleges and training programs to make sure that those jobs are filled by Nevadans.

The average salary for these new jobs are over $113,000 with benefits. That is life-changing for the families we work with every single day. This means stability, the ability to buy a home, pay for childcare, and build generational wealth, and that is exactly what communities like the east side deserve. This project is not just about building studios; it's about building pathways; it's about building futures. CPLC is deeply committed to making sure that people who have historically been left behind are brought into the new industry, and we are proud to say that we look forward to working alongside labor partners to ensure that East Las Vegas working families have access to training, apprenticeships, and careers that this project will create.

It is also important to recognize how responsible this proposal is. There is no upfront cost to the State, none whatsoever. The developers must invest $450 million of their own money before earning a single dollar of tax credits. This is one of the strongest accountability structures we've seen anywhere in the country. Nevada has stepped forward in difficult times before—City Center during the Recession, Allegiant Stadium during the pandemic—and each time, these investments paid off for our State. Today, we have another chance to do that by diversifying our economy and creating a long-term stability for our workforce. This is an opportunity we cannot afford to miss. Our State and our communities are the big winners here.

CPLC Nevada is ready to partner with labor, with our education institutions, and with the State to make sure that the east side of Las Vegas is not just watching this project happen, but is part of it, working in it, and benefiting from it for years and generations to come.

Vida Lin, President, Asian Community Development Council:
I'm also proud to be on the Community Advisory Board for this project. I'm here in support of A.B. 5. This bill is important for promoting economic development and creating new employment opportunities. We are excited to see this studio come to Nevada to make the investment in our community. We need these investments to help Nevada continue to grow and be successful in the future, and we are excited about this bill. We urge you to support this effort.

Catherine Francisco, President, AAPI Chamber of Commerce:
I am here today in support of A.B. 5. This bill represents an economic strategy that creates real opportunity for Nevada's small businesses and working families. A.B. 5 gives Nevada a pathway to build an entirely new industry—one that creates long-term jobs and strengthens our economic diversity. Equally important, it establishes a workforce training pipeline and supports entrepreneurship. The Chamber serves more than 400 members across Southern Nevada, the vast majority of whom are small business owners. They make up the backbone of our local economy—restaurants, professional services, media creative, tech firms, hair salons and hospitality-based businesses, to name a few. These are exactly the types of businesses that power film production, entertainment infrastructure, and large-scale events.

For our AAPI business community, the opportunities are significant. This ecosystem will need local suppliers, caterers, set builders, logistics teams, digital media specialists, and many service providers who already locally exist. With outreach and partnership, this bill can open doors for hundreds of small owned businesses to participate in a growing industry. On behalf of AAPI Chamber, I respectfully urge you to support A.B. 5.

Zack Birlew, Co-President, Babs Do Productions:
I'm calling in support of the bill, because I know that Nevada needs jobs for artists, students, and workers across the State. However, I've written to Assemblymembers and Senators about this issue with A.B. 5, where it needs to support more than just Summerlin Studios. Because we have our own Babs Do Studios film studio development that we're developing here in town, and there's also a studio up in Reno that wants to build as well. And I think a lot of the talk tonight has been about the return on interest and investment with the studios. That's because there's only one studio being built.

And our Babs Do Studios development’s using new age construction methods that can allow it to be built in the next few months. So, you know, not every studio development’s the same, and we also don’t need to spend $300 million minimum to build it either. And there's also other things to think about: movie theaters, film festivals. Las Vegas just had the American Film Market; we can have our own film market here.

So there's a lot of things that need to be opened up with this bill that would make it a lot better for Nevada, alleviate a lot of the criticism with it, but I know it is a jobs bill. So then you also have to consider why have one studio when you can have three or more? Times those job numbers, you know, pretty simple and pretty basic. But I know a lot of the fanfare has been about Summerlin Studios, but again, we have to remember people need jobs now, and that’s years away. So I support the bill, but it needs to be changed because right now it is a monopoly.

Eddie Rodriguez, Ironworkers Local 433:
I like to be called Bagel. I just ask if you guys can just be patient with me; I’m not really a good speaker. I’m with Local 433 Ironworkers. I went through their apprenticeship. But before that, I was a Teamster extra board. I did the Teamsters, and while I was driving for them, I did the Nevada Partners. I graduated their pre-apprentice school, and they turned me on to the Ironworkers. I went through their apprenticeship and I thought it was going to be good, and it was. And work really slowed down, and a lot of my brothers went out of town.

I have two new babies, so I try to rough it out and stay here, and it got really hard. It’s really hard right now. My hall is helping me, my Ironworkers are helping me, and we really want to go back to work. There's a lot of guys out of work that wanna to come home. They boomed out, and I really hope this gets passed.

And I absolutely love this city, I love this city; this city has been very positive for me. I came from nothing. I had a rough upbringing, and joining the union and coming to the city has really changed me. And I absolutely love this city, and I really hope you guys bring this to Las Vegas because Vegas is strong, you know, Vegas strong, you know, and I really hope you guys pass this, and that’s all I have to say.

Chair Dondero Loop:
Thank you. And you did very well, thank you. This teacher gives you an A.

Jacqueline Abascal, Ironworkers Local 433:
I'm an Ironworker for 30 years, Local 433. My father brought us out here in 1969. He was also an ironworker. I'm for this bill. I think it's a great idea, not just for the construction jobs at this time, but for the long term, something for our kids to do other than work in the casinos or—not that that's bad—but it gives them another option. I'm in support of the bill.

Shane Henderson, SMART Local 26:
We're here to support this bill.

Sean O'Keefe, Business Representative, SMART Local 26:
I would have liked to have had something written down, but I'm going to kind of go from the heart. I've been in my local up here for 20 years, and when I got in, things were really good. The economy was booming, I bought a house in 2008, everything was supposed to be great. Then the recession happened, and it was terrible; most of my brothers and sisters that I was in my apprenticeship with lost their jobs and they had to go find other industries or they moved. I ended up losing my house. I had a young son, me and my wife, it was a big hardship. I know what it's like to go without work.

And then in 2014, another controversial bill gave Tesla a tax break to come to our area and things have never been the same since. We've been booming up here in Northern Nevada. Our membership has tripled. Times have been really, really good. I work really closely with the sheet metal workers in the South, and they have hundreds of members out of work, and this bill would put their members to work, and I strongly urge you to pass this bill.

Justin Boyd, IATSE Local 720:
I'm a member of IATSE Local 720 out of Las Vegas, Nevada. I am simply going to be speaking in support of this bill. I'm not gonna drag things on. You guys have seen many of my emails from the beginning of the regular legislative session to now, and I thank you guys for your time.

Chair Dondero Loop:
Thank you, Mr. Boyd. It's a pleasure to hear your voice.

Jaki Baskow:
I came out here to work for a movie studio in 1976, which unfortunately never materialized, and I have been waiting 50 years in February. Very excited. I was one of the first talent agencies in town here, and I'm involved in the tourism business and movie business. I have put thousands of people to work here, celebrating 50 years in business.

And movies brings tourism. I do business all over the world. I was producing TV shows here for Italian TV because everybody in Europe wants to know about Las Vegas and Nevada. I think it'll bring millions of business and dollars for our tourism, not only jobs for the movie business here in Las Vegas, but all over the world. And I think it's so important that we pass this bill and I appreciate everybody there rooting for us, and thank you for listening.

Emily Skyle-Golden, Founder and Executive Director, Cordillera International Film Festival; Future Filmmakers Foundation:
I am an active producer in the industry. I'm here today in strong support of bringing more film production to Nevada, and especially my focus would be Northern Nevada. Nevada is already proving that when we open the door, the industry does walk through it. Productions like Jeremy Renner's *Rennervations*, *Sonic the Hedgehog*, *Knuckles*, that series; they chose Northern Nevada because our locations are unmatched, our crews are here, they're skilled and our community is eager to work. But without competitive incentives, we cannot keep up that momentum. We watch millions of dollars and local jobs and long-term economic impact leave our State for regions with stronger programs. Every production that comes here doesn't just create jobs for crew—it puts heads in beds, it fills our restaurants, it helps small businesses.

When COVID was happening, I watched a horse sleighride company that was dying survive and thrive because Hallmark started bringing our productions here. Their Christmas movies needed those sleigh-riding horses. We've got a lot of other mom-and-pop vendors with examples of millions of dollars of impact going into those small businesses. It provides career pathways for young Nevadans, and most importantly, ones that don't have to leave after they get amazing educations with our universities and our colleges, including the diverse students that we serve through the Future Filmmakers Foundation.

These kids deserve the chance to build their futures here at home, instead of leaving the State to find opportunities. And this isn't just about movies; it's about economic development, workforce retention, and telling Nevada's story on a global stage. We already have the ingredients. We just need these tools in this bill to compete. Two years ago, I was against the bill that was proposed. This year, this bill, this version, serves Northern Nevada, the entire State, and I really, really want it to succeed. Thank you for your time, for your leadership, and helping us build an industry that Nevadans can be proud of.

John Grygo:
I teach at a CTE [Career Technical Education] here in Clark County. For years, this legislature has invested millions of dollars in CTE programs, tens of millions of dollars in building programs, training instructors, equipping labs, medical programs—culinary, aviation, and construction, manufacturing. We taught these students to learn these skills to get these credentials, everything else. They showed up, they did the work, they earned OSHA, OSHA 10, EPA, 6OL welding certificates, dual credit, SACA [Smart Automation Certification Alliance] certifications. The legislature has already invested so much money. I understand that tax credits are a problem, without a doubt, but by passing this bill, we're giving those students an opportunity to use the skills we've given them to use the resources that we gave that we spent to have these kids trained to learn these skills, and now we can send them out in the world. And once we pass this bill, we can say after school, "You kids, you can go out there, we have work for you."

I can't tell you anything worse than a student walking across the stage, and the next day calling me and saying, "Where can I go to get a job?" And I say, "Well, everything's slow right now, you've gotta wait." So please, as an educator, I'm asking all of you, please pass this bill. Thank you.

Chair Dondero Loop:
Thank you, and thank you for being a teacher.

Jason Soto:
I'm a native of Las Vegas, Nevada, and I'm an active member of the film community, and executive in the entertainment industry. I'm just calling to let you know that as we have gone through so many cycles of positive change in our city, we know what our benefits are, we know what our risks are in being able to bring this bill forward, but we also know that we are a resilient State that makes everything work. We really do support this bill. We'd like your support in this bill. Those people that may be on the fence about this bill, this is

something that's going to leave a legacy, and we're asking for your support.

Ciara Byrne, CEO, Green Our Planet; Co-Founder, Green Our Planet Studios:
Green Our Planet Studios is a small production studio soon to be based in the underserved community of East Las Vegas. Before leading this work, I spent 20 years as a documentary filmmaker for PBS, National Geographic, BBC, and Discovery Channel. Today, our two organizations serve 400 schools across 16 of Nevada's 17 counties. And we produce hundreds of educational films and interactive content for Nevada teachers and students. I'm here today on behalf of Nevada students.

Every year, when we ask kids what they dream of becoming, the number one answer always is the same: I want to be a storyteller, a YouTuber, a filmmaker, a creator, a technologist. Our students want to tell stories, they want to innovate, they want future-ready careers. Bringing Sony and Warner Brothers to Nevada will do more than create jobs. It'll open the doors for our K-12 students to see pathways into film media, technology, and storytelling without leaving their home state. As a live-in Nevada, small production company, Green Our Planet Studios will directly benefit from A.B. 5. We're building the next generation of storytellers in East Las Vegas; students who deserve to see a future for themselves in this field.

We're also at a pivotal moment in education. States across the country are racing to integrate film media and AI into classroom learning. Nevada has a chance to lead that movement, not follow it. Imagine a Nevada where Summerlin Studios partner with our educators, students visit real studios and see themselves in these careers, and small studios like ours collaborate with major players to bring world-class storytelling and technology into classrooms across the State. Assembly Bill 5 makes this possible. It positions Nevada as a national leader in creativity, storytelling, and innovation—fields our students are already begging us to support. On behalf of the thousands of students we serve, particularly those from under-resourced communities, I urge you to support A.B. 5, so we can keep our kids' dreams and their future careers right here in Nevada.

Daniel Lincoln, Regional Director, IUPAT, District Council 16:
I'm calling in support of the bill. I represent some of the hardest-working men and women in the State of Nevada who are only looking for an opportunity to go to work. When my members are working, they don't need SNAP benefits,

they don't need government-subsidized health care. We do a pretty good job at negotiating that stuff for them. All they are looking for is an opportunity to go to work. So I support this bill. This is a jobs bill. It's a career bill. I urge you to please support.

Cesar Arcos:
I just want to say we need this bill to pass because it can bring up to like 19,000 construction jobs, which means 19,000 families that won't need government assistance. They won't need SNAP, they won't need Medicaid, because we'll be working and, yeah, that's all I gotta say.

Chair Dondero Loop:
Thank you for joining us this evening. All right, we will now go to opposition.

Cassie Charles, AFSCME:
I'm the political representative for AFSCME, the American Federation of State, County and Municipal Employees, representing thousands of public employees across Nevada. We are here today in opposition to the proposed film tax credits because, while we support efforts to diversify Nevada's economy, we must do so responsibly and support all workers. This proposal would direct over $1 billion in tax credits to large film studios at a time when our state workforce and critical public services continue to face funding shortages. Both The Lincy Institute and the GOED report have stated that this brings minimal, at best, return on investment.

When we have to make cuts to afford these credits, we know that this bill puts state jobs and public services on the chopping block when we should be investing in the long-term stability of our communities. And while we have incredible members here today who have the privilege of collective bargaining and bargain for higher wages, we are always at war with the State's declining revenue projections leaving state employees to see less and less in cost-of-living adjustments each year.

Nevada simply cannot afford to trade away public dollars that should be strengthening our social services like SNAP and Medicaid in exchange for risky corporate handouts. Every dollar that we divert to subsidize private corporations is a dollar not invested in fair wages, improved staffing, and the essential services that Nevadans rely on every single day. I urge this committee to stand with Nevada's state workers and reject the film tax giveaway.

Alexander Marks, Nevada State Education Association:
Once again, with folks failing to meet the moment, I'd like to keep pitching some movies with Hollywood in the room because perhaps with public money, they'll make a movie to bring attention to these issues.

So we've got "Ranked 47th," a documentary about how Nevada spends $4,000 less per student than the national average. A funding plan exists, but it collects dust. Maybe Hollywood will make a movie about that.

"The Educator Exodus," a suspense story about educator shortages and how the State's current budget educators will not see raised for three years. Maybe Hollywood will make a movie about that.

"Crowded Classrooms," a thriller about the largest class sizes in the nation where one teacher faces 40 kids alone without support, no space, and no relief. Maybe Hollywood will make a movie about that.

"The Starving Student," a tragedy where Nevada leaders saw hungry kids and said, "Let them eat popcorn," and built movie studios instead of funding school meals. No special session to feed kids, just one to feed the rich. Maybe Hollywood will make a movie about that.

"The Quiet Crisis," a silent film on student mental health needs with counselors stretched across hundreds of students. Maybe Hollywood will make a movie about that.

"The Big Shortfall," an action film where no action can actually take place because the State relies on unstable, regressive revenue instead of building a system of modern taxation. Maybe Hollywood will make a movie about that.

"Subsidy Road," a road trip heist where the entertainment industry bounces from state to state in search of subsidies. Companies could hire these great workers right now, but they won't do it without our public money first. Maybe Hollywood will make a movie about that.

"Bye-Bye Budget," a slasher film—bill debunked by economists and abandoned by other states keeps coming back from the dead. We cannot afford this bill—budgets slashed, positions cut, services cut—and every single concession like Pre-K don't begin to offset the horror. Maybe Hollywood will make a movie about that.

Lastly, "Third Time's a Harm," a twisted love story between Nevada politicians and rich corporations. Their whirlwind romance leads to an unnecessary special session held at the expense of everyday Nevadans. Blinded by their affection, they lose the plot completely to elevate Hollywood's wants over the Nevadans' needs.

So say it with me—maybe Hollywood can make a movie about that. There are better stories to tell and perhaps that's the saddest story. This wasn't a special session to fix our schools, shrink our overcrowded class sizes, make sure every student has a meal, to raise stagnant educator pay, or help with affordability. But there is still time to fix this script and rewrite the plot.

Maurice Washington, AFP:
First of all, I'd like to say thank you to the author and the sponsor of this bill. I applaud their attempt at trying to diversify our economy, provide workforce, and economic development. Having served in the economic development community, I understand the booms and the bust of our economy and gone through several booms and busts as a union worker for Electrical Workers 401, so I've seen the longevity of this State and I've also seen the State prosper in its endeavors.

I'd like to say that we stand on the principle of free market where we can strive to create an economy that works for all, empowering people to earn and succeed, and realize their own potential. Americans for Prosperity support the neutral and impartial tax policies that includes tax reforms and reduces burdens on Nevadans and the Nevada businesses without impacting or picking winners and losers, or favoring special interests. So therefore, we want our tax code to reflect the opportunities that this State provides. I will say this, Madam Chair, having gone to school in Southern Nevada, having gone to school up here in Northern Nevada—Go Pack, big blue—I wanna say that we wanna make sure that the State prospers across the board, and is equal among all citizens in Nevada.

So this bill not only picks winners and losers, but it also marginalizes and regionalizes the impact of this bill. Nevada's a great state, and we wanna make sure it stays a great state and provides great opportunities for those businesses to strive and succeed. So we are in opposition to this bill because we still believe in the free market principles, and they do work.

Trish Lindauer:
I am a 16-year State of Nevada employee and a proud member of AFSCME. During my time here, I've worked for two different agencies, both providing critical services. As a state employee, I've seen many legislative sessions come through in the last 16 years. When I was hired with the State 16 years ago, I cried. I'd been on unemployment, didn't know how I was going to make my car payment, didn't know how I was going to get my kid to school in a week. I cried in a Walmart, tears on the floor, puddle, big thing. But I got offered a job and I'm like, great, I'm with the State, this is good. I'm gonna have benefits, I'm gonna have pay, this is gonna be great.

Two years later, payroll cuts—I don't make as much as I did, plus, now I have furloughs. That's not so great, but it's still good. I'm gonna hold on to it, we're going to go for it. It took five years from the day I was hired to get back to my higher rate of pay. That same job right now, and actually all of the jobs in the last 16 years … you know, great, two years ago, we got this great 23-24 percent pay grade. Wonderful. But in 16 years, it's gone up 40 percent which means that $1 in 2008-2009 is supposed to be able to buy the same thing that a $1.40 can now. And I want you to tell me what you were able to buy in 2008 for $1 that you can get for $1.40 now, because that's how our pay has worked. That's what our increases have worked.

Now, this bill says it's going to give 19,000 jobs. Great. You know how many state employees there are? Nineteen thousand and the ones who are going to get pay cuts to give those tax bills and those tax credits are those 19,000 employees. That job I started that didn't quite make $14 in 2009 still makes less than $20 now. I could go start at McDonald's and make more than the person who had my starting job 16 years ago, and that job is not going to go up for another two years. So in 2027, what's gonna happen then? Every two years, legislature comes in, and we have to try to figure out, "Are we gonna get money? Are we gonna go further cuts … 1.7 increase to our PERS." Okay, yes, that's into our retirement fund, we'll get it back someday if it doesn't get borrowed for something else. Okay, that's interesting. But what that meant is I had a cut to my take home pay that I had no control over.

So 19,000 new jobs. Great. But can you guys please be, you know, fiduciary responsibility, and actually pay your own payroll a living wage? Because you've got state employees that are having to collect social services benefits. I know, I talk to them. I work with them. They're my coworkers and they are having to go and file for food stamps. No state employee should have to have a below living wage so that we can give money to a big corporation. None. And I want you to tell me with that 40 cents over 16 years—and it's going to be another 2, it's going to be 18 years before we can look at getting any more money, right? Two more years. Then we're gonna see '27, maybe we'll get something.

But this year you guys said, "Oh, you get nothing. Oh, and we're going to cut you because we are going to take more into your retirement, which you'll get back someday when you retire." I'm halfway through. When this thing comes to fruition in 15 years, that's when I'll finally get to retire, which means I'm going to have to watch for the next 2 years. Every time, Legislature's gonna come into session and go, "You know what? We gave all this money to the movie studio; we don't have any money left for our employees. Too bad."

So when you guys look at whether or not you want to pass A.B. 5, think about that. Think about the fact that it's a job for a job, and you're not making your own payroll.

Cedric Williams, President, AFSCME Local 4041:
I'm not only the president of my local chapter, the chapter here in Carson City, Nevada, and a proud member of AFSCME Local 4041, I'm also a 15-year employee with the State of Nevada. Before I continue on, I would like to acknowledge my brothers and sisters in green there in Southern Nevada. Can you please stand? We got you, stand, let's see you stand up. All right, we stand with you in brotherhood, sisterhood, solidarity, and unity. We got you.

With that in mind, Nevada is facing a workforce crisis. New hires leave because of pay, training, and support. The support simply aren't competitive. Meanwhile, longtime staff are exhausted. They're overextended, and they're doing work for two or three people. A.B. 5 sends hundreds of millions of dollars to out-of-state corporations, while ignoring what our state workers need. If we truly want Nevada to thrive, we need to recruit and retain the people who help our State function, not offer subsidies to billion-dollar industry.

I want to go off script a little bit and say a little something here. Folks, as a 15-year employee, there's a song that we've been singing for all that time. And I sing here in town. There was a show I used to do before COVID, and I sound good. I'm going to tell you something, the song that I have been singing every day that I go into the job, I'm tired of singing it and it goes like this: "The budget has been balanced on the backs of State of Nevada employees!"

I'm tired of singing that song. It's burned in my soul. I've had enough. This has been going on for decades. When does it stop? I was blessed enough to be asked to negotiate on behalf of State of Nevada employees for Unit C, and also to help negotiate for other existing bargaining units, and to be told by the State that they proposed to give us, "Zero and zero across the board," I didn't even know what that meant. I found out what it meant. It meant zero to any increases, zero to retention bonuses, zero to cost of living, zero to longevity pay, zero to bilingual pay, zero to differential pay, and the list goes on and on.

When do State of Nevada employees stop struggling to put food on the table for their children, clothes on their backs for their families, the idea of sending a child to college. How about a simple date night? Again, when does it stop? So I respectfully ask that you vote no on A.B. 5 and invest in our state workers.

Saniah Goolsby:
I'm a Nevadan coming from the school Mater East Academy. I would like to express my disagreement with this bill, A.B. 5. My main concern is education. Schools generally need this funding; it directly supports our kids. If students don't have access to meals, how can they be expected to function or learn? We all know there are children who don't have stability at home, and they rely on school meals every day. Without support, what would happen to them? In terms of education, the bill claims to help Nevadans get more jobs. But how are we supposed to qualify for those jobs if we don't have the proper skillset?

There was also a time when funding for college students was cut, even though many needed that support to stay in school while the money was redirected elsewhere. You take our taxes and say it's to help us, but it often feels like the benefits don't reach the people who need them most. And as someone who's a taxpayer turning 18 in just a few weeks, I am expecting you to make financially responsible decisions, because future generations are going to be the ones paying off this debt for years to come. It's frustrating to feel like our needs and priorities only matter when they serve someone else's interests. Yet, when they don't, suddenly it becomes a problem. So vote no for A.B. 5. Thank you for listening.

Michael Keyes, Youth Voice of Nevada:
I'm a student at the University of Nevada, Reno and I am here on behalf of Youth Voice of Nevada. I just wanted to start off with an invitation to anyone who votes yes on this bill to come to UNR. I'll show you around, invite a few of my friends, and so you can explain to students on if you're either going to support cutting vital programs for Nevadans when they need to be expanded, or if you're going to support raising their taxes when they are already struggling to get by. Because those are the only two options if this bill passes. The bill sponsors might not have to worry about it, because they're on their way out, but everyday Nevadans are going to have to deal with these consequences.

Are you going to reduce K through 12 per-pupil funding, despite the fact we are forty-eighth in the nation? Are you going to cut funding to NSHE, or get rid of the Millennium Scholarship, despite the fact our colleges remain unaffordable to even our in-state students like myself? Can you explain to my sister why her daughter doesn't get reliable Pre-K in Pahrump, despite the fact that we would only be subsidizing CCSDs? This bill does nothing for rural communities like mine, and nothing for Reno. In a time when our funding is already in peril, why are we rolling the dice on our current services? Think about the children that we already do not adequately support; now we might need to reduce the little we give them. I understand the need to diversify, but not in this way. Make the right choice here. Vote no. Invest in Nevada by investing in us, not Hollywood handouts.

Patty Machal, Treasurer, AFSCME Retirees, Local 4041:
Thank you for the opportunity to speak in opposition today. I'm not new to testifying and I have shared the struggle state retirees have had with health care costs, among other things. As a state employee, I relied on the promise that if I did my job, the State would do what they promised: provide adequate health care and modest pension. After 17 years of working for Nevada, I did my part. Yet now my health care costs aren't covered, and the State isn't upholding its promise. I understand how state government works; there are economic cycles. Every time there's a turndown, we retirees and employees are the first to sacrifice.

In 2012, for example, budget constraints required retirees to move from the Public Employees Benefit Program, PEBS, to Medicare, and they created a small, supplemental fund to cover costs. This account hasn't increased since 2019, yet health care costs have increased considerably. I myself am paying $580 out of pocket every month. Every session, we come to this body to ask the State to uphold its promise to State retirees, and every session we are told there isn't enough money. It's disheartening. After all the sacrifices employees and retirees have made for the people of Nevada, there may be money available for Hollywood billionaires, but not for keeping any promises made to the state retirees. It is a matter of priorities, promises made, promises kept. General Fund money for billionaires should be last on the list.

Karla Rios Ochoa, Mater Academy East; AFP:
I want to speak about why A.B. 5 is harmful for our community. There are over 3,000 billionaires in the world, and they do not need Nevada's taxpayer's dollars. When small businesses start, they're expected to take on risk, take out loans, and often end up in debt, but massive multimillion dollar companies get help and special treatment. That's not free market; that's uneven playing field. A.B. 5 claims it will create jobs, but history shows us otherwise. These projects often bring in workers out of state, people already making over $5,000, meanwhile Nevadans are left watching those jobs pass by them. We've seen it before.

Meanwhile, my generation is struggling; $12 an hour doesn't cover rent, bills, food, or basic needs. Young people aren't lazy. We're just trying to survive in an economy that's becoming impossible to enter. When families can't afford housing, homelessness increases. When small businesses can't compete with, communities fall apart. A.B. 5 won't grow Nevada; it will hurt Nevada small businesses, families, schools, and future workers like us. It will drain resources away from the people who need them, and hand them to companies that are already thriving. For our sake, our community, our economy, and our future, I strongly urge you to vote no on A.B. 5.

Blaine Harper:
I'm a member of AFSCME Local 4041, and I have worked in state service as a staff research associate since 2022. I'm here today as a union member and a state employee in opposition to A.B. 5. For every Nevadan who might gain a temporary construction job from this bill, there is a state worker who already had their pay fall behind the cost of living during the Eighty-third Legislative Session. In a tough economy, we and our families are always put on the line to balance the budget. All session long, one Legislator after another told us that this biennium was one of those times. The current budget made that our reality.

Now A.B. 5 says that we are toughing it out so the budget has room for the biggest corporate handout in state history. Next year, state revenue will be critical to balance gaps in federal funding for the public services we provide. We have a responsibility to keep our communities healthy and safe. State workers show up every day on the job to share in that responsibility. We have just lived through a six-week federal government shutdown that has shown us what is at stake. A.B. 5 would leave us less prepared to mitigate gaps in services that should be there reliably for Nevadans. The best investment for our State is in our communities, not Hollywood corporations. I urge you to protect the General Fund, protect state services, and protect the workers who keep the State going. Please reject A.B. 5. Thank you for your time and the work you do for the people of Nevada.

Kaitlyn Quezada Pozo:
I am from Las Vegas, a current student at Mater Academy East and I'm here to urge you to vote no on A.B. 5. This bill will not benefit our community. We already lived through a similar situation with the Raider's stadium. We haven't seen the contributions to our schools, our neighborhoods, after receiving a massive tax credit funded by our hard-earned money. The stadium is now worth $6 billion, doubling in value just in two years. Yet, workers are still fighting for fair wages. Meanwhile, families across Las Vegas are struggling. Inflation keeps rising, but minimum wage doesn't, while the cost of living isn't being lowered.

The bill doesn't support our local community; it supports large corporations who already have the resources to thrive. Just like before, these corporations outsource labor and count out these job opportunities for real Nevadans. Our school continues to face economic hardships that directly affect our future generations like my peers and I. These resources should be used to strengthen Nevada's future, not to deepen the pockets of those that don't need it, impacting generations of young adults getting ready to be the voting age just like myself, and the children who are too young to understand what decisions are being made for them. I am speaking up for those who can't. Nevada is ranked near the bottom in education, and I firsthand seen how our schools and communities are divided, struggling. A.B. 5 will not help us; it will harm us. That's why voting on A.B. 5 no is important.

Alex Pike, Nevada Housing Coalition:
The Nevada Housing Coalition is here in opposition to A.B. 5. The Coalition has submitted a letter this afternoon detailing their concerns with the bill and will be

available for questions once it's posted.

Austin Krehbiel:
I'm a State of Nevada employee and a member of AFSCME Local 4041. My statement is my own and doesn't reflect the Division of Social Services. My job is to interview families and determine their eligibility for SNAP and Medicaid. I had the pleasure of speaking with Senator Cannizzaro when she came to my work site and talked with our workers about what it's like to work at this job, what our customers are facing. As many of you know, federal regulatory changes are costing our State millions of dollars extra to administer the program. And at the same time, thousands of Nevadans are expected to lose SNAP benefits and Medicaid eligibility. Nevada taxpayers shouldn't be propping up Hollywood studios at a time when so many of us will be going without. We need our tax dollars supporting the most vulnerable families—those thousands of us who are going to be going hungry and losing our health insurance.

We keep asking low-income families and state employees to tighten our belts, make do with less, pay more for our groceries, and health insurance. At my job, I spend 19.25 percent of my gross pay towards pension contributions, and we're state employees, we don't make a lot of money. I work with single moms, parents, students … we joke about it, because one of them just went to bartending school to pick up a second job. She said, "I like the benefits. I like that I have a pension, but there's no pay in the paycheck," and this is the reality for state employees.

Every dollar that we're losing to the film studios if we pass this bill is going to be a missed opportunity to support public services and our public servants, to fund public infrastructure projects, and to fully fund our state collective bargaining agreements. We didn't have the money, apparently, in this last legislative session, but we have money for handouts to Hollywood. And you hear the presenters' own projections. This is a revenue negative bill; this is going to leave our State's budget saddled with debt for years to come. It's not an investment in jobs, and it's worse than a corporate giveaway. At this point, it's a Hollywood heist that is larger than *Ocean's Eleven*.

I want to remind you all, by the way, because we've heard a lot of flack about SNAP and Medicaid and public services, but public services are an investment and a job creator in Nevada, and not just in Southern Nevada, but in all of Nevada. Every federal SNAP dollar that comes into our State, or that is spent in the program, generates $1.54 in economic activity. It's a better investment than film tax credits. And these jobs, it supports ranchers and farmers up in the North, it supports the grocers, the truck drivers delivering the food, it supports the most vulnerable among us by making sure they can eat. Our Medicaid dollars support hospitals, nurses, clinics, improving health care outcomes, saving our State, and saving our lives. And we need bold leadership that's gonna stand up for state employees, public services, and Nevada families, not leaders that want to sell us out to Hollywood. So please, don't vote for Hollywood, vote for Nevada.

Chair Dondero Loop:
Thank you, and I'll just remind everyone we want to hear what you have to say, but we are at 8 o'clock [at night], so if you want to say ditto, we would love that because we have a lot of people who want to speak.

Alana Bannourah:
I'm here with AFSCME Local 4041, and I'm a State of Nevada employee. My statement does not reflect the views of the Division of Social Services. I was born and raised here in Las Vegas. I attended public schools in Clark County for grades K through 12, and I'm a proud alumni of the University of Nevada, Reno. I became employed with the State of Nevada last year, and I have the utmost pleasure of serving working-class Nevadans by processing applications for programs such as SNAP, Medicaid, and TANF. Serving my fellow Nevadans makes me immensely proud to be born and bred in Nevada myself. The passing of this bill will take away from those programs which assist working-class Nevadans. It will also dip into the fund which is needed to pay the wages of State of Nevada employees.

We do so much to serve our fellow Nevadans. The least we deserve is a living wage and good benefits. Do not give money away to billionaires. Give it to the working class. Madam Chair, you are my Senator, and I voted for you. I do not want a Hollywood studio in our backyard. I urge you to not support A.B. 5.

Imer Cespedes-Alvarado, Founder, Executive Director, Youth Voice of Nevada:
I am a student at UNLV. I'm here to oppose A.B. 5. It is hard to understand why the Senate is fighting so aggressively for a Hollywood giveaway, while the people who put you in office are struggling every single day. Students are dealing with rent they cannot afford, rising groceries prices, and a 12-percent tuition hike that has forced students to drop out of college. On top of that,

we're dealing with immigration raids tearing Nevada families apart. None of this has been addressed in this special session, yet Hollywood billionaires seem to receive your time or urgency. What makes this even worse is the message it sends. Last session, we the students, we fought for a gun violence bill meant to save life. We were told the State couldn't afford it. We worked hard with stakeholders to remove the fiscal note, but today, billions for Hollywood somehow raised no concerns. That contract is loud and painful.

Many of us have knocked on doors for you, recruited volunteers for you, because Nevadans have been asking for affordability, safety, and accountability. This bill worsens the crisis and doesn't alleviate the pain. Nobody asked you to prioritize the studio over the people who elect you. It's not late to stand with the students and the community. So we urge you to reject this Hollywood giveaway.

Ed Uehling:
I moved to Boulder City with my parents in 1943, and at that time, Las Vegas was just a rail stop, basically. The tourism didn't start until the '50s. I just sit here in amazement that you can even be considering an outrage like this project. Here is a company that has hundreds of billions of dollars of value and far richer than this State of Nevada or the county of Clark County. And they're pleading, they're asking for $1.4 billion from the taxpayers. It's just unbelievable that this can even be considered.

People keep referring to the stadium; what a wonderful thing the stadium is. Well, yeah, the hearing for the stadium; I was at those hearings. It's very similar to this. It's true. The Legislators got paid tons of money for voting for that stadium. The owner of the stadium has increased his wealth from like $2 billion to $5 billion and doesn't pay a penny toward the stadium. The labor union—or the laborers that worked on the stadium—they earned $100, $200, $300 a day. I think I heard some were making as much as $1,000 a day, and here we are in the city where lots of people are unemployed and we're going to help one single group of workers. The stadium was very useful to the workers who worked on it. They got their money. The people in the Senate and the Assembly got paid lots of money. They are fine. The owners of the stadium—and who are the owners? I don't even know who the owners are. I can't find out who they are.

But that stadium is the number one stadium in the whole country for producing events, $500 million in tickets paid to go to that stadium—more than any other stadium in the country, and not a penny of it reaches the taxpayers …

Chair Dondero Loop:
Thank you so much, Mr. Uehling.

Mr. Uehling:
…and the taxpayers are still stuck with a bill for a billion dollars for that stadium. We're still paying for it. Politicians made money, the unions made money, the companies made money …

Chair Dondero Loop:
Mr. Uehling, thank you so much. It's a pleasure to see you, and just one correction: we don't make a lot of money. We make less than $10,000 and we only get it when we're in session every other year.

Mr. Uehling:
You've got to be kidding.

Chair Dondero Loop:
No, I am not, sir. I am absolutely serious. That's how much you make as a Legislator.

Mr. Uehling:
I heard one person, during …

Chair Dondero Loop:
That's what it is, Mr. Uehling. You can look it up. You know I wouldn't lie to ya. So thank you very much, and I appreciate it, and we will take the next person at the table.

Minjia Yan:
I am a resident of Southern Nevada speaking on my personal behalf in opposition to this bill. I want to start by acknowledging that we all want Nevada to thrive; we want good jobs, a diverse economy, and opportunities for young people. But the way this bill is written does not get us there. It diverts massive public resources from education, housing, public services, mental health, and more to the largest corporate subsidy in state history for an industry that has failed to deliver long-term benefits in other states. The bill sponsor's own economic study shows Nevada would lose 77 cents for every dollar of

transferable tax credit. The math simply does not add up. UNLV's Lincy Institute confirms that film tax credits do not create enough quality, full-time jobs to justify their cost.

What worries me as much as the bill is the process surrounding it. I appreciate and am grateful that the Senate leadership and committee chair allow the public to provide comments by phone. The Assembly did not allow that, shutting out many general public, seniors, caregivers, and those without transportation from having a voice in decisions about their own tax dollars. Transparency is not a partisan issue. Restoring trust is a mission for all of us. I support all those who stand up for transparency regardless of where you stand politically. We will never diversify our economy if we continue to rank at the bottom in public education. Companies follow talent, not tax credit. Companies know what sustains a healthy business: it's people, not giveaways.

Hollywood has UCLA [University of California, Los Angeles] and USC [University of Southern California]; Silicon Valley has Stanford and UC Berkeley [University of California, Berkeley]. If this bill is about Pre-K, then we should just invest the entire $1.6 billion in Pre-K. If this is about revenue, then this deal will cost us more than we give in. If this is about jobs and diversification, then we should be investing in people and talent, not a one-time corporate giveaway that drains our future revenue. And in this modern "*Hunger Games*" of politics, can we please stop allowing out-of-state Hollywood corporations to toss us crumbs from the cookies on Nevada taxpayers …

Chair Dondero Loop:
Thank you very much …

Ms. Yan:
… the real winners watch from their balconies, no matter which Nevada local group wins the battle, out-of-state Hollywood corporations always win the war. Nevadans deserve better investments.

Chair Dondero Loop:
Thank you very much, and just as a reminder, ditto is a great response.

Keira Fincher:
Today I'm very disappointed to see this bill be presented in the Senate. As some of you may know, I got my start with the Senate. I was an intern, I was a

staffer, and during the interim and campaign season, I knocked a lot of your doors and I phone banked for a lot of you. A very wise Senator once told me that transferable tax credits are like coupons—a transferable coupon that can be bought and sold by any and all corporations, not just Warner Brothers—a $1.6 billion coupon. And so today, I am testifying to express my strong opposition to A.B. 5. This bill is fiscally irresponsible and lacks the necessary safeguards to protect Nevadans.

The numbers and existing data that we have speak for themselves. In an independent assessment of the Summerlin Studio proposal commissioned by GOED, it estimated a return of 23 cents per dollar. The assessment also found that the anticipated economic output estimate was 82 percent lower than the promised number. That's a $1.3 billion loss. We heard that this is a jobs bill, but the GOED office also found that employment is actually 42 percent lower than the promised number. And I have heard the bill sponsors. I think they think that if they say the word jobs enough, it will actually make you guys believe it. We hear that this bill is to help the Nevada economy. But the GOED office also found that the value added to the economy is 41 percent lower compared to the analysis supporting the Summerlin Studios project.

Researchers at UNLV’s Lincy Institute also found that for a state like Nevada with unstable revenue streams and a narrow tax base, expenditures on tax credit programs crowd out funding for other priorities at a time when the State is shouldering higher administrative costs for SNAP and addressing federal changes to Medicaid. We need to invest money directly to the public good, not give away our tax dollars to corporations, hoping that it will reroute back to us, which the numbers already tell us it’s only 23 cents. We cannot give a $1.6 billion-off coupon that comes at the expense of our taxpayer dollars. And so I urge you to vote no on Assembly Bill 5.

Christian Solomon:
I am speaking in full opposition to A.B. 5. So usually I come here speaking as the head of an issue advocacy organization, but I feel due to the studios being involved, I will speak in opposition of this bill as a fan organizer. I am very active in numerous Nevada *Star Trek* fan organizations. Trekkies have known long ago, since the original series was canceled in the late ‘60s, that in order to hold Paramount Studios accountable for their poor decisions, we had to organize, mobilize people through letter-writing campaigns, speak out, and pressure them into doing the right thing in order to continue our franchise.

Those poor decisions are alive and well today. Paramount has laid off over 2,000 employees. Warner Brothers, which was just bid on by the government of Saudi Arabia, just laid off 10 percent of its workforce.

The Office of Economic Development found that this was an industry that was shrinking. Studios have already received $25 billion in state-level subsidies. Nevada adding onto the pile will not help. I am very proud of the fact that the same organizing spirit lives in so many everyday Nevadans who have done the same during this special session—applying pressure, writing letters, and speaking out with concerns about this film tax credit expansion. This bill is not popular with the public. If it were, Speaker Yeager and the Assembly leadership wouldn't have cut off telephonic testimony and try to ram this bill through at full speed.

So many organizations have outlined where our priorities should be for a whole year—housing justice, environmental justice, combating food insecurity, and lowering the cost of living. These are priorities that are sourced from the needs of everyday Nevadans that we talk to. Just as Trekkies wrote and phoned in in the '60s, we're here today, writing, organizing, and calling to implore you to not subsidize studios at the expense of our students, health care, and schools. Prioritize Nevada's needs, not the studio's wants. Do not vote for this bill. Thank you, and ditto.

Chair Dondero Loop:
No, the ditto comes at the beginning. You need to be a better student in class. The support was an hour and a half, and so I'm trying to adhere to those same times, so I'm just trying to make everybody understand that at some point, somebody may not be able to talk, and that is why I'm encouraging shorter conversation and ditto.

Shaun Navarro:
I am a constituent of S.D. [Senate District] 6, a proud member of Las Vegas Democratic Socialists America. You folks have had a lot of numbers and figures thrown at you. I won't throw out any more. I want to speak directly to the members of this committee and to our state Senators before this vote. I want to ask you, why do you do this? What made you want to run for office in the first place? What made you campaign and go to your friends, and families, and neighbors, and ask them to invest in your campaign? What makes you spend time away from your friends and your jobs and your family, time away from

your lives to do this work? Because I don’t think it’s this. I don’t think it’s this bill. This bill will be the greatest wealth transfer in the history of our State—$1.6 billion. Those kids receiving Pre-K? They'll be in college by the time we pay this off.

I think there's a world where this is a good bill, and we bring the film studios in Nevada, and folks get jobs, but I don’t think that’s the world we’re living in. And I want to—sincerely, from the bottom of my heart—thank all the union members and folks who came out to speak and to talk about how this will impact their lives. I understand what that’s like. Don't let this fancy gray Reebok hoodie fool you, I’m a worker. I work customer service, and last week I found out that our call center is being offshored to Guatemala in March. We're all gonna lose our jobs, so I know what it’s like to be without work. And I don’t think this bill is about the workers. I don’t think the bullying, and the silencing of dissent, and Warner Brothers spending $10 million on lobbying, and having Assemblymembers go straight from the Assembly in to lobby for this bill, and all the backroom deals, and everything that is going on with the bill, I don’t think that has to do with workers.

I’ve lived in Vegas since 2017, and it’s been the honor of my life to be part of this organizing, progressive community. I look around today and I see so many friends of mine. I’m very proud to call them friends. They all work so hard for the community for very little money. And I was very upset about this bill, and now I am just exhausted. I don’t know what we do to make you people do the right thing. I don’t know how to convince you. We protest. We try working with you, and nothing seems to get through. It’s very frustrating …

Chair Dondero Loop:
Thank you. And I appreciate your comments, and because we don’t agree doesn’t mean we’re not doing the right thing, or we are doing the right thing, and aren’t doing the right thing. That's why we’re having this conversation.

Mr. Navarro:
I’m sorry, was my time up? I wasn’t finished. Well, that’s …

Chair Dondero Loop:
So I appreciate that, and I appreciate your comments. And we’ll go to the next person at the table. Thank you.

Mr. Navarro:
I'm sorry, that was just … I can't expre …

Al Rojas:
I live in Senate District 21, and I'm in opposition of this bill. And three people have influenced my opinion. One of them is Keystone, the other one is Sig Rogich, and the other one is Shelley Berkley. I'm going to start with Shelley Berkley. They've asked her many times during her campaign, how can we improve education? She has said that you get what you pay for, that we're not paying our teachers enough. I listened to the testimony on how this bill is going to help education, that it's gonna start preschool. But the reality is that, as Legislators, you know, that you cannot designate how the money is spent when it goes to CCSD. Most of the money that goes to the school districts is going to the administrators instead of the kids. I highly doubt that they're going to be able to start a preschool program that's going to be adequately funded. And I highly doubt that our teachers are going to be well funded. That alone is pretty much enough to put a stop on this bill, in my opinion.

Keystone has said that they done the studies, that you're going to get a lot less money, only 20 percent to the dollar on this fund. And Sig Rogich gave a very, very impressive testimony on Newsmakers, which I recommend that you all see, that basically he says that these type of bills have a weak track record that most of the money goes … is spent … and these Hollywood … I'm sorry because I can't hear, the people are talking, but that Hollywood usually just leaves, and it just leaves an empty shell. So take into consideration those people in Shelley Berkley's statement really, really is profound.

Mack Gledhill:
I studied film at UNLV. Let me first say that I truly wish that I could support this bill. In fact, I initially did. Myself, and at least 100 students that I personally know, would benefit from the opportunities A.B. 5 could potentially create.

However, the more I learned about the fiscal impact A.B. 5 could have on our state budget, I had to balance my potential personal gain with the future of all Nevada's communities. As Georgia State Representative Marvin Lim warned us in his op-ed, this bill chooses winners and losers.

When I was first explained how these tax credits work, I was given the metaphor of a coupon. What I've learned, however, is that we need to expand this metaphor to the level of the famous TLC reality show, *Extreme Couponing*. Like in *Extreme Couponing*, by the time the coupons are applied, the store owes you money.

In extremely uncertain times, with hundreds of thousands of Nevadans at risk of losing SNAP and Medicaid, we can't afford to waste a single dollar of our budget, let alone risk creating a budget shortfall. And based off my work during the regular session, I thought that was widely understood. Last session, I worked on the bill to establish a State Office of Gun Violence Prevention, and as a student who lived through a mass shooting at UNLV, this bill was really important to me and many survivors.

During our advocacy, however, we received a lot of pushback over the bill's fiscal note. One democratic Senator even told a student that they were too focused on protecting Medicaid to have our bill on her radar. Our office had to be amended to become an unpaid volunteer special counsel in order to get your support.

So the question I leave you with is, where is that energy now? Working families are still on the chopping block, and apparently, we can't afford to focus on anything else.

An 11-year-old child was shot and killed during a road rage incident this week. So excuse me if it feels like daily gun violence might be a bit more appropriate for a special session than corporate subsidies.

Chair Dondero Loop:
Thank you very much. And we are running short of time.

Unidentified Testifier No. 2:
Don’t …

Chair Dondero Loop:
I’m sorry …

Barbara McFadden:
I was here …Ma’am, I was here to … it … to in favor, and I didn’t know I …

Chair Dondero Loop:
I understand that, and I'm chairing the meeting. Unfortunately, up here in Carson City …

Unidentified Testifier No. 2:
This is democracy … this is democracy, Ma'am.

Chair Dondero Loop:
Excuse me, I'm getting ready to let you talk. Do you want to argue or do you want to talk? You've got your choice. Because I am getting ready to let you talk, but we've been doing this since 3 o'clock [in the afternoon]. So if you'd like to talk, go ahead, if you want to argue, I'm in for it. So take your turn right now.

Ms. McFadden:
Thank you, Madam Chair and committee, for the opportunity to testify in support of Assembly Bill 5.

Chair Dondero Loop:
Oh, we're on opposition, just so you know.

Ms. McFadden:
But I … I miss my … I was sitting here patiently. I thought I was waiting 'til we had the opportunity. I thought it was other people that were supposed to go first.

Chair Dondero Loop:
No, we did an hour and a half of support, and now we're in opposition. Please go ahead, and please make it very, very, very short. I mean, very short.

Ms. McFadden:
I'm represented by Babette Perry with Innovative Artists in Los Angeles. I moved to Vegas because I think that Nevada's the best location to launch a sportsbook project and interactive game show that is based on the same game.

Both projects will increase tourism, hotel stays, gaming revenue, and create jobs, permanent jobs in Nevada. The sportsbook project will increase state taxes. There are 180 brick-and mortar sportsbooks and 12 online sportsbooks in the State. Every wager is taxed 6.75 percent.

The celebrity version of the interactive game show will support education, raise funds for charitable organizations, promote Nevada sports teams, as well as promote shows and celebrities performing at various resorts and casinos in Las Vegas and other cities in Nevada.

I used to be a professional bowler. Competitive bowlers do not make the kind of money that athletes made in other sports. So I reinvented the game to pick up the pace, and added wagering to the mix to make it fun, exciting, and engaging to watch. Bet on bowlers like you bet on horses, only at Nevada sportsbooks.

The game show entitled *Pot Games!* and *BetOnBowlers!* could be launched while Summerlin Studios is under construction. That can raise money for the State starting next year. The Nevada Pro Tour qualifying rounds can be hosted at 14 or more bowling centers in various cities in Nevada. The *BetOnBowlers!* finals and game show can be hosted at any resort and casino with ten temporary lanes. That includes cities like Reno, Laughlin, Mesquite, Pahrump, and Carson City.

Plus, UNLV film students can get their hands-on experience filming a game show and sportsbook events for Summerlin Studios.
For more details that includes videos with people playing the game, you can check out my website located at potgames.net/ab5.

Chair Dondero Loop:
Thank you very much.

Ms. McFadden:
I hope that executives involved with Summerlin …

Chair Dondero Loop:
Thank you very much, and we're gonna move onto the next person. And, let's remember to keep this short. We are running out of time, and we still need to go to the phone lines.

Steve Scott:
I'm a Las Vegas resident and I voted for my state Senator, John Steinbeck, because he's a terrific guy. Senators, your constituents need you to analytically think about this and decouple—decouple is the word—decouple the issues of education funding from the issue of corporate tax credits. Pre-K and local

workforce development are serious issues Nevada needs to figure out. But for Warner Brothers, Howard Hughes, and Sony Corporation, they're simply a narrative to help get what they want. The real issue here is that you are being asked to sign away $100 million a year for what would have been in the General Fund—$100 million a year, that's $274,000 a day.

Senators, you've heard today from expert economists who really know about this stuff. Now, you know: film industry tax credits don't work. That's the elephant in the room—film industry tax credits simply don't work. So the connection to Pre-K and workforce training are moot. Let $100 million a year slide for Howard Hughes, Warner Brothers, and Sony Corporation that will enrich these corporations with sketchy returns to Nevada. So Senator Steinbeck and all the Senators, please, please vote no on A.B. 5.

Kathy Harris:
I am a member of AFSCME Local 4041, and my job is a social worker for the State of Nevada. I only want to bring up one point. Nevada's fifty-first in mental health services, and they're the first ones to get cut and we already in the world don't have enough providers. And if this bill passes, I'm worried about the mental health people that I work with.

Adelice Peredes:
I'm a student of Mater Academy East and I stand here with Las Vegas to provide my sincere opinion. Bill A.B. 5 must be opposed. For the good of the people is what this bill claims to do if it's passed. Well, I say look deeper. Look beyond the sweet words told to please you, for the citizens of Nevada will not be granted the benefit of opening jobs or small relief of the troubling economy. This bill provides proofs that people who have power and money use that potential to make their wish true. Yet, those on the street or at home are struggling—struggling parents wishing they could have money for Christmas gifts. They work hard, nevertheless, and I have seen the determination that people like me, and all these other future adults can accomplish if given more attention towards their education.

We deserve to strive, not to decline farther so that our future generations ends up having to pay for our debt from our poor decisions. Therefore, this bill will only let the rich get richer, while we stay on the same page of no progress. Please vote no on A.B. 5.

Chair Dondero Loop:
Thank you very much. I hope all you young kids are not going to miss school tomorrow. That's all I'm worried about.

Olivia Tanager, Executive Director, Sierra Club Toiyabe Chapter:
We are the largest grassroots environmental organization in the State of Nevada. I share your frustration about having to be here at 9:00 p.m. on a Sunday. I wish we were here to address a real emergency issue like the rising cost of utility bills, like the rising cost of transportation and the lack of access to public transportation. As I mentioned, we are the largest grassroots environmental organization, and we regularly solicit input from our members on the issues that we work on. And what I hear from my members is what I imagine you all hear from your constituents day in and day out, and that's how expensive it has gotten to live in this State. Folks cannot keep their lights on, folks cannot afford to maintain a car in this State, and we do not have adequate public transportation. And so I know that your job is very difficult right now. My job is very difficult, too, but it's going to be made a lot more difficult if we pass this measure.

If we pass A.B. 5, we are essentially shutting the door on any large climate investment. We are shutting the door on allowing people to get rooftop solar and replacing solar for all that is cut by the federal government. We are shutting the door on robust public transportation infrastructure going forward. And so with that, I strongly encourage you to vote no on A.B. 5 and support robust investment in climate and bringing down the cost of living for everyday Nevadans.

Elisa Cafferata, Executive Director, Children's Advocacy Alliance:
Our major concern is sort of the big picture context of the federal government continuing to hand responsibility and budget requirements to the states to provide programs for our children and vulnerable families. And we think that it's going to be hard for you to make up that revenue or cuts in the next session, given this bill. We greatly appreciate the acknowledgement of the need for Pre-K slots. There are about 200,000 kids who are five and under in the State, and we're serving about 9 percent of them with state- and federally supported child care and only about 4 percent of them with Pre-K. And we know that high-quality childcare is one of the best investments you can make in children's development and pays lifelong returns. We also know that parents need safe and reliable childcare for them to take these jobs that you are creating.

So we would ask you—and our concern is—in addition to investing in economic development, we believe we need to make equal investments in childcare, Pre-K, and the workforce development for these jobs. So thank you for hearing our concerns.

Shamika Abbott:
I'm a teacher in Southern Nevada. I stand in opposition of A.B. 5. I am speaking today because A.B. 5 proposes one of the largest subsidies in Nevada's history, but not in a way that supports the people who need it most. A subsidy of this size may sound beneficial, but in reality, it directs massive financial support away from our already struggling communities. Our schools, youth programs, community centers, and essential services depend on consistent and equitable funding. When we prioritize subsidies for the wrong area, we take away resources from families who are fighting every day just to stay afloat. Instead of moving forward with A.B. 5, we should be investing directly in Nevada's future—our students, who deserve safe schools, strong resources, and a real pathway to successful careers.

We are not asking for luxury. We are asking for what is the necessity. Voting no on A.B. 5 means choosing to reinvest those funds where they matter most—our students' education, mental health support for veterans, Pre-K programs like Head Start, before and after school programs like Safe Key, and the next generation of Nevada. On behalf of myself, my students who are standing behind me and my community, I urge you to vote no on A.B. 5 and yes on the future of our State.

Tara Webster, Progressive Leadership Alliance of Nevada:
I'm here with the Progressive Leadership Alliance of Nevada in opposition to A.B. 5. In recent months, difficulties facing Nevadans have intensified. In the special legislative session, $1.5 billion could have been an opportunity to address urgent issues like food insecurity and free school lunches for K-12 students, expanding employee benefits and health care protections, public transit, funding early childhood education, paid family leave, and investing in affordable housing. All these bills were either vetoed or passed during the last session. And some of those were your bills.

We need Legislators who are going to meet us in the moment, co-govern, and fight for all Nevadans, not just those in the south. This isn't a sustainable bill, and we have seen this fail elsewhere. We really hope that you vote no.

David Monachino:
I'm a member of AFSCME 4041, I'm a state worker, I'm here on my own behalf and not the Department of Education. I happen to be in technology. We talk about diversifying our workforce. I would suggest cybersecurity be a strong part of that. We all want the best for Nevada, we truly do. We live in volatile times now, and dipping in or keeping it tight on the General Fund is a dangerous move.

Michael Curtis:
I am a resident of South Reno, and I urge you to vote no on Assembly Bill 5. Even though my background is in sound for television and film, and many careers would benefit from more filming in Nevada, I don't believe that this bill is the right way to get that done. This bill gives away too much of our precious General Fund to an industry that has not always been trustworthy. Like the song in Chicago says, "Give 'em that old razzle dazzle," and that's exactly what I think Warner Brothers and those proposing the Summerlin Studio are doing. The stock and trade of the movie industry is selling an illusion. And right now, the illusion they are selling is the promise of thousands of permanent jobs that in my experience just don't exist. In regard to these proposed permanent jobs, will they be hiring Nevadans, or bringing in the majority of their workforce from California, further heightening the housing crisis that began with Tesla and other tech companies moving to Nevada?

When those tech companies came with their promises that their workforce would be culled from Nevadans, the reality was that most of the high-paying positions went to employees that were already with the company and were willing to transfer from California. As a consequence, local talent was provided no opportunities. When these employees moved here with their families, they exacerbated the affordable housing cost by bringing the money from the inflated California real estate to Nevada and caused our real estate market to rise significantly. I feel the consequences of the Summerlin program will do the same thing with no guarantee for working Nevadans that they will see any positive economic repercussions from this initiative.

Please think of those living in other areas of Nevada outside of Clark County that will see no direct benefit to this bill when that money could be used for so many other programs, including funding education, health care, affordable housing, food benefits, and much more that would have a direct impact on our local community.

Ray May:
Good evening committee members. My name is Ray, that is like ray of sunshine and May just like the month of May. I'm here to oppose A.B. 5, and I know you are all tired, so that is gonna be it for me, okay.

Deni French:
I'm so pleased and appreciative of this opportunity. I've watched people in orange tonight, in green tonight, and in neutral tonight. And I've appreciated each of their stands, and most of them are wanting the same things—they want affordable housing, they would like transparency and resilience of yourselves, even at your times of tired to listen to all of us. And our considerations seem to be the same—the people that are wanting for the unions and the trades, similar to the teachers that are securely in ever debt of their own resilience, because we're not really paying them well—all of the different contributors tonight have had very important things to say, and it seems to all put us all in the same boat. We all want a life that we can share with our families, and our friends, and our community healthy, and not necessarily wealthy. But we're looking right now at helping a big corporation, big business, and I would love to have the jobs that they will send. We have to have the people here resilient enough to fill those jobs. Will we? Will those jobs sustain us? Will those jobs be sustainable in themselves because of the services that they create and that the industry is in a shaky spot?

Things are changing. I appreciate that. And it's been very hard for me to sit here and listen to all those that are in need across the table, including your, in fact … Senator Loop mentioned she doesn't get paid a lot to sit and put up with us, you know. So we're all sort of in the same boat, and I really strongly want to ditto Mr. Brown. I'd like to ditto and bring to attention Miss Maggie Addy. I'd like to also mention that I ditto Miss Webster. There are a lot of people that spoke tonight on the other ends of things, but I couldn't catch their names. The trades individuals, those that came and spent this evening, just as you are, and just as fatigued as you are, and appreciate your time. I vote against this particular A.B. 5, for the financial aspects of it are going to the wrong sources. Don't look to Hollywood to save us. We can do this. Have them want to come here. They should, they've got wonderful workers, they've got people that are able to do what they need. We shouldn't have to pay them. They should be breaking down the doors to come to Nevada to help support this community to be what it can be. Thank you very much. Have a good night.

Mike Logan:
I'm a resident of Reno and a union organizer with AFSCME Local 4041. My daily job involves working with folks who make the State run, right. So I don't think anyone here is opposed to Hollywood building studios. I think that's great. Big shout out to our brothers and sisters in the building trades. I do not think this should be built at the expense of taxpayers and off the backs of hardworking public sector employees.

Chair Dondero Loop:
Okay, we're gonna go to the phone lines, and we're probably not going to get through everyone on the phone lines unfortunately, but if you can say ditto, that would be great.

Calen Evans, President, Washoe Education Association:
Just to make this brief, I wanna bring it back to one simple fact that really should outweigh every glossy pitch and talking point that we've heard from the studios, and that's your own nonpartisan fiscal staff. The Legislative Counsel Bureau has told you all that this bill puts Nevada on track for a fiscal cliff. That is not an advocacy group, that's not a consultant hired to sell a project; that is the Legislature's neutral staff whose job is to protect the State from exactly this kind of risk. And the reality is, if we're willing to ignore that warning, then we are admitting that the expertise meant to safeguard Nevada's fiscal health doesn't actually matter when it conflicts with corporation ones. And if we're not going to listen to our own fiscal experts when they tell us a policy will destabilize the state budget, then what is the point of having them?

And then briefly, I know we've talked, heard a lot about Pre-K, and the impact it's gonna have. You know, I think that's great that Clark County, in this small section of Clark County, may receive some funding for Pre-K, but this isn't a Clark County tax credit. Every Nevadan, every single Nevadan is paying for this. And meanwhile, Washoe has major unmet Pre-K needs. Our rural communities have major unmet Pre-K needs. And if the entire State is footing the bill, then the entire State should see the benefit, not just one zip code tied to a private development.

And then, Madam Chair, I do appreciate you allowing for phone testimony tonight. It's really unfortunate that that didn't happen on the Assembly side. The public deserves to be heard and not set out on this process.

Chair Dondero Loop:
And we'd like to hear as many people as we can, but we are going to run out of time because we are giving an hour-and-a-half to each group.

Jessica:
Oh, fantastic, my turn. So I've been sitting here patiently listening for almost four hours and I appreciate that everybody's here still listening. The State of Nevada has consistently given away billion-dollar tax breaks, tax cuts, tax abatements to the ultrarich. That is why Nevada is where we are. That is why we're struggling. That's why all the union workers want you to pass this. That's why teachers don't want you to pass this. It is Nevada's lack of debt collection toward these ultrarich that has got us in this situation. I am begging you as a lifelong Nevadan, somebody who loves this State, do not pass this. It's gonna sink us further into debt. Nevada is a battle born state. We weren't meant to battle the ultrarich, but if that's what you're gonna to drive us toward, then we'll be ready. Because we're all tired; we're all exhausted; we need help down here in our neighborhoods, in our communities. We don't need help. We don't need to be handing out our hard-earned tax dollars to the ultrarich any longer. I was gonna say a lot more, but that's all I've come up with.

Isaias Gallegos:
Today I'm here as a constituent to oppose A.B. 5 firmly. This tax credit, if passed, is expected to cost Nevadans $1.65 billion, but will only recover $755 million over the course of ten years. Our communities are being burdened due to rising cost of housing, energy, food, that means dealing with higher health care costs, as well. Our families have real needs that demand the same urgency that's being given to corporations. But in addressing those issues, rather than passing relief for those families that are already struggling to survive, we are now considering pulling out the largest transfer of wealth in the State by giving studios free money and our own tax dollars from the State General Fund.

This tax credit is not an investment in the State. It is a robbery that will benefit only corporations while the rest of us suffer. So I urge you all to vote no on A.B. 5 to protect our General Fund, and instead to please push for legislation that generally benefits and invests in Nevadans rather than corporations.

Fred Voltz:
A basic question has not been asked and answered tonight. Wouldn't these

studios come to Nevada because of our favorable cost structure and business climate compared to expensive California without any state subsidies? We have seen overblown estimates of economic benefits from public subsidies to Tesla, to the Raiders and a football stadium, to the Athletics and a baseball stadium. Now, movie studios are seeking public handouts. Yet, when we look at any of these four projects, the actual payback of public dollars spent is not the same metric as retail sales, wages, and new construction. The real return on investment, meaning the full return and a dividend of public dollars spent and foregone, never happens. This studio project makes no economic sense for taxpayers, particularly when these studios have every reason to come to Nevada on their own dime.

Steven Horner, President, Nevada State Education Association-Retired:
I am a retired special education teacher and president of the Nevada State Education Association-Retired, and a resident of Assembly District 8 and Senate District 11. I will be brief.

At what cost—the largest class sizes in the nation, near the bottom per-pupil spending, retirees without any health care—how many more giveaways are we going to make until we address the true real needs of Nevadans? To give away tax credits to an industry that doesn't use the credits that we already have available seems counterintuitive when our schools are overcrowded and underfunded, when we need more police officers on the streets, and county and state workers to address the needs of our infrastructure—school buildings, hospitals, facilities to house our citizens, and those in need of intensive mental health care need addressing. Other states have implemented these tax credits for movies and studios, costing their state police officers, educators, firefighters. Nevada already has a shortage of civil servants. Are we really going to eliminate so Sony and Warner Brothers can build studios on the backs of our citizens? I hope not. Please oppose A.B. 5 or any other giveaway until we really ensure that our public is well educated and safe.

Brian Harris:
And I'd like to ditto the comments of the individuals before me. Thank you and have a good rest of your night.

Beth Smith, Trustee, Washoe County School Board:
I'm speaking today in an individual capacity. Madam Chair and Committee, thank you for your work in Carson City late into the evening, and for allowing

the opportunity to call in with my testimony. I'm here because this bill carries risks that are not getting enough attention. Your own fiscal staff has warned it will be a budgetary disaster for future legislatures. And economic analysis shows the anemic ROI for our State. But beyond that, we have to think more about what this means for your communities and the infrastructure.

When we offered major incentives to bring Tesla to Nevada, people celebrated, but the reality was different. Housing costs surged, traffic worsened, and everything in our community became less affordable. In Washoe County, median home prices hit $670,000—that's $200,000 above Las Vegas—while the multibillion-dollar companies we subsidized paid only minimal taxes to support our community. This bill does nothing to prevent those mistakes from happening again. It leans on more empty promises from corporations that don't need taxpayer help, and it does not benefit Nevada as a whole.

For these reasons, I respectfully urge you to oppose A.B. 5, but since the State seems interested in giving away nearly $2 billion, please feel free to appropriate it to our kids in public education. The school district deficits we are facing are a real extraordinary emergency. Per-pupil support in Nevada is still about 50 percent underfunded to the national average, and all 18 districts would make wonderful things happen for the future of our State with that money.

Matthew Wilkie:
First off, I am not against jobs. I have a job, I need a job, and I understand that. But these jobs, construction jobs are only temporary. I'd like to call to attention to something that we heard earlier during this committee meeting from representatives from the studio project, admitting that they want to come to Nevada. Yet, the question for us should be, if they really want to do business in Nevada, why should a public subsidy be required? Businesses already come here because Nevada is a great place to do business, not because the State is asked to absorb the risk and losses on the front end.

Senator Nguyen, you acknowledge yourself that the State, and by extension, us the taxpayers, will lose money at the state level under this proposal with the hope that local benefits will somehow compensate. That is an admission that this is a gamble, and one that shifts the burden on to us. As a resident in Northern Nevada, what I see is that I am going to be paying this film bill via my state taxes and yet, I will get nothing back in return. I don't live in the Las Vegas Valley where the bulk of this activity is going to occur, also let me mention the CCSD that none of you guys want to talk about—the Carson City School District. Where is the Pre-K funding for here? I will help fund the subsidy, but local economic impact spinoff in this region will never materialize.

This bill is framed as if it's needed to compete for film production, but we already have evidence of production here in Nevada now. Mark Wahlberg is currently filming in Reno without subsidies, proving that companies will choose Nevada when it makes sense, not solely for subsidies. In short, we hear that they want to come here, we're told that the State will lose money in hopes of local gains, which leaves us taxpayers, especially up here in Northern Nevada, bearing the risk with little return. We should not assume the local benefits are gonna materialize because of a statewide subsidy structure. It's better to build a climate that attracts businesses on its own merit and not just give them away. I respectfully ask for your no vote on this project. I will end with some of you are running for state offices, and Hollywood may be able to fill your coffers, but voting yes loses our vote.

Cyrus Hojjaty:
I will echo the statements of the previous commentators. I will make this short. Based on my research on other states like Georgia, this has not provided a good return on investment. As a local chapter lever of an urban planning organization, Strong Towns Las Vegas, my concern is: when there's going to be all these so-called jobs and residents, who's going to pay for the increased demand for car infrastructure, arterial roads like Town Center and Hualapai roads? It's likely going to come from the gas tax, which you know we lobbied last session to push it. So indirectly, there's going to be a lot of other costs. And as far as I know, there's no plans to expand mass transit. So there's a lot of other concerns in this bill, but other than that, I will yield my time.

Chair Dondero Loop:
Thank you very much. Next caller please, and this will be our last caller and then we'll do the three people in Las Vegas at the table, and we'll be done with opposition.

Matthew Winterhawk:
I'm a Nevadan, father, and a candidate for governor. I appear today in my capacity as a citizen, because I believe what happens in this room affects all 17 counties, not just one. Before I address this A.B. 5, I'd like to put on the record that in accordance with *Nevada Revised Statutes* (NRS) 218H.010 through

Nevada Revised Statutes 218H.960, Nevada Lobbying Disclosure Act, the legislature's regulation on lobbying adopted by the Legislative Commission and Chapter VII of the Legislative Manual ethics and prohibited acts, as well as joint Standing Rule 40 and standing rules of both chambers, every person participating in hearings [unintelligible] conflict of interest, improper influence …

Chair Dondero Loop:
Sir, if I can stop you. This is opposition for the bill. This is not a lesson in NRS statutes …

Mr. Winterhawk:
I have my statement for the bill …

Chair Dondero Loop:
So if you want to address the bill, you have exactly one minute to do that. Thank you.

Mr. Winterhawk:
Okay, thank you. A.B. 5 is not a statewide development, it is a geographically exclusive arrangement that guarantees $95 million, 15 years in transferable tax credits to one project in Clark County, while other 16 counties are assuming the fiscal risk with zero direct benefit. So at this moment, since I only have a minute of time, I'd like to say Washoe, Storey, Lyon, Douglas, Carson, Churchill, Pershing, Humboldt, Lander, Eureka, Elko, White Pine, Nye, Mineral, Esmeralda, and Lincoln for being there because apparently you have to pay for everything that Clark County does that messes up inside this entire State. I'm sorry that that's the way it is, but that's the way they made it.

Chair Dondero Loop:
Thank you very much. Thank you for your time tonight. And with that, we will go to the people at the table in Las Vegas. We'll finish up with you three.

Mira Punzalan:
I'm gonna to address three things real quick, and then we're going to break it down. So one, I am going to talk about the difference between creating jobs and creating opportunity; two, the student pipeline into Hollywood; and three, the history of labor unions treatment in Hollywood. So let's start with the first one. Funniest part of all, this is the division that y'all have created to make the unions believe that us in opposition are against them. It's just really funny,

because we are all on the same side, right? They want jobs, and not only are we saying they deserve jobs, but they deserve actual stable employment, not just having to rely on the little prompts that Hollywood can put in our hands little by little so that these people can stay up with the things that they have to pay for.

Project-based employment was never meant to build stable income for people or stable careers so that corporations like Howard Hughes holdings can continue to create and hold the $5 billion amount of dollars that they have in net worth. Promising union workers these low wages and temporary jobs a chance to catch these crumbs that I've said is not creating opportunity. Creating opportunity is when corporations know that they can leverage our legislators and use union workers as pawns in order to maximize profit. That's what creating opportunity is.

So second, I want to talk about Hollywood pipelines in schools. A lot of people have talked about how doing these studios is going to create a lot of ways for students here in Nevada, both in K through 12, and in colleges and universities to get into Hollywood. Right? So do you all know what the globally-known best cinematic arts school is? It's the University of Southern California and their School of Cinematic Arts. So I actually attended this school, and although I wasn't in the cinematic arts program, I met a lot of people who are not only in these programs, but are also LA natives, have grown up in these streets of LA, have grown up around Hollywood. And I promise y'all, the studios being there, and again, even if they go to the best school for cinematic arts, there are no pipelines that actually funnel filmmakers, producers, writers to go into these film industries and be able to generate an income from that.

Chair Dondero Loop:
And I appreciate your comments. Thank you very much.

Ms. Punzalan:
And last thing, labor union treatments in Hollywood. Do y'all know that SAG-AFTRA, the writer's guild and the …

Chair Dondero Loop:
Thank you very much. You are taking the person next to you's time.

Tony Ramirez, Make the Road Nevada:
I am here on behalf of Make the Road Nevada in opposition to this bill. Let's be clear, this is not an emergency. If the body wants to address a real emergency, it should focus on the kidnapping and disappearance happening across Nevada, especially in my neighborhood of Senate District 3. That is Senator Nguyen. The issues that threaten the safety of our families and communities, those crises deserve urgent action. In the interest of time, I will also be writing a written testimony outlining all of our concerns with the policy itself. From our perspective, and the process throughout the Assembly surrounding the rejection of Spanish speakers due to the LCB [Legislative Counsel Bureau] policy of 24-hour notice for a translator that was not provided due to the late notice, again, of the call for a special session. That is the area of frustration, and I hope my Senator, my representative, will provide a statement addressing that issue.

Shelbie Swartz, Executive Director, Battle Born Progress:
All right, I will keep it brief as the last person to go. Thank you, Chair, members of the committee, for the opportunity to testify today. And thank you particularly to Chair Dondero Loop and Majority Leader Cannizzaro for your commitment to transparency, and a fair process, allowing Nevadans to participate in this process. And a special thank you to Majority Leader Cannizzaro for making sure I was comfortable at 37 weeks pregnant being here at 9 o'clock at night.

I am a Nevada resident and parent who wants to see our State build real, lasting prosperity, just like all of you, not just chasing the next shiny object. Our State's trades members are worthy of investments that do not put them at odds with other working people, or use them as pawns to line the pockets of giant corporations. No matter how well intentioned the legislation may be, I urge you to reject this legislation. Bet on Nevada and not on the temporary generosity of Hollywood studios or Howard Hughes.

Chair Dondero Loop:
And I thank you, and anyone who is listening on the phone or didn’t get a chance to speak, please do not hesitate to send in your comments. All right, with that, we will quickly go to neutral here in Carson City, in Las Vegas, and on the phone lines.

Kobe Hopkins:
I understand it is almost 9:00 p.m., but I have something to say and it’s not just

ditto because it's the largest corporate subsidy in Nevada history, despite not being an emergency, and deserves to be treated with care and patience and not be rushed. I am 25 years old, a member of Gen Z, proud graduate of Stanford University, born and raised in Nevada, and one of those CCSD grads whose Pre-K keeps getting brought up. Also, I'm someone who has been laid off for longer than a year in a mass corporate layoff, despite graduating from Stanford …

Chair Dondero Loop:
Sir… sir … sir …

Mr. Hopkins:
… and going to work a one of the top corporations in our country …

Chair Dondero Loop:
Sir … are you in neutral?

Mr. Hopkins:
Oh, yeah. These are just facts; these are facts of mine. Also, I'm someone who has been laid off … do you not want to hear my facts?

Chair Dondero Loop:
Yeah, you've got a minute to do your facts, thanks.

Mr. Hopkins:
Also, I'm someone who has been laid off for longer than a year in a mass corporate layoff, despite graduating from Stanford University and going to work at one of the top corporations in our country, if not the world. And I still couldn't find a job after being discarded. So quick question: are there any other recent subsidies Nevada has made that resulted in lower than projected job prospects? Fact: taxpayer-funded projects like Allegiant Stadium promised 18,000 jobs to us Nevadans, but only resulted in less than 3,000 jobs, 3,000 construction jobs; I repeat, less than 3,000 full-time jobs.

Chair Dondero Loop:
Okay, I really appreciate your facts, but we're done with facts for the night. Thanks very much, and we'll go to the next neutral caller.

Mr. Birlew:
I was just calling back and I'm not gonna take up too much time, but there was just a point I forgot to mention when I called in earlier ...

Chair Dondero Loop:
I am sorry, I am really, really, really sorry, if you are not in neutral, if you are in support or opposition, we are done with those areas. So if you are in neutral ...

Mr. Birlew:
Yeah, it was just a neutral comment. I just wanted to finish something. But if you need to take somebody else's call, that's fine.

Chair Dondero Loop:
Thank you very much. We appreciate that. Next caller, please.

Mr. Birlew:
Okay.

Katrin Ivanoff:
Hi, I just want to say that when we had opposition, a caller for support was allowed to speak, so I hope I'm allowed to speak against in a different queue. Because when the caller for the opposition wanted to speak in the support, it wasn't allowed. I'm in opposition and I beg to vote no to this bill. When Senator Titus asked Mr. Walker if Saudi Arabia is buying Warner Brothers, the answer was not no. The answer was totally ignored, and he pivoted to say that that question comes from an article, when it doesn't matter where that question comes from. Answer the question. The question was not answered, which makes me to believe that this is a true statement. Thank you for allowing me to speak.

Cristiane Mersch, State Director, Bienvenido Action:
I'm here representing many Hispanic families that care about education, that care about economy. We saw all the damage of bills like this that impact the economy in South America. We're here to beg your vote no. I'm your constituent. This is not about helping Nevada; it's about helping the corporations. Please consider to listen your constituents. No big corporation. No lobbyists. Thank you. Have a good night.

Chair Dondero Loop:
Thank you very much. And with that, we will go back to any closing comments from our presenter, and I believe that Senator Steinbeck had a question for you. So when you come up, he can ask that question and then we will close the hearing on Assembly Bill 5.

Senator Steinbeck:
Madam Chair, I found the answer to my question in the written material. Thank you.

Chair Dondero Loop:
Okay, thank you very much. All right with that, please, Assemblymember Jauregui.

Assemblymember Jauregui:
I'm gonna spare you my one page of closing remarks because it's late, but I did want to end with just a comment. You know, I brought this bill because I've sat with too many building trade union workers who are out of work in Nevada. And so they have to leave their families for months at a time in order to put food on their table. And it's all because we can't offer them the steady, dignified work that they deserve. And A.B. 5 changes that. It creates almost 40,000 jobs and these aren't poverty wage jobs; they're six figure careers. Let's also take this opportunity to broaden our economy, so that we're never again just one crisis away from being back in this building having to make cuts. So thank you, Chair and committee members. I know it's late, and we've been here a long time, and I urge your support.

Chair Dondero Loop:
Thank you very much and thank you for your time. All right, with that, I will close the hearing on Assembly Bill 5.

Okay, we're going to take a recess right now. So I don't have a time element on the recess time, so we will stand in recess.

Senator Titus:
Madam Chair, I know we are in recess, but I want to acknowledge that I felt that you just ran a tremendous hearing. I think you gave more than adequate time to both sides and you took the phone calls. And I want to express my gratitude. Thank you.

Chair Dondero Loop:
All right, we'll come back into order. We are going to do two things while we are here. We're going to work session the bill, A.B. 5, and then we are going to do public comment. So I think that we have sufficiently discussed the bill at this point. And so I will entertain a motion.

SENATOR CANNIZZARO MOVED TO DO PASS A.B. 5.

SENATOR NGUYEN SECONDED THE MOTION.

Chair Dondero Loop:
Any discussion on the motion?

Senator Neal:
So I will vote to get this out of committee, but I will reserve my right.

THE MOTION CARRIED. (SENATORS ROGICH AND TITUS VOTED NO.)

* * * * *

Chair Dondero Loop:
And with that, the motion passes, and thank you very much. And we will go to public comment. Just a reminder to anyone who wants to do public comment, it has to be something that is not related to the bill. So with that, is there anyone in here that would like to do public comment?

Mr. Navarro:
Hi, hello, good evening. Real quick, I just want to shout out the great workers here—I'm sorry, I'm very tired, I forgot the bill—in these Nevada hearing rooms here. They're amazing. I was chatting a few of them up. They've been here since like 6-7 o'clock in the morning, they've been so, like, friendly and courteous and welcome, and I know it's a long day and a lot of people coming in. So I just really want to shout them out and thank you for the service of the State. It's democracy. So thank you so much for your time.

Chair Dondero Loop:
Thank you very much for mentioning our staff. We do have the best staff, I believe. So thank you very much on both ends of the State.

Ms. Punzalan:
Wanna echo thanking the staff. We thank y'all so much for everything y'all do. And then my comment is kind of a small question. Who does it benefit and how is it fair to anyone if Legislators are just gonna vote based on the coercion of others, and not actually the people who come and stay until like 10:00 p.m. to testify or anything? So just wanted to help everyone kind of think about who actually benefits from any of this.

Chair Dondero Loop:
Thanks for the help.

Wiselet Rouzard, Deputy State Director, Americans for Prosperity:
Just really want to take the time to say thank you sincerely on behalf of our organization for your openness and transparency. Starting a meeting as a nonpartisan organization, we had a lot of folks reach out about this. And the only thing we could do is direct them to elected officials to ensure that there is openness. And I will say, after what folks have experienced in the Assembly, this has been by far, since I have been here, the best run committee. And it's rare that you see even opposition during presentation be offered and you did that. So I want to take the time to say thank you on behalf of Americans for Prosperity and all the activists. And we thought again every single member here their remarkable job on actively listening on a very pressing issue. So thank you very much.

Chair Dondero Loop:
Thank you very much. And thank you for those kind words, and every one of those kids better get to school tomorrow that had your T-shirt on. And if they call in sick, you're in trouble.

Ms. Ivanoff:
First, thanks for everybody for being so patient and staying long. I also like the fact that there was allowed opposition presentation, which I don't hear in other views. I think more of the views should have both sides of the story. However, I was very disappointed of how the people with opposition and support was treated very differently. Support was allowed to listen to everyone, waited for them on the phone and all that. And opposition was told many times, "Oh, you just say ditto, just say ditto," and we were not allowed, all of us, to be heard. So that was a little disappointing.

Also, something that has nothing to do with the bill directly, but it came to my attention that Senator Loop brother is one of the lobbyists for this bill.

Chair Dondero Loop:
No, that is not—let me correct that right now. Let me correct that right now. My brother is not a lobbyist at all. He is not involved in government affairs at all. He has nothing to do with this issue at all. So let me put that to rest.

Ms. Ivanoff:
So he’s not executive in the company that was hired?

Chair Dondero Loop:
He has nothing to do with this side of the company. He has marketing, and only marketing. So please leave my family out of this.

Ms. Ivanoff:
He works in the … he works in the company …

Chair Dondero Loop:
We are discussing public comment. If you would like to discuss that, you are going to have to discuss it at another time, but we are not discussing that in public comment.

Ms. Ivanoff:
Okay, I will not. I still want to say appreciation to everybody that worked very hard on this, and I hope that you guys would hear if there was a lot more opposition than that, and it was bipartisan, actually, opposition. So it wasn’t one side of the aisle, and so I’m hoping … and I will check again on the other fact and do email directly to you about that.

Chair Dondero Loop:
Thank you very much. Have a nice evening. Any additional callers?

John Carlo:
Hello y’all, my name is John Carlo, an all too familiar voice in Nevada. And I just appreciate y'all coming in on this special session, and I do appreciate the extra effort y'all have put in. I hope that it’s just true motivation that y'all truly want to be here for us and that you’re not being pushed to be there, you know. But I’m actually … I am a Nevada resident. I am calling from the eastern time zone.

I'm a darn proud union member from the bricklayer's union, and I've been working out of town for the past three months. And I really miss my home, I miss Nevada, I miss my church, I miss my bed. My people in Las Vegas, in Nevada, they need me. I wanna be back there, but we need some good jobs. We need a good economy. I'm just a construction worker. I am not the brightest bulb out there, but I know that Nevada needs jobs. I done figured that out.

I don't know what y'all talked about today, because no one told me. The Clark County Republican Party didn't email me. The Democrat Party didn't email me. No Senator, no Assembly person, emailed me, the IFO CIO people, they didn't email me. No one told me about this meeting tonight and I am calling here at one in the morning on public comment at the very, very end because there was no public …

Chair Dondero Loop:
Well, we appreciate you. We appreciate you calling at 1:00 a.m. in the morning and get some rest. Thank you very much.

Mr. Carlo:
But we need jobs.

Unidentified Testifier No. 3:
I just wanna make a comment that one of the speakers did earlier when he was saying that a lot of the politicians here get money from special interest groups, and I believe he meant not actual money as in salaries. We know that you guys make $10,000 a year for doing your job. But what he's talking about was the political contributions you get. Ms. Dondero Loop, you got over $600,000 in political donations, many of which are, like, from the resort hotel industry: $10,000 from MGM, $10,000 from Boyd Gaming, $10,000 from the Nevada Resort lobbies. This is the kind of contributions you are getting, and you expect us to believe that you're not passing laws to benefit those people that gave you massive contributions for your vote in their campaign? That's exactly …

Chair Dondero Loop:
If you would like to … I'm sorry, if you would like to question …

Unidentified Testifier No. 3:
And this is not a question …

Chair Dondero Loop:
If you would like to question my integrity, we'll do it another time. Thank you very much. Thank you very much for calling in.

Unidentified Testifier No. 3:
This is public office …

Mr. Hojjaty:
I just want to say I really appreciate how this meeting was done. I think it was done in a very properly fashion [unintelligible]. This all done certainly better than the baseball stadium bill. And I really appreciate that you were able to get comments through the phone [unintelligible].

Chair Dondero Loop:
We'd love to hear what you have to say, but you are breaking up and we cannot hear you talking.

Mr. Hojjaty:
I hope you guys have a great time and happy holiday.

Chair Dondero Loop:
Thank you. You too.

Unidentified Testifier No. 4:
I would like to keep it short and brief, just a kind of thing to send in a way for allowing you guys to be more transparent with the phone calls, of course, and allowing folks to dial in. I just hope that you guys can keep it consistent, no matter what bill it is, whether it was the one today, the one going on tomorrow, and also your offices overall. And just so you know, of course, this is an issue that worries everybody. And everybody that’s come in today from Vegas or Carson, most of us are from the middle class; we're just out here working. And so we’re just out here addressing the concerns, no matter what side of the aisle you are on. And simply, I just want to say, just keep speaking to the real Nevadans. Keep listening to the students that outreach to you, the parents and grandparents, the workers, just simply because these are conversations that we want to be involved in and issues that matter to us. And even at this hour, we’re still here, up, watching you guys. And so I just kind of want to put that out there to just keep it transparent with everybody, regardless of where you stand.

Chair Dondero Loop:
Thank you very much. Okay, thank you, everyone, and that completes our public comment and with that, we are adjourned at 10:04 p.m.

RESPECTFULLY SUBMITTED:

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Linda Hiller,
Committee Secretary

APPROVED BY:

____
Senator Marilyn Dondero Loop, Chair

DATE:______________________________________

EXHIBIT SUMMARY				
Bill	**Exhibit Letter**	**Introduced on Minute Report Page No.**	**Witness / Entity**	**Description**
	A	1		Agenda
	B	1		Attendance Roster
A.B. 5	C	22	Guy Hobbs / PFM Group Consulting	Summerlin Studios – Fiscal and Economic Impact Analysis
S.B. 8	D	50	Wayne Thorley / Senate Fiscal Analyst	Amendment on behalf of NVMA
A.B. 5	E	52	Michael Brown / The Lincy Institute	Understanding Film Tax Credits in Nevada and Nationally