Amendment No. 916

Assembly Amendment to Assembly Bill No. 238 First Reprint	(BDR S-63)
Proposed by: Assemblymember Jauregui	
Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION				Initial and Date	**SENATE ACTION**				Initial and Date
Adopted	☐	Lost	☐	______	Adopted	☐	Lost	☐	______
Concurred In	☐	Not	☐	______	Concurred In	☐	Not	☐	______
Receded	☐	Not	☐	______	Receded	☐	Not	☐	______

EXPLANATION: Matter in (1) ***blue bold italics*** is new language in the original bill; (2) variations of **green bold underlining** is newly added language; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) ***~~fuchsia double strikethrough~~*** is new language in the bill proposed to be deleted in this amendment; (6) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment.

SHORT FORM AMENDMENT

Sections 9, 13, 15.7, 16, 23, 25 and 37 of this act are the only sections affected by this amendment.

BJF Date: 5/29/2025

A.B. No. 238—Enacts the Nevada Studio Infrastructure Jobs and Workforce Training Act. (BDR S-63)

A AB238 R1 916

If this amendment is adopted, the Legislative Counsel's Digest will be changed as follows:

Legislative Counsel's Digest:

Existing law establishes a program for the issuance of transferable tax credits by the Office of Economic Development to the production company of a motion picture or other qualified production, based upon qualified direct production expenditures made for the purchase of personal property or services from a Nevada business. (NRS 360.758-360.7598) This bill revises provisions governing these transferable tax credits and enacts the Nevada Studio Infrastructure Jobs and Workforce Training Act to authorize film infrastructure transferable tax credits for qualified productions produced at the site of the Summerlin Production Studios Project.

Sections 1-16 of this bill enact the Nevada Studio Jobs and Workforce Training Act, which provides film infrastructure transferable tax credits for production companies located within the Summerlin Production Studios Project, as defined in **section 8**. **Section 9** requires the Office of Economic Development to enter into a development agreement with the lead participant of the Project to establish: (1) certain criteria that the Project is required to satisfy in exchange for production companies located at the Project to be eligible for film infrastructure transferable tax credits; and (2) certain requirements for new capital investment in this State and the generation of ~~[qualified]~~ direct production expenditures in this State, which the Project must meet, with certain exceptions, to avoid penalties specified in **section 9**. **Section 10** **:** ~~[of this bill:]~~ (1) authorizes production companies located at the Project to apply, on or after June 1, 2026, to the Office for film infrastructure transferable tax credits for qualified productions produced, in whole or in part, at the Project; and (2) authorizes such credits to be used against the modified business tax, insurance premium tax or gaming license fee, or any combination of these taxes and fees. **Section 11** establishes the qualified production expenditures which are the basis for calculating the amount of film infrastructure transferable tax credits, including, without limitation: (1) purchases and rentals of property or services from a Nevada business; (2) wages and fringe benefits paid to employees who are Nevada residents or other personnel who perform services in this State on the qualified production; (3) certain compensation paid to producers in their capacity as producers; and (4) amounts paid to personal service corporations for the services of certain persons on the qualified production. **Section 12** of this bill provides that the base amount of film infrastructure transferable tax credits is 30 percent of the amount of qualified direct production expenditures calculated under **section 11**, with certain reductions if the production company does not satisfy certain criteria for employing Nevada residents as below-the-line personnel or employing or offering training or work opportunities to members of traditionally underrepresented groups. **Section 13**: (1) limits the total amount of film infrastructure transferable tax credits issued pursuant to **sections 1-16** to $95,000,000 for each fiscal year beginning on or after July 1, 2028; and (2) prohibits the approval of an application for film infrastructure transferable tax credits if the application is submitted in a fiscal year that begins on or after July 1, 2043. **Section 14** requires a production company to: (1) commence principal photography within a certain period of time after the Office approves an application for a certificate of eligibility for film infrastructure transferable tax credits; (2) complete the qualified production within 18 months after the date of commencement of principal photography, except that the Office may extend this period for not more than 6 months; and (3) submit certain required information within the required period. **Section 15** requires a production company to repay film infrastructure transferable tax credits under certain circumstances. **Section 15.7** ~~[of this bill]~~ requires the lead participant in the Project to submit certain reports to the Governor, the Legislature and the Office, and requires the Office to post such reports on its Internet website. **Section 16** requires certain reports to be made to the Legislature concerning film infrastructure transferable tax credits.

Sections 17-25 of this bill make various changes to the existing law governing the noninfrastructure transferable tax credits for motion picture and other qualified productions. (NRS 360.758-360.7598) **Section 17** changes references to "extras" in a qualification production to "background actors." **Section 18**: (1) provides that digital media productions are qualified productions for the purposes of eligibility for film infrastructure transferable tax credits and noninfrastructure transferable tax credits; and (2) clarifies that media productions solely produced for social media are not eligible for such transferable tax credits. **Section 19** revises the criteria to be eligible for noninfrastructure transferable tax credits to be the same as the criteria for film infrastructure transferable tax credits by: (1) removing the requirement that a certain percentage of direct production expenditures be incurred in this State and, instead, requiring that at least 50 percent of the total principal photography days take place in this State or a certain amount of qualified direct production expenditures be incurred in this State; and (2) requiring a production company to have a workforce plan that establishes certain goals and provide to the Office a final assessment of whether the production company met or made a good faith effort to meet those goals. **Section 20** revises the expenditures and costs that may serve as a basis for noninfrastructure transferable tax credits. **Section 21**: (1) increases the base amount of transferable tax credits from 15 percent of the qualified direct production expenditures to 30 percent of the qualified direct production expenditures, for an application submitted in each fiscal year beginning on or after July 1, 2028, and ending before July 1, 2043; and (2) provides for certain reductions to that base amount during that period. **Section 22** makes certain provisions of existing law relating to the calculation of noninfrastructure transferable tax credits inapplicable for period beginning on July 1, 2028, and ending on June 30, 2043. **Section 23** temporarily increases from $10,000,000 to $25,000,000 the total amount of noninfrastructure transferable tax credits for motion picture and other qualified productions that may be issued under the existing program for each fiscal year beginning on or after July 1, 2028, until June 30, 2043. **Sections 24 and 25** make conforming changes so that noninfrastructure transferable tax credits are administered and reported in the same manner as film infrastructure transferable tax credits.

Section 15.3 ~~[of this bill]~~ requires the Clark County Board of County Commissioners to create a production studio entertainment district for the purpose of enhancing early childhood education opportunities, including prekindergarten, for children in the Clark County School District. Under **section 15.3**, the boundaries of the district are required to be entirely within the unincorporated areas of Clark County and include only parcels of land that are located within the boundaries of the Summerlin Production Studios Project other than parcels on which a business holding a gaming license is located. **Section 15.3** requires certain taxes on transient lodging, certain property taxes and certain sales and use taxes imposed in the district to be pledged and distributed to the Clark County School District and used by the Clark County School District solely for the purposes of prekindergarten programs in the Clark County School District. Finally, **section 15.3** requires the Clark County School District to submit annual reports to the Office concerning the use of money distributed to Clark County School District under **section 15.3**.

Sections 26-33 of this bill establish a program to provide grants to certain organizations that provide education and vocational training for workforce development for the production of motion pictures and other qualified productions. **Section 31** establishes the Account for Nevada Film, Media and Related Technology Education and Vocational Training for the purpose of allocating money to certain entities and organizations that provide education and vocational training for such workforce development. **Sections 10 and 19** require a production company that is issued transferable tax credits for a qualified production to pay to the Office an amount of money equal to 1 percent of the amount of transferable tax credits issued to the qualified production, and requires the Office to deposit that money with the State Treasurer for credit to the Account. **Section 32** creates and provides for the composition of the Board for Nevada Film, Media and Related Technology Education and Vocational Training within the Office of Economic Development. **Section 33**: (1) requires the Board to establish the procedure for a person or entity to apply for a grant of money from the Account, the criteria to be used to determine whether to approve an application for a grant from the Account to an applicant and the requirements for reports by recipients of such grants concerning the use of the grants; (2) prohibits the making of a grant from the Account unless the Board approves the application for the grant; and (3) requires a recipient of a grant from the Account to adopt and implement a community benefits program that satisfies certain requirements.

Section 9 of Assembly Bill No. 238 First Reprint is hereby amended as follows:

Sec. 9. 1. Not later than 120 days after the effective date of this act, the Office shall enter into a development agreement with the lead participant of the Summerlin Production Studios Project, unless the Office agrees to extend this period by not more than 60 days. The development agreement entered into pursuant to this section:

(a) Must require the Project to:

(1) Except as otherwise provided in subsections 2 and 6, not later than:

(I) June 30, 2028, ~~[complete construction of a development consisting of facilities, buildings, structures and other infrastructure,]~~ **make a new capital investment in this State,** excluding any hotel, ~~[for the production of qualified productions at the site of the Project, which must consist of a new capital investment in this State]~~ of at least $400,000,000.

(II) December 31, 2029, ~~[complete construction of facilities, buildings, structures and other infrastructure at the site of the Project, which must consist of]~~ **make** an aggregate new capital investment in this State, ~~[including the capital investment described in sub-subparagraph (I),]~~ of at least $900,000,000. For the purposes of determining the amount of new capital investment pursuant to this sub-subparagraph, any new capital investment by a third party who purchases property or enters into a ground lease for property within the site of the Project must be credited toward meeting the requirement of this sub-subparagraph. The Office shall credit toward meeting the requirement of this sub-subparagraph 50 percent of the new capital investment made at the Downtown Summerlin site during the period beginning on the date of the execution of the development agreement and ending on December 31, 2029, if the new capital investment is consistent with the State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053 and the intent of the Legislature as expressed in sections 2 and 2.5 of this act.

(III) December 31, 2032, ~~[complete construction of facilities, buildings, structures and other infrastructure at the site of the Project, which must consist of]~~ **make** an aggregate new capital investment in this State ~~[, including the capital investment described in sub-subparagraphs (I) and (II),]~~ of at least $1,400,000,000. For the purposes of determining the amount of new capital investment pursuant to this sub-subparagraph, any new capital investment by a third party who purchases property or enters into a ground lease for property within the site of the Project must be credited toward meeting the requirement of this sub-subparagraph. The Office shall credit toward meeting the requirement of this sub-subparagraph 50 percent of the new capital investment made at the Downtown Summerlin site during the period beginning on the date of the execution of the development agreement and ending on December 31, 2032, if the new capital investment is consistent with the State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053 and the intent of the Legislature as expressed in sections 2 and 2.5 of this act.

(IV) December 31, 2038, ~~[complete construction of facilities, buildings, structures and other infrastructure at the site of the Project, which must consist of]~~ **make** an aggregate new capital investment in this State ~~[, including the capital investment described in sub-subparagraphs (I), (II) and (III),]~~ of at least $1,800,000,000. For the purposes of determining the amount of new capital investment pursuant to this sub-subparagraph, any new capital investment by a third party who purchases property or enters into a ground lease for property within the site of the Project must be credited toward meeting the requirement of this sub-subparagraph. The Office shall credit toward meeting the requirement of this sub-subparagraph 50 percent of the new capital investment made at the Downtown Summerlin site during the period beginning on the date of the execution of the development agreement and ending on December 31, 2038, if the new capital investment is consistent with the State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053 and the finding and intent of the Legislature as expressed in sections 2 and 2.5 of this act.

(2) Except as otherwise provided in subsection 2, complete construction of the Nevada Partners Vocational Training Studio, which must:

(I) Be a facility to provide vocational training and education for the development of a trained workforce for the production in this State of qualified productions that are film and television productions;

(II) Consist of a new capital investment in this State of at least $8,000,000; and

(III) Be located at a site owned by Nevada Partners, Inc., or its successor organization, by June 30, 2030, or, if the lead participant has found a site owned by Nevada Partners, Inc. to be inviable or Nevada Partners, Inc. ceases to exist and has no successor organization, at a site approved by the Southern Nevada Enterprise Community Board, by June 30, 2031.

(3) Except as otherwise provided in subparagraph (4) and subsections 2 and 6, guarantee that for the period beginning on:

(I) July 1, 2028, and ending on June 30, 2034, the Project will generate, for each 2-year rolling period during that time, not less than $600,000,000 of ~~[qualified]~~ direct production expenditures**.** ~~[through the production of qualified productions, in whole or in part, at the site of the Project.]~~

(II) July 1, 2034, and ending on June 30, 2043, the Project will generate, for each 3-year rolling period during that time, not less than $900,000,000 of ~~[qualified]~~ direct production expenditures**.** ~~[through the production of qualified productions, in whole or in part, at the site of the Project.]~~

(4) Require that if, during any fiscal year described in subparagraph (3), the amount of ~~[qualified]~~ direct production expenditures ~~[generated through the production of qualified productions, in whole or in part, at the site of the Project]~~ exceeds $300,000,000, the amount in excess of $300,000,000, but not to exceed $200,000,000, must be carried forward and used to offset any shortage in satisfying any requirement set forth in subparagraph (3) in a subsequent fiscal year.

(5) Except as otherwise provided in subsection 2, not later than 5 years after the Office and the lead participant execute the development agreement, make a contribution of at least $6,000,000 to Clark County to support **, in Sunrise Manor Town, Whitney Town and Winchester,** the arts, cultural programs and training for small businesses related to the production of qualified productions that are film or television productions.

(6) Provide written notice to the Office within 30 days after the applicable deadline for completing a requirement set forth in subparagraphs (1) to (5), inclusive, which must state whether the requirement has been met. Upon receipt of the written notice, the Office shall make a final determination of whether the requirement has been met. If the Office determines that the requirement has been met, the Office shall establish the date on which the requirement was met.

(b) Must establish the minimum amount of square feet of building space at the Project to be used for the various components of the production of qualified productions.

(c) Must establish the minimum number of acres of real property that will be a part of the Project.

(d) May include such other provisions, not inconsistent with law, concerning the development of the Project and the issuance of film infrastructure transferable tax credits pursuant to sections 3 to 16, inclusive, of this act, as agreed to by the Office and the lead participant.

2. As the Executive Director of the Office deems necessary or advisable, the Executive Director may modify any requirement set forth in paragraph (a) of subsection 1 by extending the date by which the capital investment, construction or contribution set forth in those provisions must be made or completed, as applicable.

3. If the Office determines that the Project has not met a requirement for capital investment included in the development agreement pursuant to subparagraph (1) of paragraph (a) of subsection 1, the Project may cure the deficiency by making a new capital investment, not later than 2 years after the end of the period for which the requirement for capital investment was not met, in an amount necessary to satisfy the requirement for capital investment that was not met. If the deficiency is not cured within that cure period, the Office must impose a penalty on the Project, and record a lien on undeveloped land within the Project, to secure payment of such penalty, except that the amount of the penalty and lien must not exceed ~~[100]~~ **110** percent of the appraised value of the remaining undeveloped land within the Project. A lien may not be recorded on any completed portion of the Project and has priority over all other liens other than liens for taxes and any lien securing a construction loan. Any penalty, and the lien securing the payment of such penalty, must be discharged as follows:

(a) If the requirement for capital investment which was not met is satisfied not later than 1 year after the expiration of the cure period, 90 percent of the amount of the penalty, and the lien securing the payment of the penalty, must be discharged.

(b) If the requirement for capital investment which was not met is satisfied more than 1 year, but not later than 2 years, after the expiration of the cure period, 70 percent of the amount of the penalty, and the lien securing the payment of the penalty, must be discharged.

(c) If the requirement for capital investment which was not met is satisfied more than 2 years, but not later than 3 years, after the expiration of the cure period, 50 percent of the amount of the penalty, and the lien securing the payment of the penalty, must be discharged.

(d) If the requirement for capital investment which was not met is satisfied more than 3 years, but not later than 4 years, after the expiration of the cure period, 30 percent of the amount of the penalty, and the lien securing the payment of the penalty, must be discharged.

(e) If the requirement for capital investment which was not met is satisfied more than 4 years, but not later than 5 years, after the expiration of the cure period, 10 percent of the amount of the penalty, and the lien securing the payment of the penalty, must be discharged.

4. If the Office determines that the ~~[qualified]~~ **amount of** direct production expenditures ~~[generated through the production of qualified productions, in whole or in part, at the site of the Project]~~ is less than $150,000,000 in any fiscal year, the Project must pay to the Office a penalty in an amount equal to the lesser of $10,000,000 or the amount determined by:

(a) Calculating 50 percent of the sum of the film infrastructure transferable tax credits authorized for approval pursuant to section 13 of this act for that fiscal year and the immediately preceding fiscal year;

(b) Calculating a percentage by dividing the difference between the ~~[amount of qualified direct production expenditures guaranteed for that fiscal year pursuant to subparagraph (3) of paragraph (a) of subsection 1]~~ **$150,000,000** and the actual amount, as determined by the Office, of ~~[qualified]~~ direct production expenditures **,** ~~[generated through the production of qualified productions, in whole or in part, at the site of the Project,]~~ by $150,000,000; and

(c) Multiplying the percentage calculated pursuant to paragraph (b) by the amount calculated pursuant to paragraph (a).

➥ Any penalty paid pursuant to this subsection must be applied to reduce the amount of any penalty imposed pursuant to subsection 5.

5. If the Office determines that the Project has not met a requirement for ~~[qualified]~~ direct production expenditures included in the development agreement pursuant to subparagraph (3) of paragraph (a) of subsection 1, the Project must pay to the Office a penalty in an amount determined as follows:

(a) If the actual amount of ~~[qualified]~~ direct production expenditures is **more than 2 percent and** not more than 5 percent less than the applicable requirement for ~~[qualified]~~ direct production expenditures included in the development agreement pursuant to subparagraph (3) of paragraph (a) of subsection 1, a penalty in the amount of $2,000,000.

(b) If the actual amount of ~~[qualified]~~ direct production expenditures is more than 5 percent and not more than 10 percent less than the applicable requirement for ~~[qualified]~~ direct production expenditures included in the development agreement pursuant to subparagraph (3) of paragraph (a) of subsection 1, a penalty in the amount of $5,000,000.

(c) If the actual amount of ~~[qualified]~~ direct production expenditures is more than 10 percent and not more than 20 percent less than the applicable requirement for ~~[qualified]~~ direct production expenditures included in the development agreement pursuant to subparagraph (3) of paragraph (a) of subsection 1, a penalty in the amount of $10,000,000.

(d) If the actual amount of ~~[qualified]~~ direct production expenditures is more than 20 percent and not more than 30 percent less than the applicable requirement for ~~[qualified]~~ direct production expenditures included in the development agreement pursuant to subparagraph (3) of paragraph (a) of subsection 1, a penalty in the amount of $20,000,000.

(e) If the actual amount of ~~[qualified]~~ direct production expenditures is more than 30 percent and not more than 40 percent less than the applicable requirement for ~~[qualified]~~ direct production expenditures included in the development agreement pursuant to subparagraph (3) of paragraph (a) of subsection 1, a penalty in the amount of $30,000,000.

(f) If the actual amount of ~~[qualified]~~ direct production expenditures is more than 40 percent and not more than 50 percent less than the applicable requirement for ~~[qualified]~~ direct production expenditures included in the development agreement pursuant to subparagraph (3) of paragraph (a) of subsection 1, a penalty in the amount of $40,000,000.

(g) If the actual amount of ~~[qualified]~~ direct production expenditures is more than 50 percent less than the applicable requirement for ~~[qualified]~~ direct production expenditures included in the development agreement pursuant to subparagraph (3) of paragraph (a) of subsection 1, a penalty in the amount of $50,000,000.

6. ~~[The]~~ **Except as otherwise provided in subsection 7, the** Office may reduce, or waive, any penalty imposed pursuant to subsection 3, 4 or 5 if, upon written request of the lead participant, the Office determines that the failure to meet a requirement for which a penalty may be imposed was caused by extraordinary circumstances beyond the control of the Project and reasonable, documented and good-faith efforts were made to satisfy the requirement. For the purposes of this subsection, "extraordinary circumstances":

(a) Means natural disasters, labor strikes, significant disruptions in material supply chains, substantial economic or geopolitical shocks, government-mandated closures or other events in the nature of force majeure that materially impair the ability to carry out development and construction activities.

(b) Does not include ordinary market fluctuations, internal project scheduling decisions or changes in business strategy.

7. **Before taking any action authorized by subsection 6, the Executive Director of the Office shall:**

(a) Consider any documentation submitted by the production company related to the action under consideration; and

(b) Make the following determinations:

(1) That good cause exists to take such action; and

(2) That the action is reasonable based on the circumstances of the underlying incident on which the reduction or withholding of film infrastructure transferable tax credits authorized pursuant to subsection 4 is based.

8. Any penalty paid to the Office pursuant to subsection 3, 4 or 5 must be deposited with the State Treasurer for credit to the State General Fund.

~~[8.]~~ **9.** The Office shall not approve any abatement, partial abatement or exemption from taxes, or any other incentive for economic development, other than film infrastructure transferable tax credits pursuant to sections 3 to 16, inclusive, of this act or noninfrastructure transferable tax credits pursuant to NRS 360.758 to 360.7598, inclusive, for the Summerlin Production Studios Project if the Project has entered into a development agreement with the Office pursuant to this section.

~~[9.]~~ **10.** As used in this section:

(a) **"Direct production expenditures" means direct expenditures in this State on productions that are associated, in whole or in part, with the lead participant.**

(b) "Hotel" means a building occupied or intended to be occupied for compensation, as the temporary residence for transient guests, primarily persons who have residence elsewhere. A hotel has an interior hall and lobby with access to each room from the interior hall or lobby.

(b) "Southern Nevada Enterprise Community Board" means the Southern Nevada Enterprise Community Board created by section 8 of the Southern Nevada Enterprise Community Infrastructure Improvement Act.

Section 13 of Assembly Bill No. 238 First Reprint is hereby amended as follows:

Sec. 13. 1. Except as otherwise provided in this section, the Office shall not approve any application for a certificate of eligibility for film infrastructure transferable tax credits submitted pursuant to section 10 of this act if:

(a) Approval of the application would cause the total amount of film infrastructure transferable tax credits approved pursuant to section 10 of this act to exceed the sum of $95,000,000 for each fiscal year beginning on or after July 1, 2028.

(b) The application is submitted by a production company in a fiscal year that begins on or after July 1, 2043.

2. Except as otherwise provided in paragraph (b) of subsection 1 and subsection 3, the amount of film infrastructure transferable tax credits authorized for a fiscal year that are not approved for that fiscal year may be carried forward and made available for approval only during the next fiscal year, but the amount of film infrastructure transferable tax credits carried forward and made available for approval during the next fiscal year must not exceed $47,500,000. For any fiscal year to which film infrastructure transferable tax credits are carried forward from the immediately preceding fiscal year pursuant to this subsection, the film infrastructure transferable tax credits that have been carried forward must be deemed to be the first film infrastructure transferable tax credits approved until the total amount of film infrastructure transferable tax credits carried forward from the immediately preceding fiscal year have been approved.

3. If the Summerlin Production Studios Project does not satisfy the criteria set forth in **sub-subparagraph (I) of** subparagraph (1) of paragraph (a) of subsection 1 of section 9 of this act, the Office shall not issue a certificate of film infrastructure transferable tax credits to a production company that produces a qualified production for which a certificate of eligibility has been issued pursuant to section 10 of this act.

4. Except as otherwise provided in this section, if the Office approves an application for a certificate of eligibility pursuant to section 10 of this act:

(a) Before July 1, 2028, the Office shall assign the amount of film infrastructure transferable tax credits identified under the certificate of eligibility to Fiscal Year 2028-2029.

(b) On or after July 1, 2028, the Office shall assign the amount of film infrastructure transferable tax credits identified under the certificate of eligibility to the fiscal year in which the application for the certificate of eligibility is approved.

5. Except as otherwise provided in subsection 2, an amount of film infrastructure transferable tax credits approved by the Office under a certificate of eligibility issued to a production company pursuant to section 10 of this act that exceeds the amount of film infrastructure transferable tax credits approved by the Office under a certificate of film infrastructure transferable tax ~~[credits approved by the Office under a certificate of film infrastructure transferable tax]~~ credits issued to the production company pursuant to section 10 of this act may be added to the amount made available for approval during subsequent fiscal years.

6. The film infrastructure transferable tax credits issued to any production company for any qualified production pursuant to section 10 of this act expire at the end of the calendar year that is 6 years after the date on which the film infrastructure transferable tax credits are issued to the production company.

Section 15.7 of Assembly Bill No. 238 First Reprint is hereby amended as follows:

Sec. 15.7. 1. The lead participant shall, on or before October 1 of each even-numbered year, prepare and submit to the Governor, the Director of the Legislative Counsel Bureau for transmittal to the Legislature and the Office a report on the performance of the project for the immediately preceding fiscal years. The report must include ~~[:]~~ **, without limitation:**

(a) The following information concerning the development of the Project:

(1) The cumulative capital investment, by component, including the studio campus, vocational-training studio and supporting uses;

(2) Square footage delivered and acreage improved, by component;

(3) The status of capital investment requirements and requirements for ~~[qualified]~~ direct production expenditures included in the development agreement pursuant to paragraph (a) of subsection 1 of section 9 of this act;

(4) Any improvements to public infrastructure installed or financed by the Project;

(5) Any capital investment outside of the site of the Project credited toward meeting the capital investment requirements included in the development agreement pursuant to paragraph (a) of subsection 1 of section 9 of this act;

(6) The primary user or tenant of each completed building and space occupied and a brief business description; and

(7) The share of total occupied square footage used by firms whose principal business supports motion picture, television, digital media or related content-creation activities.

(b) The following information concerning the production of qualified productions, in whole or in part, at the site of the Project:

(1) The number of applications submitted for a certificate of eligibility for film infrastructure transferable tax credits pursuant to section 10 of this act;

(2) The number of qualified productions for which film infrastructure transferable tax credits were approved;

(3) The amount of film infrastructure transferable tax credits approved;

(4) The amount of film infrastructure transferable tax credits used;

(5) The amount of film infrastructure transferable tax credits transferred;

(6) The amount of film infrastructure transferable tax credits taken against each allowable fee or tax, including the actual amount used and outstanding, in total and for each qualified production;

(7) The aggregate amount of the qualified direct production expenditures incurred by qualified productions and the portion of those expenditures that were incurred in Nevada;

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

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

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

(11) Demographic information concerning persons who participate in a program of vocational training and education offered at the Nevada Partners Vocational Training Studio.

2. Not later than 10 days after receiving a report required by subsection 1, the Office shall post the report on the Internet website of the Office.

Section 16 of Assembly Bill No. 238 First Reprint is hereby amended as follows:

Sec. 16. The Office shall, on or before October 1 of each even-numbered year, prepare and submit to the Governor and to the Director of the Legislative Counsel Bureau for transmittal to the Legislature a report that includes, for the immediately preceding fiscal years:

1. The number of applications submitted for a certificate of eligibility for film infrastructure transferable tax credits pursuant to section 10 of this act;

2. The number of qualified productions for which film infrastructure transferable tax credits were approved;

3. The amount of film infrastructure transferable tax credits approved;

4. The amount of film infrastructure transferable tax credits used;

5. The amount of film infrastructure transferable tax credits transferred;

6. The amount of film infrastructure transferable tax credits taken against each allowable fee or tax, including the actual amount used and outstanding, in total and for each qualified production;

7. The aggregate amount of the qualified direct production expenditures incurred by qualified productions and the portion of those expenditures that were incurred in Nevada;

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

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

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

11. Recommendations for strengthening the overall operation of the program for the issuance of film infrastructure transferable tax credits, including, without limitation, methods to promote and encourage the development and establishment of production companies in Nevada, including, without limitation, production companies that are not affiliated with the Summerlin Production Studios Project;

12. Demographic information concerning persons who participate in a program of vocational training and education offered at the Nevada Partners Vocational Training Studio; ~~[and]~~

13. **An overview of the motion picture and television industry in this State, including, without limitation, the total number of qualified productions in this State for which film infrastructure transferable tax credits or noninfrastructure transferable tax credits have not been approved, data concerning employment in the motion picture and television industry in this State and production revenue generated in this State; and**

14. The compilation of information provided in reports made by recipients of grants from the Account for Nevada Film, Media and Related Technology Education and Vocational Training created by section 31 of this act, which is provided to the Office pursuant to section 33 of this act.

Section 23 of Assembly Bill No. 238 First Reprint is hereby amended as follows:

Sec. 23. NRS 360.7594 is hereby amended to read as follows:

360.7594 1. Except as otherwise provided in this subsection, the Office ~~[of Economic Development]~~ shall not approve any application for ***a certificate of eligibility for noninfrastructure*** transferable tax credits submitted pursuant to NRS 360.759 if approval of the application would cause the total amount of ***noninfrastructure*** transferable tax credits approved pursuant to NRS 360.759 for each ~~[fiscal]~~ ***:***

(a) Fiscal year ***commencing before July 1, 2028, or on or after July 1, 2043,*** to exceed the sum of $10,000,000. ~~[Any]~~ ***Except as otherwise provided in this paragraph, any*** portion of the $10,000,000 per fiscal year for which ***noninfrastructure*** transferable tax credits have not previously been approved ***by the Office under an application for a certificate of eligibility for noninfrastructure transferable tax credits submitted pursuant to NRS 360.759*** may be carried forward and made available for approval during the next or any future fiscal year. ***Noninfrastructure transferable tax credits that are available for approval for a fiscal year commencing before July 1, 2028, but have not been approved for a fiscal year commencing before July 1, 2028, must not be carried forward and made available for approval during any fiscal year commencing on or after July 1, 2028.***

(b) Fiscal year commencing on or after July 1, 2028, and before July 1, 2043, to exceed the sum of $25,000,000. An amount not to exceed 50 percent of the $25,000,000 per fiscal year for which noninfrastructure transferable tax credits have not previously been approved by the Office under an application for a certificate of eligibility for noninfrastructure transferable tax credits submitted pursuant to NRS 360.759 may be carried forward and made available for approval during the next or any future fiscal year.

2. ~~[The]~~ ***Except as otherwise provided in this section, if the Office approves an application for a certificate of eligibility pursuant to NRS 360.759, the Office shall assign the amount of noninfrastructure transferable tax credits identified under the certificate of eligibility to the fiscal year in which the application for the certificate of eligibility is approved.***

3. Except as otherwise provided in subsection 1, an amount of noninfrastructure transferable tax credits approved by the Office under a certificate of eligibility issued to a production company pursuant to NRS 360.759 that exceeds the amount of noninfrastructure transferable tax credits approved by the Office under a certificate of noninfrastructure transferable tax credits ~~***[approved by the Office under a certificate of noninfrastructure transferable tax credits]***~~ ***issued to the production company pursuant NRS 360.759 may be added to the amount made available for approval during subsequent fiscal years.***

4. For an eligible production company that submitted the application for the certificate of eligibility for the noninfrastructure transferable tax credits before July 1, 2028, or on or after July 1, 2043, the noninfrastructure transferable tax credits issued to any production company for any qualified production pursuant to NRS 360.759:

(a) Must not exceed a total amount of $6,000,000; and

(b) Expire ~~[4]~~ ***at the end of the calendar year that is 6*** years after the date on which the ***noninfrastructure*** transferable tax credits are issued to the production company.

~~[3.]~~ ***5.*** For ~~[the purposes of calculating qualified direct production expenditures:~~

~~(a) The compensation payable to all producers who are Nevada residents must not exceed 10 percent of the portion of the total budget of the qualified production that was expended in or attributable to any expenses incurred in this State.~~

~~(b) The compensation payable to all producers who are not Nevada residents must not exceed 5 percent of the portion of the total budget of the qualified production that was expended in or attributable to any expenses incurred in this State.~~

~~(c) The compensation payable to any employee, independent contractor or any other person paid a wage or salary as compensation for providing labor services on the production of the qualified production must not exceed $750,000.]~~ ***an eligible production company that submitted the application for the certificate of eligibility for the noninfrastructure transferable tax credits on or after July 1, 2028, and before July 1, 2043, the noninfrastructure transferable tax credits issued to the production company for a qualified production pursuant to NRS 360.759:***

(a) Must not exceed a total of $7,000,000; and

(b) Expire at the end of the calendar year that is 6 years after the date on which the noninfrastructure transferable tax credits are issued to the production company.

Section 25 of Assembly Bill No. 238 First Reprint is hereby amended as follows:

Sec. 25. NRS 360.7598 is hereby amended to read as follows:

360.7598 The Office of Economic Development shall, on or before October 1 of each ***even-numbered*** year, prepare and submit to the Governor and to the Director of the Legislative Counsel Bureau for transmittal to the Legislature an annual report which includes, for the immediately preceding fiscal year:

1. The number of applications submitted for ***a certificate of eligibility for noninfrastructure*** transferable tax credits pursuant to NRS 360.759;

2. The number of qualified productions for which ***noninfrastructure*** transferable tax credits were approved;

3. The amount of ***noninfrastructure*** transferable tax credits approved;

4. The amount of ***noninfrastructure*** transferable tax credits used;

5. The amount of ***noninfrastructure*** transferable tax credits transferred;

6. The amount of ***noninfrastructure*** transferable tax credits taken against each allowable fee or tax, including the actual amount used and outstanding, in total and for each qualified production;

7. The ~~[total]~~ ***aggregate*** amount of the qualified direct production expenditures incurred by ~~[each]~~ qualified ~~[production]~~ ***productions*** and the portion of those expenditures that were incurred in Nevada;

8. The ***aggregate*** number of persons in Nevada employed by ~~[each]~~ qualified ~~[production and]~~ ***productions***, the ***aggregate*** amount of wages paid to those persons ~~[;]~~ ***and aggregated demographic information concerning those persons;*** ~~[and]~~

9. The period during which each qualified production was in Nevada and employed persons in Nevada ~~[.]~~ ***;*** ~~***[and]***~~

10. An overview of the motion picture and television industry in this State, including, without limitation, the total number of qualified productions in this State for which film infrastructure transferable tax credits or noninfrastructure transferable tax credits have not been approved, data concerning employment in

the motion picture and television industry in this State and production revenue generated in this State; and

11. The compilation of information provided in reports made by recipients of grants from the Account for Nevada Film, Media and Related Technology Education and Vocational Training created by section 31 of this act, which is provided to the Office pursuant to section 33 of this act.

Section 37 of Assembly Bill No. 238 First Reprint is hereby amended as follows:

Sec. 37. **1.** This act becomes effective upon passage and approval **.** ~~**[**, and expires**]**~~

2. Sections 1 to 15, inclusive, and 15.7 to 36.5, inclusive, of this act expire by limitation on June 30, 2049.