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REVISED MOTION BY SUPERVISOR LINDSEY P. HORVATH

AND KATHRYN BARGER

Supporting Film and Television Production and Los Angeles County's Entertainment Workforce

Film and television production is a cornerstone of Los Angeles County's economy and identity, supporting workers, small businesses, vendors, and creative professionals throughout the region. Production activity also supports jobs across industries including construction, transportation, catering, equipment rental, hospitality, and retail.

Los Angeles County remains the center of the American film and television industry, but the region has experienced a sustained decline in production and employment. According to an August 2026 report prepared by the Los Angeles County Department of Economic Opportunity and CVL Economics, County motion picture employment averaged approximately 93,000 jobs in 2025, a 35.7 percent decline from its 2022 peak and the lowest level in the comparable federal employment series. The same analysis found that California had lost more than 52,000 film and television jobs since 2022, with nearly all those losses occurring in Los Angeles County.

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The decline in local production reflects a broader shift of film and television work away from the United States. An October 2026 analysis prepared by EY (formerly Ernst & Young) for entertainment industry labor organizations found that, over the past 25 years, the share of production budgets for major U.S. studio films with significant U.S.-based production declined from 74 percent to 42 percent, while the corresponding share for television declined from 94 percent to 64 percent. During the same period, the share of film production budgets spent primarily outside the United States increased from 26 percent to 58 percent.

Production incentives have become a significant factor in this global competition. A September 2026 analysis prepared by Olsberg•SPI for the Motion Picture Association found that the number of film and television production incentives operating at the national, state, and provincial levels increased from 86 in 2017 to 121 in 2026. As of August 2026, 39 states offered active film and television incentive programs and 65 countries offered national incentives. In major production markets such as Canada and Australia, national incentives can be combined with provincial or other subnational incentives.

California has taken significant steps to remain competitive. In July 2025, the State increased annual funding for the California Film and Television Tax Credit Program from $330 million to $750 million. In September 2026, California further expanded its incentives by establishing a tax credit for qualifying post-production work and making additional changes to strengthen the program. A complementary federal incentive would allow California and other states to compete more effectively with international jurisdictions that pair national and regional production incentives.

In September 2026, a bipartisan and bicameral group of members of Congress introduced the Motion Picture, Television, and Entertainment Revitalization Act. H.R. 10582 was introduced in the House of Representatives by Representative Nathaniel Moran, with bipartisan cosponsors including Representatives Laura Friedman, Linda Sánchez, Brian Jack, and Senators Adam Schiff and Tim Scott introduced the Senate version, S. 5552.

The legislation would establish a 20 percent federal tax credit on qualified U.S. labor costs for eligible film and television productions with costs exceeding $1 million and at least 75 percent of principal photography occurring in the United States. Additional five-percentage-point incentives would be available for certain productions, including independent productions, productions filming in rural opportunity zones or federally declared disaster areas, qualifying multi-state producers, and producers that increase domestic production, up to a maximum credit of 30 percent. Qualifying domestic post-production and visual effects work would also be eligible.

The proposed credit would supplement existing state production incentives, allowing productions to combine the federal credit with programs such as California's Film and Television Tax Credit Program. A September 2026 Olsberg•SPI analysis of a comparable 20 percent federal incentive estimated that it could generate approximately $125.3 billion in additional U.S. production spending between 2027 and 2035, supporting approximately $249.1 billion in additional gross value added, $133.1 billion in labor income, and an annual average of approximately 143,500 additional full-time-equivalent jobs.

The benefits of increased domestic production would extend beyond workers directly employed on film and television projects. The County's August 2026 economic analysis found that every 100 production-industry job-years at risk are associated with approximately 130 additional job-years elsewhere in the Los Angeles County economy, reflecting the extensive network of vendors, contractors, and other businesses that depend on production activity.

As the home of a significant concentration of the nation's film and television workforce, production infrastructure, studios, vendors, and related businesses, Los Angeles County has a direct interest in federal policies that encourage domestic production and strengthen the entertainment workforce.

WE, THEREFORE, MOVE that the Board of Supervisors direct the Chief Executive Office, Legislative Affairs and Intergovernmental Relations Branch to support H.R. 10582 and S. 5552, the Motion Picture, Television, and Entertainment Revitalization Act, and similar measures that would establish a federal film and television production tax credit to incentivize domestic production, protect and create American entertainment jobs, and complement state production incentive programs.

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