

<u>HB 1238 – Places of Accommodation – Motion Picture Houses-Captioning</u> House Economic Matters Committee March 9, 2022 Position: Unfavorable

On behalf of Mid-Atlantic NATO, a regional affiliate of the National Association of Theatre Owners (NATO), representing movie theatres throughout Maryland, we respectfully submit these written comments in opposition to HB 1238.

Maryland's movie theaters are committed to access for the deaf and hard of hearing. For over 25 years, the movie theater industry has collaborated with individuals who are deaf or hard of hearing, advocacy groups, film studios, and technology developers to achieve access to all feature films at all times.

Moviegoers in Maryland seeking captions already have the flexibility to view a movie with captions at any showtime, on any day. In 2016, the Department of Justice issued a final rule requiring digital movie theaters to provide closed captioning equipment. The DOJ adopted the recommendations set forth in an agreement between the National Association of Theatre Owners and major advocacy groups, including the Hearing Loss Association of America and the National Association of the Deaf. Through these collaborative efforts, today, digital movie theaters in Maryland offer closed captioning equipment (allowing text to be viewable by an individual moviegoer) that can be used at any show time for any movie that comes with captions.

Movie theaters in Maryland already work with their local communities to voluntarily schedule open-captioned shows on a regular basis. In addition to closed captioning offerings, where the demand for open-captioned showtimes exists (providing text on the screen viewable by all moviegoers), movie theaters in Maryland work with their deaf and hard of hearing patrons to develop appropriate programming and accommodations.

Lawmakers should allow the industry to respond to the marketplace instead of passing an untested "one-size-fits-all" statewide mandate. Our records indicate that the mandate set out in HB 1238 would apply to 48 movie theater locations across the state where owners operate at least two locations. The bill would require these locations to provide open captioning twice per week per film for almost every movie played, with at least one of these showings of each movie occurring during the weekend and one during the weekday, regardless of local demographics. Based on the 517-screen count across these 48 locations, we estimate that this bill would require over 53,000 open captioned showtimes per year.

Historically, the industry has found that when open-captioned shows are mandated, instead of scheduled based on customer demand, theaters see a drop in attendance. Despite assertions to the contrary, attendance data demonstrates that open caption showtimes have a very small turnout, as audiences prefer non-open caption showtimes.

Movie theaters were devastated by the pandemic and are struggling to recover. Despite slight gains over 2020 attendance numbers when theatres were shuttered for most of the year, box office admissions in Maryland were still 64.8% lower in 2021 than they were in 2019. The untested open captioning mandate outlined in HB 1238 would further reduce theater attendance at a critical time for movie theaters' recovery. Since movie theaters already provide open caption showtimes voluntarily and comply with federal law on accessibility, we believe this legislation to be unnecessary and potentially harmful to a theater's financial viability.

For these reasons, we ask for an unfavorable report on HB 1238.

For further information, please contact Jenna Massoni (410-935-1470, <u>jmassoni@cgagroup.com</u>) or Ellen Valentino (410-693-2226, <u>evalentino@cgagroup.com</u>) of Cornerstone Government Affairs, registered lobbyists for Mid-Atlantic NATO, or Doug Murdoch, Executive Director of Mid-Atlantic NATO (443.895.1446, <u>doug@midatlanticnato.com</u>).