



February 8, 2023

The Honorable C.T. Wilson, Chair and Members of the Economic Matters Committee

RE: **HB 264 Places of Public Accommodation – Motion Picture Houses – Captioning**

POSITION: **UNFAVORABLE**

Good Afternoon Chairman Wilson and Members of the Economic Matters Committee,

As we represent the Mid-Atlantic National Association of Theater Owners, we are respectfully requesting an unfavorable report for HB 264. This bill will require theaters provide open captioning for each motion picture it screens for at least 2 screenings each week. In all, a total of 800 open caption shows per week in the state and 41,600 open caption shows per year. A number that just does not have that kind of demand.

During COVID, unlike some other businesses, movie theaters were shuttered in full. Many theaters in the state were completely closed for over a year, and they are still very much in a recovery period. Since the shut down in March of 2020, we estimate our collective **losses at the box office and concessions to be well over \$500 million in Maryland**. Compared to 2019, cumulative losses in Maryland were down (\$219,157,559) in 2020, (\$174,231,883) in 2021, and another (\$100,433,385) in 2022. To date, that is a cumulative loss of (\$493,822,827). Although, there is nothing better than seeing a movie on the big screen, behaviors have changed, and content availability is at the touch of every finger.

As an industry we cannot afford to lose any customers, and it is our goal to ensure every customer that comes to the movies wants to return. Movie theaters will not survive without great customer service and a great experience for movie-goers.

Only one state* has imposed a similar law – the state of Hawaii. [Linked here](#) is the impact report from the Hawaii Department of Business, Economic Development & Tourism, and it shows a loss of viewership and revenue in a much smaller market than Maryland. Data in their report shows that “...the **difference in aggregate patron attendance <reduced attendance> between open-caption showings and non-open-caption showings was estimated at 94,755 patrons per year for the two theater companies combined.**”

(*NYC recently enacted a law in May 2022)

Advocates for the bill say theaters will not be negatively impacted by this bill—yet we have not seen any data to indicate that contention. We would gladly review any studies or meet with any advocates who are willing to share with us on this point.

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Our industry has been one of the hardest hit. Movie theaters have been at the center of large developments but unfortunately, **Maryland has lost movie theaters to closure**, and sadly we have lost movie goers as well. **This legislation could have unintentional consequences of further alienating some movie goers that avoid open captioned shows and accelerating the closing of more theaters.** We request an unfavorable report.

We have included written testimony submissions from several theater owners, National Association of Theater Owners, and Mid-Atlantic National Association of Theater Owners.

Thank you for your consideration.

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