

March 23, 2021

The Honorable Noel Frame  
Chair  
House Finance Committee

The Honorable April Berg  
Vice Chair  
House Finance Committee

The Honorable Amy Walen  
Vice Chair  
House Finance Committee

The Honorable Ed Orcutt  
Ranking Minority Member  
House Finance Committee

*Submitted via Washington State Legislature portal*

**Re: HB 1303 - Concerning the regulation and taxation of the sale of Washingtonians' personal information and related data (OPPOSE)**

Dear Representative Frame, Representative Berg, Representative Walen and Representative Orcutt:

MPA – the Association of Magazine Media respectfully opposes HB 1303 as the proposed tax measure would cause economic harm to Washington's economy, increase costs for Washington's businesses as they recover from the pandemic, and negatively impact media and journalism entities that provide vital public information to Washington residents.

MPA's membership includes more than 500 magazine media brands that span a vast range of genres across print, digital, mobile and video media. Our members provide trusted, edited and curated content that informs, inspires and entertains more than 90 percent of all U.S. adults. Washington's residents receive nearly 6 million magazine subscriptions, representing an average of 2 subscriptions per household. Our readers depend on our publications for reliable news and information – needed by society now more than ever. Further, magazines are an important part of the Washington economy, and are part of the arts, sports and media industry that employs more than 50,000 people in Washington. In addition, the magazine industry supports thousands of indirect and induced jobs in Washington.

While HB 1303 ostensibly aims to tax the potentially harmful practices of data brokers, the bill would also unintentionally impact the responsible data practices of publishers that consumers expect and support.

Journalism and media entities use advertising and other expected practices that utilize consumer data to tailor and enhance the consumer experience, fund public interest investigations and reporting, keep subscriptions affordable, and sustain the cost of journalism and publishing in a changing media landscape. Diversified revenue is particularly important at a time when many news and media outlets – including magazine publishers – have temporarily suspended paywalls to allow people to access information on breaking news events, including information about the current public health emergency.

The proposed tax would have a negative effect on Washington's economy, and would impose additional costs on Washington's businesses who are already under tremendous pressure from the economic crisis. The tax's financial impact would be felt by virtually all businesses who leverage the use of personal data – including many of Washington's small businesses that are not explicitly exempted from the tax. The tax's cost to businesses is compounded by unprecedented and confusing reporting requirements and attribution ratios that have not been considered before in Washington or other states.

In short, the proposed tax would create an obstacle for Washington's economic recovery, impose increased costs on businesses during a challenging time, harm the media and journalism entities on which Washington residents depend for critical public information, and do nothing to directly enhance the security and privacy of Washingtonians' privacy. For these reasons, MPA respectfully urges the committee to not advance HB 1303.

If you have any questions or comments, please contact Emily Emery, Director of Digital Policy at [eemery@magazine.org](mailto:eemery@magazine.org) or (646) 530-4568 or Rita Cohen, Senior Vice President at [rcohen@magazine.org](mailto:rcohen@magazine.org) or (202) 369-1237.

Sincerely,

Rita Cohen  
Senior Vice President

Emily Emery  
Director, Digital Policy