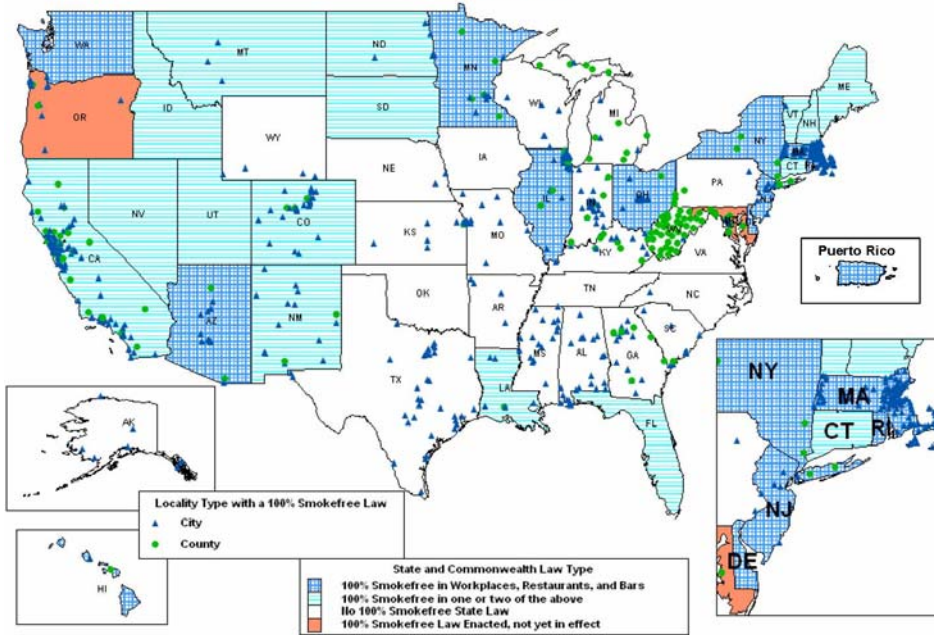


FACT SHEET

Number of Smokefree Ordinances Increasing in U.S.¹

United States 100% Smokefree Laws
American Nonsmokers' Rights Foundation
As of January 2, 2008



- Smokefree ordinances now protect 63% of the U.S. population.
- Washington DC, 12 states, and 251 municipalities require completely smokefree workplaces, restaurants, and bars.
- Washington DC, 35 states, and 685 municipalities have ordinances that require completely smokefree workplaces, restaurants, and/or bars (but not all three).
- Wyoming has no statewide smokefree ordinances.
- Of the six states bordering Wyoming, three (Montana, South Dakota, and Utah) have 100% smokefree ordinances in workplaces, four (Colorado, Idaho, Montana, and Utah) have 100% smokefree ordinances in restaurants, and one (Colorado) has a 100% smokefree ordinance in bars.

Rigorous Studies Find No Negative Economic Impact

The 2006 Surgeon General's report on *The Health Consequences of Involuntary Exposure to Tobacco Smoke*² examined numerous studies of state and local smokefree ordinances. The report concluded that "evidence from peer-reviewed studies shows that smokefree policies and regulations do not have an adverse economic impact on the hospitality industry" (p. 16).

Scollo, Lal, Hyland, and Glantz³ conducted a review of all studies published before August 31, 2002 on the economic effects of smokefree policies. They used four criteria to judge the quality of the studies:⁴

1. Use of objective data (e.g., tax receipts or employment statistics);
2. Inclusion of all data points after the law was implemented and for several years before;
3. Use of regression or other statistical methods that control for trends and random fluctuation in the data; and
4. Appropriate control for overall economic trends.

Of the 97 studies reviewed, 21 met these four criteria for methodological rigor. **All 21 of these well-designed studies found that smokefree ordinances had either no negative impact (17 studies) or a positive impact (4 studies) on taxable sales receipts of restaurants, bars, hotels, or tourism.**

Of the 35 studies that found a negative economic impact, none were funded by a source clearly independent of the tobacco industry, and none used both an objective measure and were peer reviewed. **Almost all (94%) studies funded by the tobacco industry claimed a negative economic impact. No studies funded by non-tobacco industry sources found a negative economic impact.**³

Common Characteristics of Studies Asserting a Negative Impact

Studies asserting a negative economic impact often had the following characteristics:⁵

1. Collected data on subjective impressions or estimates of anticipated change rather than on objective, verified, or audited data;
2. Did not include data from an adequate period before and after the ordinance went into effect to establish underlying trends and seasonal fluctuations;
3. Were funded by the tobacco industry or organizations allied with the tobacco industry;
4. Were not published in peer-reviewed journals.

FACT SHEET cont.

Examples of Rigorous Studies

- Studies of local smokefree ordinances in Massachusetts showed no substantial impact on aggregate restaurant sales, and the adoption of local smokefree restaurant ordinances did not cause a statistically significant change in town taxable meal revenue.^{6,7}
- Florida's voter-approved smokefree ordinance did not hurt sales or employment in the hotel, restaurant, or tourism industries. The study also examined restaurant revenue as a percentage of total retail revenue. The proportion of retail sales by Florida's restaurants, lunchrooms, and catering services increased by 7.4% after the smokefree ordinance went into effect.^{7,8}
- Studies in Colorado and California found that smokefree ordinances did not affect restaurant or bar revenues.^{7,9}

Wyoming's Economic Impact Study Mirrors National Results

Laramie, Wyoming (in Albany County) implemented a smokefree ordinance on April 6, 2005. WYSAC researchers conducted a study of the economic impact of this smokefree ordinance.¹⁰ To conduct the analysis, they examined other high quality studies¹⁰ and applied the four criteria for methodologically sound research.⁴

The Albany County study used taxable sales receipts from restaurants and bars as the objective outcome measure. The study also used regression to analyze all available data (before and after the ordinance was implemented). The analysis accounted for population, time trends, seasonality, inflation, local economic activity (i.e., sales by businesses other than restaurants and bars in Albany County) and statewide economic activity (i.e., sales by restaurants and bars across the state, but excluding Albany County).¹⁰ Because of data restrictions, the analysis only examined aggregate impacts to the restaurant and bar industry and did not consider impacts on individual businesses.¹⁰ This methodology parallels that of the economic impact studies cited in the U.S. Surgeon General's report on the health consequences of secondhand smoke.²

The analysis used data for Albany County, and not for the city of Laramie where the smokefree ordinance was implemented, because sales tax receipts are only available on a county level. The loss in precision from using county data should not be large as most (88%) businesses and individuals reside in Laramie.^{11,12} Furthermore, all statistical inferences remain valid even though city effects were calculated using county data.

The analysis considered the impact of smokefree ordinances on economic activity in Albany County, for restaurants alone, bars alone, and for both restaurants and bars combined. **Consistent with similar high-quality studies, the analysis found no evidence of any net economic impact on restaurants or bars arising from the smokefree ordinance.**¹⁰

Because the analysis only considered net economic activity within Albany County, the impacts on individual businesses are unknown. However, the conclusion of no net economic impact implies that if some Laramie businesses experienced a decrease in sales after the ordinance was implemented, then other Laramie businesses must have experienced an offsetting increase in sales.

**WYSAC Fact Sheet: Economic Impact of
Smokefree Ordinances**
Corresponding to WYSAC Issue Brief #2008-06
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