



Economic Benefits of Smokefree Policies

Smokefree policies and regulations have no adverse effects on the hospitality industries, including bars and restaurants, according to years of peer-reviewed research. Furthermore, smokefree businesses benefit from savings associated with lower health costs and higher worker productivity. Comprehensive smokefree policies are **good for businesses and their workers**.¹

No Loss in Revenue or Business Closings

- Sales tax data from 216 localities in eight states show that ordinances **restricting smoking in restaurants has positive effects or no effect on restaurant revenues**.²
 - **New York:** Business tax receipts for restaurants and bars increased 8.7 percent one year after New York City implemented its smoke-free workplace law.³
 - **Washington:** Bars and taverns generated 20.3 percent more gross income a year after the law went into effect.³
 - **Pennsylvania:** One year following the implementation of a smoke-free law that allows some bars and restaurants to apply for exemptions, sales tax data showed that bars and restaurants were not adversely affected. This was true in counties with both high and low rates of exemptions to the law.⁴
- Smokefree policies have a **positive impact or no effect on business openings and closings**.⁵
 - **Delaware:** Restaurant, tavern, and taproom licenses increased from 3,291 to 3,323 one year after Delaware's smokefree law took effect.
 - **Kentucky:** The number of licensed bars and restaurants in Lexington-Fayette County remained stable after one year of a smokefree law.

Smokefree Businesses Save Money⁶

- **Many of the costs of smoking** in workplaces result from the **effects on smokers**: higher health and life insurance costs; higher absenteeism; lost productivity; higher workers' compensation payments; disability; and premature death.
- Costs increase when the **effects of secondhand smoke exposure on non-smokers** are considered. Smokefree businesses save on these costs by reducing employees' smoking and exposure to smoke.
- If all U.S. workplaces were smokefree, there would be an estimated **\$49 million in direct medical cost savings within one year**, and the savings would increase over time.
- Restaurants that allow smoking spend \$190 per 1,000 square feet in related cleaning and maintenance costs each year. Among 2,000 companies that adopted smokefree policies, three in five reported reduced cleaning and maintenance spending.



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Consumers and Employees Support Smokefree Businesses

- **More than three in four Pennsylvania voters (78%) believe customers and employees have the right to breathe clean, smoke-free air inside all restaurants, bars, and casinos.⁷**
- Nationally, nearly 72% of restaurant patrons say they would go out to eat more often if restaurants were smoke-free.⁸
- When asked about going smoke free, Pittsburgh hotel employee shared, “Not only has it not hurt, it has increased our food sales. The lounge was one of our concerns. But I actually have people who eat there now who didn’t before because of the smoke. We’ve received an excellent response.” (Pittsburgh Tribune-Review, January 2, 2007).⁹

¹ Americans for Nonsmokers Rights. (2006). *Economic Impact of Smokefree Ordinances: Overview*. Retrieved from http://www.no-smoke.org/pdf/Economic_Impact.pdf

² Loomies, B., Shafer, P., & van Hasselt, M. (2013). The Economic Impact of Smoke-Free Laws on Restaurants and Bars in 9 States. Retrieved from http://www.cdc.gov/pcd/issues/2013/pdf/12_0327.pdf

³ Tobacco Free Kids. (2014). *Smoke Free Laws Do Not Harm Business at Restaurants and Bars*. Retrieved from <http://www.tobaccofreekids.org/research/factsheets/pdf/0144.pdf>.

⁴ Taruas, J., et al. (2011). *The Economic Impact of the 2008 Pennsylvania Clean Indoor Air Act*.

⁵ Americans for Nonsmokers' Rights. (2005). *Economic Impact of Smoke-Free Laws: Case Studies*. Retrieved from <http://no-smoke.org/pdf/econcia.pdf>

⁶ Americans for Nonsmokers' Rights. (2008). *Business Costs in Smoke-filled Environments*. Retrieved from <http://no-smoke.org/pdf/businesscosts.pdf>

⁷ Pennsylvania Alliance to Control Tobacco. (2012). *Results from the June 2012 Public Opinion Poll*.

⁸ Americans for Nonsmokers' Rights. (2009). *Patron Surveys and Consumer Behavior*. Retrieved from <http://no-smoke.org/pdf/patronsurveys.pdf>

⁹ Americans for Nonsmokers' Rights (2015). Restaurant Owner, Manager & Employee Quotes in Support of Smokefree Air. Retrieved from: <http://www.no-smoke.org/document.php?id=260>