

Business leaders support statewide smoke-free law for Kentucky:

## Smoke-Free Legislation Is Good for Kentucky Businesses

### Executive Summary

As business leaders, we know we must focus on improving our bottom lines. That's why the business leaders of AMERICA'S EDGE are calling for passage of a smoke-free law that is good for business and for Kentucky's future. AMERICA'S EDGE supports evidenced-based investments in children and youth that will strengthen Kentucky's businesses and our state's economy. Smoke-free laws meet that test.



Louisville has successfully implemented smoke-free laws

The ongoing costs to businesses from smoking are substantial:

- According to the Centers for Disease Control and Prevention, smoking-caused direct health costs in our state are \$1.5 billion annually, with Kentucky businesses absorbing most of those costs.
- **Productivity losses related to early deaths from smoking cost Kentucky \$2.3 billion every year.**
- Due to smoking, Kentucky businesses are also incurring increased costs for workers and unemployment compensation, disability benefits, operations and maintenance, and even property insurance.

For our kids, smoking is not only dangerous – and illegal – but will impact the costs to our businesses because of a less-healthy future workforce:

- Over 24 percent of our state's high school students – our future workforce – are already smoking.
- Smoking can harm kids well before they reach adulthood by causing a number of immediate, sometimes irreversible, health risks and problems.
- Experts predict that 107,000 kids in our state under age 18 will ultimately die prematurely from smoking.
- In states that are smoke-free, children who neither smoke nor live with smokers are 43 percent less likely to have smoking by-products in their bloodstream.
- **In communities with strong smoke-free laws, the odds children will start smoking drops by 40 percent.**

And while smoking hurts our bottom lines, smoke-free laws will not. Research has shown that smoke-free laws do not negatively impact restaurants and bars:

- **An extensive U.S. Surgeon General's report found no adverse impact from smoke-free laws on the hospitality industry.**
- In fact, since 2004, 95 percent of on-line reservations through one major hotel booking company included requests for non-smoking rooms.

It's time Kentucky joined 24 other states in being able to attract new businesses and skilled workers by adopting a statewide smoke-free law. Kentucky business leaders know that a smoke-free state will improve our companies' bottom-lines, help us attract new businesses and workers, and produce a more productive current and future workforce.

## Smoke-Free Legislation Is Good for Kentucky Businesses

A strong smoke-free law across our state will help Kentucky compete in an increasingly competitive global economy, increase productivity, and strengthen our businesses' bottom lines through a healthier current and future workforce. With the highest adult smoking rate in the country – 29 percent – it is time to enact legislation that protects non-smokers, including children, from secondhand smoke and helps encourage those who smoke to quit.<sup>1</sup>



**Lost productivity from early deaths: \$2.3 billion in Kentucky**

### Increasing Productivity:

- **Productivity losses related to early deaths alone cost Kentucky \$2.3 billion every year.**<sup>2</sup>
- Smokers are absent seven to 10 more days a year than non-smokers, causing a decrease in productivity.<sup>3</sup>
- The Centers for Disease Control and Prevention (CDC) found that each employee who smokes costs his/her employer \$1,897 in lost productivity per year, and the total lost productivity nationwide equals almost \$100 million a year.<sup>4</sup>
- A national study on U.S. workforce productivity found that tobacco use was one of the greatest causes of lost worker production time – greater than alcohol consumption, family emergencies, age, or education.<sup>5</sup>

### Improving the Health of Our Workforce:

- According to the CDC, smoking-caused health costs totaled \$1.5 billion a year in Kentucky.<sup>6</sup>
- Private insurance – a large portion of which is paid for by employers – covers half of those costs for individuals ages 19 to 64.<sup>7</sup>
- It's not just a matter of medical costs. Half of long-term smokers die of smoking-related illnesses in middle age.<sup>8</sup>
- According to the Journal of the American Medical Association, if all workplaces were to implement 100 percent smoke-free policies, the reduction in heart attack rates due to exposure to secondhand smoke would save America \$49 million in direct medical costs within just the first year.<sup>9</sup>

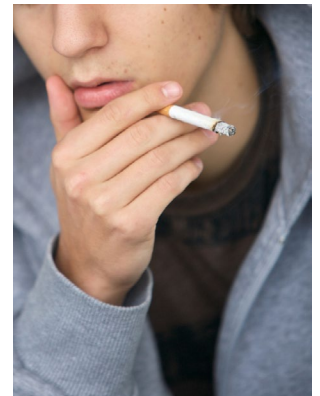
### More Costs to Business:

- **Commercial fires caused by cigarettes cost \$500 million in damages and kill 2,000 people each year in America**, contributing to a rise in insurance costs for companies.<sup>10</sup>
- Businesses pay an average of \$2,189 in workers compensation costs for smokers, compared to \$176 for nonsmokers.<sup>11</sup>
- Non-smokers can receive workers' compensation, unemployment compensation, disability benefits, and other settlements based on their exposure to secondhand smoke in the workplace, a cost borne by Kentucky businesses.<sup>12</sup>

**24% of high school students smoke**

### Health of Our Future Workforce:

- **Over 24 percent of our state's high school students are already smoking** – another 6,100 Kentucky youth take up smoking every year.<sup>13</sup>



- Experts predict that 334,000 of the kids in our state will become smokers in the future, and 107,000 of the kids in our state under age 18 will ultimately die prematurely from smoking.<sup>14</sup>
- Smoking as an adolescent often continues into adulthood. In fact, nine out of 10 adult smokers started smoking at or before the age of 18.<sup>15</sup>
- Children are particularly susceptible to the toxic compounds in secondhand smoke because their lungs are still developing which can cause a number of sometimes irreversible health risks and problems.<sup>16</sup>
- **The Surgeon General reported that there is no safe level of exposure to secondhand smoke.**<sup>17z</sup>
- Children are exposed in restaurants, childcare centers or other public buildings where there are smokers or ventilation systems connecting them to smokers.

**No safe level of exposure to second-hand smoke**

### Restaurants and Bars Will Not Be Hurt:

- A 2010 analysis of economic outcomes of smoke-free laws state: “There is clear evidence that smoke-free legislation does not hurt restaurant or bar businesses and, in some cases, business may improve.”<sup>18</sup>
- For example, here in Kentucky, in Lexington-Fayette County, a study found that “No important economic harm stemmed from the smoke-free legislation over the period studied.” Restaurant employment grew while employment in bars stayed the same and restaurant and bar openings and closings showed no significant difference.<sup>19</sup>
- Zagat, the restaurant rating system, did a survey asking if smoking were permitted in local restaurants would that change people’s decision to eat out more often: 77 percent of respondents answered that they would eat out less, and only 2 percent said they would eat out more.<sup>20</sup>
- In the early 2000’s, 95 percent of on-line reservations through one major hotel booking company requested smoke-free rooms, and a number of major hotel chains have now gone completely smoke-free.<sup>21</sup>
- **A survey of Kentucky Chamber of Commerce members found that 86 percent of respondents favored a smoke-free policy for public buildings in Kentucky.**<sup>22</sup>

**86% favor a smoke-free policy**

### Smoke-Free Laws Facilitate Quitting Smoking:

- Studies from states with smoke-free public places found that, when the laws went into place, the seven out of 10 smokers who want to quit were encouraged to do so by reducing their temptation to smoke.<sup>23</sup>
- Research confirms that when smoking is prohibited in offices and other public places, people are also more likely to voluntarily adopt smoke-free policies in their homes.<sup>24</sup>
- In areas across America that have strong tobacco-free laws, **the children who neither smoke nor live with smokers are 39 percent less likely to have measurable levels of cotinine in their blood (cotinine is a marker for tobacco smoke exposure).**<sup>25</sup>
- And, in areas with strong laws prohibiting smoking in restaurants, **the odds children 12- to 17-years-old will start smoking drops by 40 percent.**<sup>26</sup>

**40% Lower**

## Conclusion

To continue our economic recovery and ensure sustained economic growth, we need to implement every means available to us to strengthen businesses in Kentucky. Louisville, Lexington, Frankfort and other cities across our state have already enacted smoke-free laws. It is time to finish the job. Smoke-free is simply good for business.

## Endnotes

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