



Montgomery County Council

From the Office of Councilmember Phil Andrews

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Restaurant revenues up 23% in Montgomery County three years after region's first Smoke-free law

MD sales tax receipts from Montgomery restaurants up more than \$13 million in third year of law alone compared to year before law

Restaurant revenues in Montgomery County rose 23% during the first three years of the County's Smoke-free Restaurant law according to state sales tax data released today by County Councilmember Phil Andrews (D-Gaithersburg-Rockville).

Restaurant revenues have increased each year since Montgomery's law took effect on October 9, 2003. Sales tax receipts from Montgomery restaurants increased by 7.6% during the first twelve months of the law (October 2003 through September 2004), the same as the average annual increase during the first three years of the law (October 2003 through September 2006). Maryland received \$13.7 million more in sales tax receipts from Montgomery County restaurants in the third year alone since the law took effect (sales tax receipts totaled \$71.4 million from October 2005 through September 2006) than in the twelve months preceding the Smoke-free law (sales tax receipts totaled \$57.7 million from October 2002 through September 2003).

"The air in Montgomery restaurants has been safe to breathe for more than three years, and the County's restaurant industry continues to thrive. The health benefits of eliminating dangerous second-hand smoke are immense, and the state has collected millions more in restaurant sales tax receipts since the law took effect" said Andrews, the law's lead sponsor.

In a May 21, 2003 letter to Montgomery County Councilmembers, Melvin Thompson, vice president of government relations of the Restaurant Association of Maryland, which continues to oppose smoke-free restaurant laws, claimed that "any measure that restricts smoking beyond the current state-wide restrictions would negatively impact the bottom line of Montgomery County restaurants." Commenting, Andrews said, "the claim of economic harm by the Restaurant Association of Maryland has been discredited. It's

past time that the Maryland General Assembly approved a statewide bill to ensure that all restaurant and bar workers and patrons in Maryland have safe air to breathe.”

The Montgomery measure was the first smoke-free restaurant law enacted in Maryland and in the Washington region. Since Montgomery's law took effect, Prince George's, Talbot, Howard County, and the District of Columbia have also enacted laws requiring smoke-free restaurants and bars.

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