



**PUBLIC ROUNDTABLE
BEFORE THE
COMMITTEE ON HEALTH**

**HONORABLE COUNCILMEMBER DAVID A. CATANIA
CHAIRMAN**

**B16-293: “Department of Health Functions Amendment Act
of 2005”**

Good Afternoon Councilmember Catania and also to your fellow councilmembers and Council staff. My name is Lynne Breaux and I am Executive Director of the Restaurant

Association Metropolitan Washington (RAMW). RAMW is a trade association representing over 500 restaurants and food service industry professionals in DC and in Northern Virginia. In 2004, DC restaurants generated over \$204 million in sales tax alone and employed over 36,000 restaurant workers. According to Mayor Williams, 15% of the city's budget is directly attributed to the restaurant industry. Restaurants have contributed greatly to the current resurgence in the District through contributions to the city's coffers and to raising the reputation of DC as a fine dining tourist destination. Our world class restaurants and our high profile chefs have been featured in numerous national and international publications. DC dining is on a roll and we wish to keep it that way. Washington, DC is an international city and attempts to ban smoking will adversely impact our international visitors.

Much of what you will hear today has been heard before. RAMW is emphatically not pro-smoking. Our Board of Directors recently voted unanimously to stay committed to our position of pro-business, consumer and employee choice on smoking. Our membership and their employees are extremely concerned over this issue with the ensuing negative economic ramifications and civil rights infringements. Much has been debated about the conflicting impact of the smoking bans. RAMW feels strongly that a ban does in fact have an adverse affect on bar/restaurant business. Proponents of smoking bans site surveys stating that the hospitality industry does not experience a decline in sales, other studies show the opposite effect.

Despite opposition-funded studies to the contrary (which justify their conclusions by ignoring an increase of over 20% in the tax rate), New York State's public smoking ban has resulted in dramatic economic losses in bars and taverns across the state. This reduction translates into a negative overall economic impact in 2003 of more than \$70 million in economic activity, \$50 million in lost wages, and the elimination of more than 2,650 jobs statewide. (Ridgewood Economic Associates, LTD)

The main points in support of our position opposing a legislated smoking ban are below:

1. A smoking ban on the hospitality industry, the District's main private sector income generator, would directly impact District revenue. Any attempt to legislate a ban on smoking in District hospitality venues, whether or not achieved through the use of District tax incentives, must include an accurate fiscal impact analysis of the consequent revenue reduction. This fiscal impact analysis must be based on an accurate estimate of the economic impact of a smoking ban on the District hospitality

2. The economic damage done by smoking bans is felt disproportionately by locally-based or small businesses, the very type of enterprise which recent District economic development policies have tried to nurture.
3. The revenue impacts of a smoking ban would be especially severe for the District, both because the District tax revenue is particularly dependent on the hospitality sector and because it is easy for District restaurant and bar patrons to take their business to the firmly pro-tobacco jurisdiction just across the river and conversely Virginia smoking residents may well stay there rather than cross the river to dine in DC.
4. Certainly no ban should be instituted in the District so long as adjoining jurisdictions permit smoking. A prohibition in the District while choice is still available in Virginia will simply drive District patrons to Arlington – a short cab ride or Metro hop away.
5. RAMW believes as stated so succinctly in Marc Fisher’s recent column in *The Washington Post*, “...a list of eateries that have voluntarily gone smoke-free; now up to 194 spots, is a powerful argument for letting the marketplace solve the problem.” Thus, a legislated smoking ban is not necessary. As more restaurant and bar patrons become non-smokers, more smokefree venues will open – a trend already evident in the District’s many smokefree restaurants. Supply demand, the market will determine the supply, capitalism at its best.
6. The extent of the health impact of secondhand smoke experienced in restaurants and bars is in dispute. Restaurants and bars are far better ventilated than the homes to which a ban on public smoking would force smokers.
7. The claim of ban supporters to speak for hospitality industry workers is false. Workers do not advocate a smoking ban. Restaurant employees overwhelmingly oppose a ban, as was evidenced by the number of hospitality employees testifying against smoking bans in the two prolonged smoking ban Council hearings. There are many completely non-smoking venues in the District for those who prefer to work in smoke-free environments. As John McCalla, stated in his June 10, *Washington Business Journal* editorial, “That the service industry workers never asked to be saved – and, by and large, don’t want to be saved – bothers Smokefree DC and most members of the DC Council little. They’re saving the planet one smoky bar at a time, even if it means bars will close, customers will go to Virginia and waiters and bartenders will lose jobs.”
8. The smoking ban legislation ignores impact of smoking bans on neighborhood quality-of-life. Reports on New York City’s smoking ban show the unintended consequences of a

9. The smoking ban is life style legislation dressed up as worker protection legislation. The American experience with attempts to change life style choices through legislation shows that these initiatives are both costly and ineffective.
10. Experience shows that life style legislation does not change behavior and in fact increases lawlessness: New York, Ireland and Italy report the emergence of 'smoke-easies,' massive civil disobedience and an increased disrespect for the law.
11. The driver behind the smoking ban proposed for the District is not District workers, or District worker health, but rather the national agenda of the Robert Wood Johnson Foundation which is seeking to achieve a public relations coup by winning a smoking ban in the nation's capital. The Foundation's policy campaign (which it has supported in the District through a \$250,000 grant to Smokefree DC) does not take account of District economic, revenue, or quality-of-life concerns.
12. In evaluating the proposed legislation, the Committee on Finance and Revenue should take the time necessary to thoroughly and accurately evaluate the economic and revenue impacts for the District of a smoking ban. In this regard, New York City's experience with its smoking ban, including documented drop in bar, restaurant bar and nightclub business, is worth review.
13. This is a business decision that should not be legislated, it is a question of personal responsibility and freedom of choice and it has been proven to be disastrous for the hospitality industry, with the national profit margin average for restaurants at only 4%, any fall off in business could precipitate a restaurant's closure.
14. Margot Machol, former FTC commissioner and staff director of President Reagan's Council of Economic Advisors, in a "Close to Home" *Washington Post* article has some commonsense solutions to the "problem" of smoking and restaurants - internet and restaurant signage with: "Smoking prohibited, Smoking allowed, Smoking in bar only, Smoking and no-smoking rooms." As she states, "I detest smoking, but I also dislike government intervention in people's personal lives."

RAMW is respectfully open to continued dialogue with the goal of maintaining freedom of choice on the smoking issue and we urge the Council to consider a fair and equitable approach on this matter.