

Previous Studies:

• Many studies have previously examined the effects of smokefree laws and ordinances on the hospitality industry and charitable bingo.

These studies have found either a positive or no effect on restaurant values, revenues and employment; bar revenues and employment and on bingo revenues.

No previous study, however, has examined the effects of a statewide smokefree law on gaming revenue.

Results:

• This study is the first to show no impact of smokefree laws on gaming revenues.

• The paper tests for effects on both total revenues and average revenues per machine and finds no statistically significant changes associated with the smokefree law.

Table 1. Estimated effects of the smokefree law

Unit Variable	Total Revenues (\$million)			Average Revenue per Machine (\$/machine)		
	Estimate	Standard Error	p value	Estimate	Standard Error	p value
P_{law} (unit/month)	4.582	2.968	0.126	735	725.95	0.314
Time (unit/month)	0.562	0.117	<0.001	78.48	35.95	0.032
Time ² (unit/month ²)	-0.005	0.001	<0.001	-0.849	0.259	0.001
Machines(unit/machine)	0.004	0.002	0.017	-2.424	0.445	<0.001
Income (unit/\$million)	8.761	1.734	<0.001	12415	562.9	<0.001
Winter	-4.653	1.149	<0.001	-1405	315	<0.001
n	101			101		
R ²	0.803			0.622		

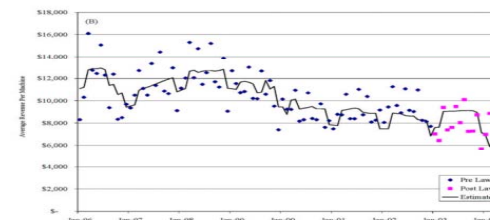
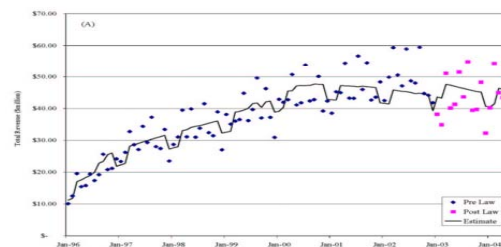


Figure 1. (A) Total revenues increase from the creation of the racinos and then flatten out with the economic downturn. No statistically significant relationship between total revenues and the smokefree law exist. (B) Average revenues per machine vary overtime and decrease with the downturn in the economy. No statistically significant relationship between average revenues and the smokefree law exist.