

*Seventeen
Six Months
— After—
Implementation

of a Smoke-Free
Ordinance

Harrah's

Robert McMillen, PhD Mississippi State University



Presenter Disclosures

(1) The following personal financial relationships with commercial interests relevant to this presentation existed during the past 12 months:

No relationships to disclose



Support

- AAP Richmond Center
 - Flight Attendant Medical Research Institute
 - The Truth Initiative
- Office of Tobacco Control, MSDH
- American Cancer Society Cancer Action Network



Background

- More than 7,000 chemicals and 70 carcinogenic compounds in secondhand cigarette smoke
- 24 states permit commercial casino gambling
 - 9 of these states prohibit smoking indoors at these casinos



Casinos That Opened After Implementation Of A State-Wide Smoke-Free Law

- Maine, 2005
- Maryland, 2008
- Massachusetts, 2011
- New York, 2004
- Ohio, 2009



Casinos That Were Legislated To Become Smoke-Free

- Delaware, 2002
- Illinois, 2008
- Colorado, 2008
- South Dakota, 2010



Delaware

- Revenue prior and post of the clean air act found no evidence of reduced total revenue or average revenue per machine.
 - Mandell, Tobacco Control 2005
- Analyses using the same data but using different approaches for controlling for heteroscedasticity and seasonality found that revenue decreased.
 - Pakko, Tobacco Control 2006



Illinois

- Illinois gambling revenue decreased after the law, while neighboring states experienced smaller reductions
 - Garrett & Pakko, 2010
- No evidence of migration to competing nearby states
 - Harris, Tobacco Control, 2012
- Illinois smoke-free variable did not affect model prediction of gaming revenue in Missouri
 - Walker, Growth and Change, 2013





As of 22 April 2015

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Methods

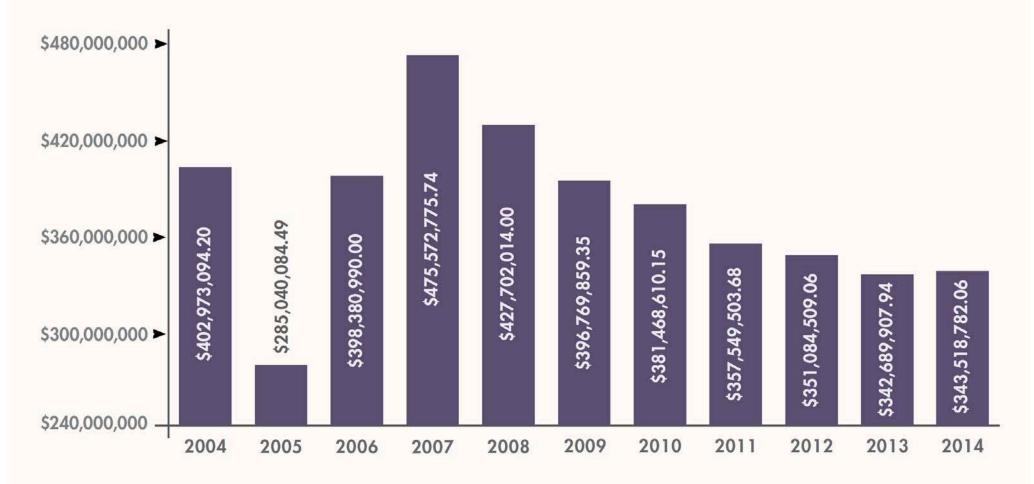
- Data
 - The Louisiana State Gaming Control Board releases monthly Gross Gaming Revenue (GGR)
 - Adjusted for inflation using CPI
- Outcomes
 - Annual GGR
 - Year over Year GGR Comparisons



Harrah's New Orleans before the smoke-free ordinance



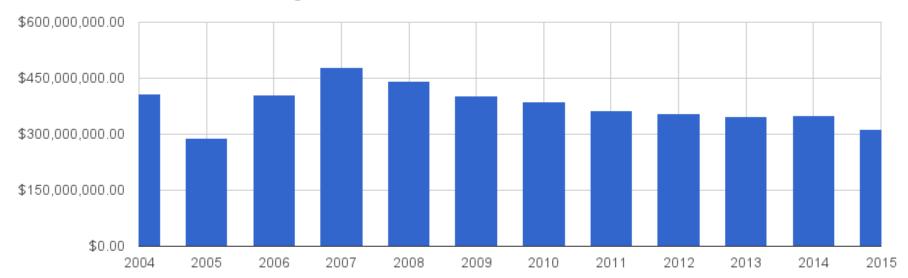
Annual Gross Gaming Revenue for Harrah's New Orleans



Harrah's New Orleans had been declining revenue years before smoke-free ordinance



Annual Gross Gaming Revenue for Harrah's New Orleans





Harrah's New Orleans after the smokefree ordinance









Harrah's New Orleans revenues down again, official blames smoking ban as gamblers flock to riverboat casinos to puff and play



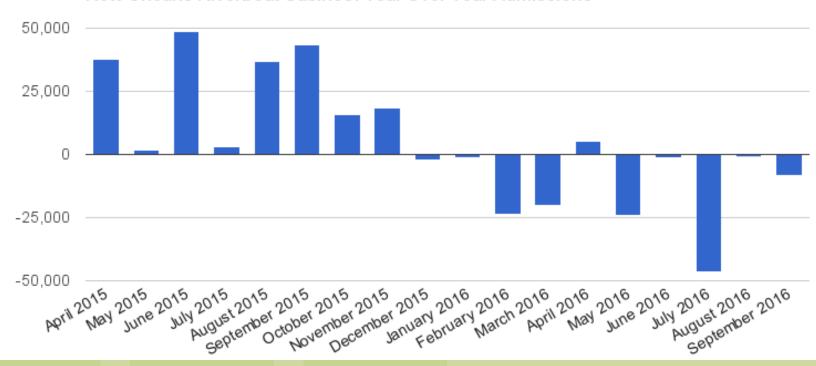


Casino officials blame smoking ban

By Marsha Shuler mshuler@theadvocate.com AUG 19, 2015 - 12:41 PM (0)



New Orleans Riverboat Casinos: Year Over Year Admissions

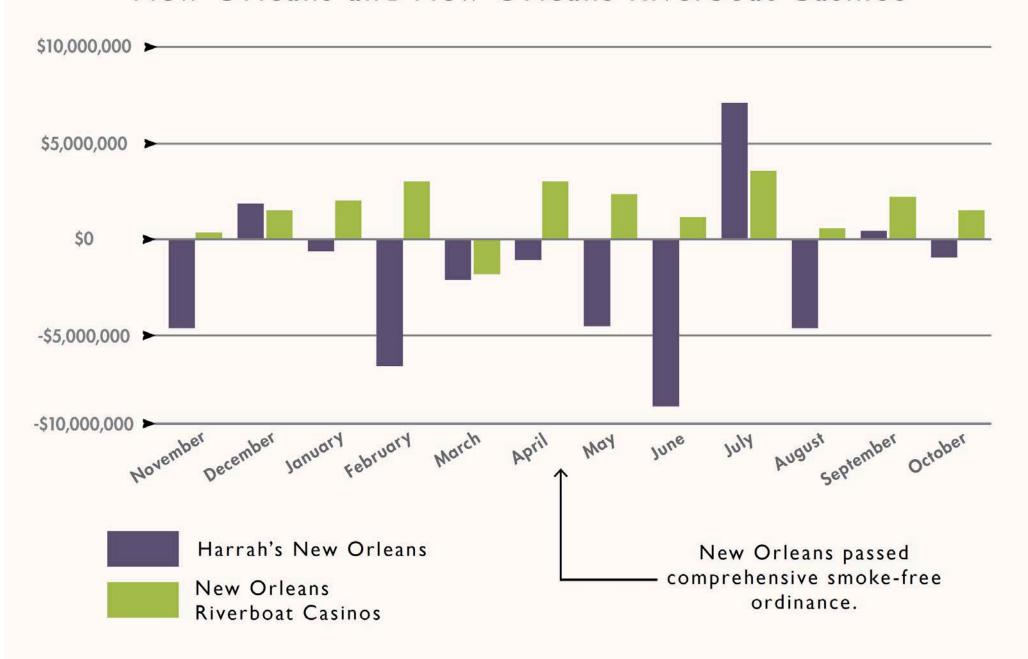




The First Six Months



Year Over Year Gaming Revenue Changes at Harrah's New Orleans and New Orleans Riverboat Casinos



After 17 Months



Harrah's New Orleans

Year over Year Revenue Before Ordinance

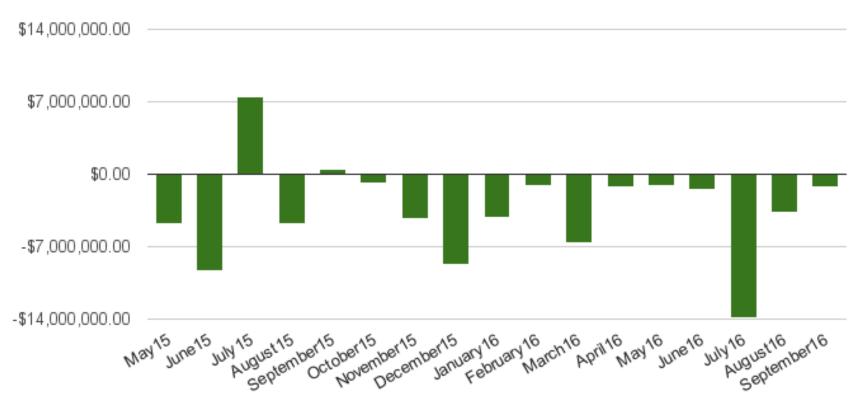


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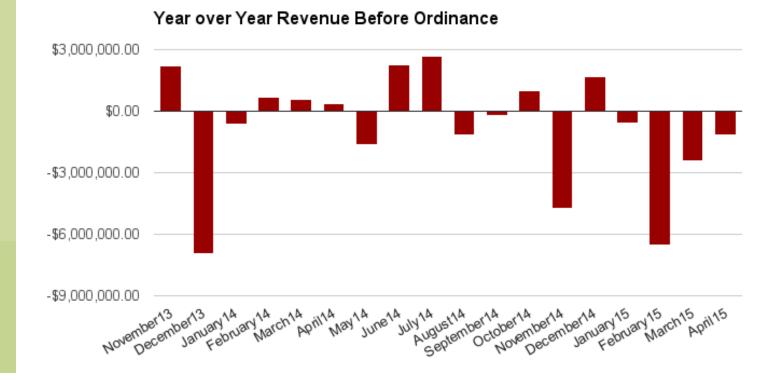


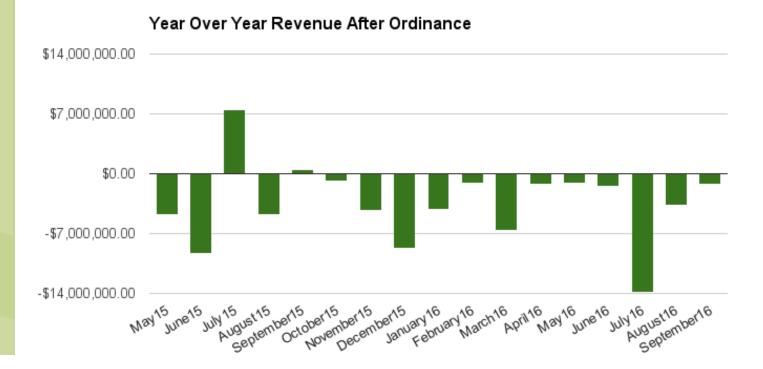
Harrah's New Orleans

Year Over Year Revenue After Ordinance

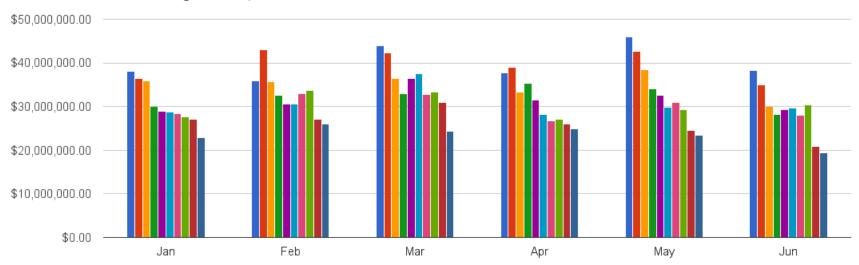




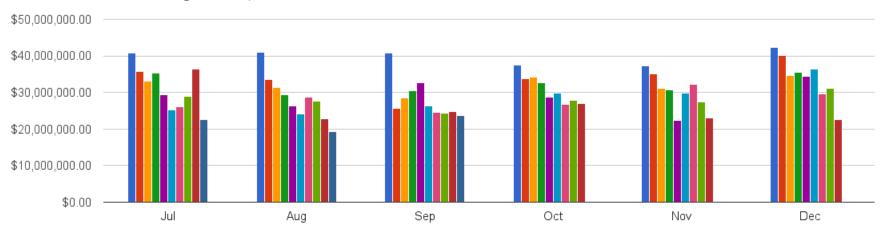




Gross Gaming Revenue, 2007-2016

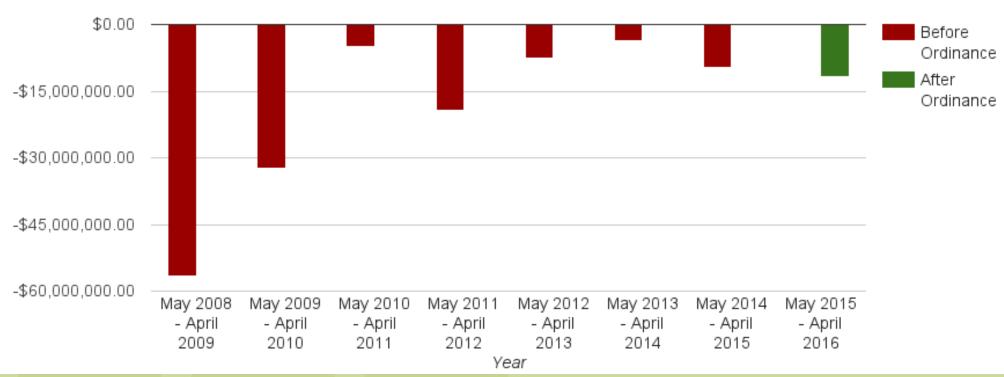


Gross Gaming Revenue, 2007-2016





Decrease in GGR from the previous 12 months, Harrah's New Orleans





Limitations

- Conclusive findings from quasi-experimental studies about the economic impact of smokefree laws on casinos are difficult to achieve given the numerous extraneous factors affecting this industry
 - Simultaneous economic events with smoke-free law
 - Weather
 - Market saturation
 - Economy



Conclusions

- No compelling evidence that Harrah's New Orleans was adversely affected by smoke-free laws.
- The casino has experienced decreasing year over year GGR and annual GGR since the recession, and has continued this trend following implementation of the smoke-free ordinance.



Questions?

Minh-Tri 1st Place winner, FAMRI/ AAP/Richmond Center Art Contest 2010

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