WHAT ARE TOBACCO LICENSING LAWS?

Licensing laws are policies that require stores to obtain a license to sell tobacco. In their most basic form, licensing laws provide an inventory to track which retailers (gas stations, grocery stores, vape shops, etc.) are selling tobacco in a community.

The inventory of retailers helps with the enforcement of other tobacco laws. The cost of the license also poses a barrier to selling tobacco and provides funding for tobacco control. But licensing laws can also be written to do more: They can set stipulations to restrict or reduce the density of tobacco retailers in an area. These types of stipulations are sometimes called licensing law strategies.

<table>
<thead>
<tr>
<th>Licensing Law Strategies to Target Tobacco Retailer Density</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capping</td>
</tr>
<tr>
<td>Cap the number of retailers in an area (e.g., 0.7 retailers per every 1000 people in a county)</td>
</tr>
<tr>
<td>Declustering</td>
</tr>
<tr>
<td>Prohibit retailers from being in close proximity to one another (e.g., within 500 ft. of other retailers)</td>
</tr>
<tr>
<td>School-based</td>
</tr>
<tr>
<td>Prohibit retailers from being close to schools (e.g., within 500 or 1000 ft.)</td>
</tr>
<tr>
<td>Pharmacy-based</td>
</tr>
<tr>
<td>Prohibit the sale of tobacco in pharmacies</td>
</tr>
</tbody>
</table>

Licensing law strategies are often implemented in combination, like in these cities:

- **New York City**: Capping, Pharmacy-based
- **Philadelphia**: Capping, School-based
- **San Francisco**: Capping, Declustering, School-based, Pharmacy-based

TOBACCO RETAILER DENSITY MATTERS FOR HEALTH EQUITY

Research studies from across the country show that tobacco retailers are more densely located in low-income and racial/ethnic minority neighborhoods.\(^1\)\(^-\)\(^4\) There is also some evidence that per capita retailer density is greater in rural regions.\(^5\) People living in areas with greater retailer density have more access to tobacco and greater exposure to tobacco retailer marketing. Retailer density has been linked to a greater likelihood of youth tobacco-use initiation and a lower likelihood of adult smoking cessation.\(^6\)\(^,\)\(^7\) Through these pathways, disparities in retailer density contribute to disparities in tobacco use.
WHY IS SELECTING THE “RIGHT” LICENSING LAW STRATEGY IMPORTANT?

Communities vary widely, and research indicates that certain strategies are better suited for certain communities. When matched appropriately, licensing law strategies could have an equitable impact (i.e., the greatest reductions in tobacco retailer density would be in the most at-risk neighborhoods). When matched poorly, licensing laws could have an unequal impact by reducing the most tobacco retailer density in the most advantaged neighborhoods.

<table>
<thead>
<tr>
<th>Equity Impact of Licensing Law Strategies, by Community Type[^8]</th>
<th>Neighborhood Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy</td>
<td>High-Poverty</td>
</tr>
<tr>
<td>Capping</td>
<td>✓</td>
</tr>
<tr>
<td>Declustering</td>
<td>✓</td>
</tr>
<tr>
<td>School-based</td>
<td>✓</td>
</tr>
<tr>
<td>Pharmacy-based</td>
<td>X</td>
</tr>
</tbody>
</table>


POLICY CONSIDERATIONS

- All licensing law strategies described above have been successfully implemented in U.S. localities and are considered legally sound[^9].
- Most policies implementing licensing-law strategies only impact the purchase of future licenses (they don’t shut down existing retailers or revoke licenses).
- As pharmacy-based reductions demonstrate unequal impacts[^8,10], communities implementing pharmacy-based reductions should do so in combination with other, equity-enhancing strategies.
- Research also indicates that (1) When matched with the appropriate strategy, high-risk communities could remove over 20% of their tobacco retailers[^8]; (2) Combination strategies are more impactful in their equity effect than a single type of licensing-law strategy on its own[^8,10,11]; and (3) Stronger versions of policies are more impactful in their equity effect (e.g., 1000 ft. vs. 500 ft. rules[^8]).
- **Bottom Line:** The most impactful and equitable licensing law strategy depends on the type of community. But if selected thoughtfully, licensing law strategies could benefit overall public health and vulnerable populations.
Resources for Further Information

ChangeLab Solutions
https://www.changelabsolutions.org/product/tobacco-retailer-density

Counter Tobacco
https://countertobacco.org/policy/licensing-and-zoning/

Public Health and Tobacco Policy Center
https://tobaccopolicycenter.org/

Smoke Free Philly

The Public Health Law Center
https://www.publichealthlawcenter.org/topics/commercial-tobacco-control

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10. Glasser AM, Roberts ME. Retailer density reduction approaches to tobacco control: A review. *Health & Place*. Published online April 27, 2020;102342. 2