



Association for Nonsmokers-MN  
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# Reducing the Number of Tobacco Licenses in Your Community

*The “How” and “Why” of reducing the number of stores selling tobacco products in your community.*

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When more tobacco and e-cigarette retailers are located in a given area, residents’ health suffers. Youth are more likely to start using tobacco. People who smoke consume more cigarettes per day and



have a harder time quitting. Further, tobacco and e-cigarette retailers cluster in neighborhoods with a high percentage of low-income residents and Black and Latino residents. These communities are targeted by tobacco companies, and they disproportionately suffer the health harms caused by tobacco use.

To decrease the overall presence and impact of commercial tobacco, communities can use their tobacco licensing ordinance to restrict the total number of tobacco licenses that they issue.

There are varied approaches to restricting the number of tobacco licenses, including:

- Setting a cap of zero licenses. When a license is not renewed (for example, if a retailer closes or chooses to stop selling tobacco products), it is permanently retired, effectively reducing the overall number of licenses over time.
- Setting a cap of one or more on the total number of licenses and requiring any prospective tobacco or e-cigarette retailer in excess of the cap to join a waiting list until an existing license becomes available.
- Setting a cap at a specific number of licenses based on population (for example, allowing one tobacco license per 2,000 residents). As with capping a total number of licenses at zero, when a license is not renewed, it is permanently retired until the desired total number of licenses is reached.

- Creating two license categories: one for tobacco-only retailers (stores that derive 90% of their total revenue from tobacco and tobacco related products) and one for stores that sell tobacco as well as other products, including gas stations, convenience stores, grocery stores. Then, setting a separate cap on the total number of each type of license. Any prospective tobacco or e-cigarette retailer in excess of the relevant cap would be required to join a waiting list until an existing license becomes available.

## How have Minnesota communities approached capping the number of tobacco licenses?

A number of Minnesota communities have used license capping as a way to address the impact of commercial tobacco. Bloomington, which currently has more than 50 tobacco licenses, set a cap of zero licenses. Through attrition, the city will eventually get down to zero, though this will likely take decades.

Golden Valley capped their licenses at 8. At the time, they had 14 licenses. Through attrition, the city will get down to 8 licenses. They arrived at the number 8 by setting a standard of having one tobacco license per 2500 residents in their community.

Saint Paul created two classifications of licenses to sell tobacco. The total cap on the number of Tobacco Shop licenses is 150, compared to the 190 licenses in operation in St. Paul today. The number of Tobacco Products Shops licenses is capped at 25, compared to the 39 in operation today. St. Paul will reach these license numbers through attrition and new licenses can be given only after they fall below these caps.

## Is capping the number of tobacco licenses an effective tobacco prevention strategy?

Yes. The location and density of commercial tobacco-related product retailers influences tobacco-related product use among residents living in those communities. Research shows that youth who live or attend school in neighborhoods with the highest density of tobacco outlets or retail tobacco advertising have higher smoking rates compared to youth who live or attend school in neighborhoods with fewer or no tobacco outlets.<sup>1</sup> Compounding existing health disparities, tobacco retailers are often concentrated in communities at higher risk for adverse health outcomes. Further, tobacco manufacturer spending on advertising, marketing and price is directed at youth and young adults. The majority of smokers start young, youth get tobacco from older peers, and exposure to nicotine is particularly dangerous to the adolescent brain. Therefore, the purpose of this ordinance is

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<sup>1</sup> Schleicher, N. C., Johnson, T. O., Fortmann, S. P., & Henriksen, L. (2016). Tobacco outlet density near home and school: Associations with smoking and norms among US teens. *Preventive medicine, 91*, 287–293. <https://doi.org/10.1016/j.ypmed.2016.08.027>

to reduce the appeal to youth and young adults and reduce the likelihood that youth and young adults will become users of tobacco-related products later in life, thereby promoting health, safety and welfare.

## What resources exist for communities looking to cap the number of tobacco licenses they issue?

There are several resources available to Minnesota communities, including model ordinance language from the Public Health Law Center. See below for this and other resources:

1. **MINNESOTA CITY RETAIL TOBACCO LICENSING ORDINANCE, Public Health Law Center:**  
<https://publichealthlawcenter.org/sites/default/files/resources/MDH-City-Retail-Ordinance-2020.pdf> (See Page 12 for language about license capping)
2. **Location, Location, Location: Tobacco and E-cig sales, Public Health Law Center:**  
<https://publichealthlawcenter.org/sites/default/files/resources/Location-Tobacco-Ecig-Point-Of-Sale-2019.pdf>
3. **Tobacco Ordinance FAQ from the City of Bloomington:**  
<https://www.bloomingtonmn.gov/ph/tobacco-ordinances>
4. **Counter Tools Policy Solution: LICENSING, ZONING, AND RETAILER DENSITY:**  
<https://countertobacco.org/policy/licensing-and-zoning/>
5. **Change Lab Solutions: “Tobacco Retailer Density Place-Based Strategies to Advance Health and Equity”:**  
[https://changelabsolutions.org/sites/default/files/CLS-BG214-Tobacco\\_Retail\\_Density-Factsheet\\_FINAL\\_20190131.pdf](https://changelabsolutions.org/sites/default/files/CLS-BG214-Tobacco_Retail_Density-Factsheet_FINAL_20190131.pdf) (pages 4-5)

