

DRAM SHOP AND SOCIAL HOST LIABILITY LAWS

DRAM SHOP LAWS:

Dram shop laws impose civil liability on those individuals, licensed established or alcoholic beverage retailers who sell alcohol to minors or obviously intoxicated adults when the minor or adult is subsequently involved in an alcohol related crash resulting in death or injury to third-parties.

- Currently, 42 states and the District of Columbia have some form of dram shop laws including Colorado, Iowa, Missouri and Wyoming.
- These laws provide an incentive for owners of alcohol establishments to train their employees in responsible beverage service, to check IDs and to eliminate “happy hour” and other reduced drink promotions which encourage excess alcohol consumption.
- Dram shop laws are a potentially powerful tool for changing the environment in which alcohol is sold by focusing on alcohol accessibility, pricing, promotion and other factors that influence individual attitudes, behaviors and probabilities of deleterious consequences.
- Dram shop liability laws which allow individuals to sue bars for the drunken behavior of their patrons are strongly associated with lower minor and adult fatality rates (Whetten-Goldstein et al. 2000).

WHY ALCOHOLIC BEVERAGE RETAILERS SHOULD BE POTENTIALLY LIABLE FOR INJURY OR DEATH TO THIRD-PARTIES:

- Vendors of alcoholic beverages profit from the sale of these beverages.
- Vendors of alcoholic beverages have control over pricing and promotion which have a direct bearing on alcohol consumption.
- Vendors are in the best position to observe those who are consuming alcohol and control the amount they are consuming.
- It is a violation of the law to sell alcohol to a minor or an obviously intoxicated adult.

ARE DRAM SHOP LIABILITY LAWS EFFECTIVE AND DO THEY REDUCE ALCOHOL-RELATED CRASHES?

- Research suggest that dram shop liability laws can significantly reduce single vehicle nighttime crash deaths, alcohol-related traffic crash deaths and total traffic crash deaths among minors (Chaloupka et al., 1993; Sloan et al., 1994, 2000.).
- In 2001, researches found a 5.8 percent decrease in fatal crashes from dram shop liability and other studies have shown a similar deterrent effect from dram shop liability by 3 to 5 percent.
- States with a high level of dram shop liability have more publicity about the impact and more servers and managers in licensed establishments are aware of potential liability.

SOCIAL HOST LIABILITY LAWS:

Social host liability laws are an extension of dram shop that imposes potential civil liability on individuals in a non-commercial setting i.e. social hosts who provide alcohol to minors or obviously intoxicated adults when the minor or adult is involved in an alcohol-related crash resulting in death or injury to a third-party.

- A common source of alcohol for youth is the youth’s own home or adults providing the alcohol.
- Social host liability laws can deter parents or other adults from facilitating underage drinking parties or purchasing or providing alcohol for underage youth.
- In a telephone survey of 7,021 U.S. residents, results showed that age of drinker (young) was a factor most strongly associated with harsher judgments of civil liability (Wagenaar et al. 2001).
- Although community norms concerning adult accountability and responsibility toward underage youth accessing alcohol are increasingly observable, there is little research on the effectiveness of social host liability laws.
- Currently 32 states have some form of social host liability either through statute or case law, including Colorado, Iowa, and Wyoming.