Name of Program/Strategy: <u>State Retail Monopolies</u>

Report Contents

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1. Overview and description

One form of retail alcohol regulation retail outlets is for the government to monopolize ownership of one or more types. The idea of government ownership of alcohol sales outlets in the interest of public order or public health first arose around 1850. A government monopoly typically greatly reduced the number of outlets, limited the hours of operation for sales, and removed the private profit motive for increasing sales.

2. Implementation considerations (if available)

3. Descriptive information

Areas of Interest	Substance abuse prevention
Outcomes	
Outcome Categories	Alcohol

Ages	
Gender	Male Female
Races/Ethnicities	American Indian or Alaska Native Asian Black or African American Hispanic or Latino White Race/ethnicity unspecified
Settings	
Geographic Locations	Urban Suburban Rural and/or frontier Tribal
Implementation History	
NIH Funding/CER Studies	
Adaptations	
Adverse Effects	
IOM Prevention Categories	Universal

4. Outcomes

Scientific Evidence

Studies examining policy changes from state monopolization of alcohol sales to privatization generally find an increase in overall consumption following privatization (Holder & Wagenaar, 1990; Wagenaar & Holder, 1995), but rarely report on consumption by young people.

One of the few studies focusing on youth describes the effects on drinking among 13- to 17-year- olds in a Finnish township, when medium strength beer was made available in grocery stores as opposed to being available only in state monopoly stores. Results show that age limits were observed less strictly in grocery stores and that the beverage of choice among girls changed from wine to medium strength beer. Therefore, minors could purchase alcohol more easily than when sales had been restricted to state stores and drinking among 13 to 17-year-olds increased (Valli, 1998).

Elimination of a private profit interest typically facilitates the enforcement of rules against selling to minors or the already intoxicated (Her, Giesbrecht, Room, & Rehm, 1999).

State retail alcohol monopolies are associated with reduced underage drinking and reduced deaths of impaired drivers aged 20 and younger. In states with a retail monopoly over spirits or wine and spirits, an average of 14.5 percent fewer high school students reported drinking alcohol in the past 30 days and 16.7 percent fewer reported binge drinking in the past 30 days than did high school students in non-monopoly states. Monopolies over both wine and spirits were associated with larger consumption reductions than monopolies over spirits only. Lower consumption rates in the monopoly states, in turn, were associated with a 9.3 percent reduction in the impaired-driving death rate of drivers aged 20 and younger in monopoly states versus non-monopoly states. The analysis suggests that alcohol monopolies prevent 45 impaired-driving deaths each year (Miller, Snowden, Birckmayer & Hendrie, 2006).

5. Cost effectiveness report (Washington State Institute of Public Policy – if available)

6. Washington State results (from Performance Based Prevention System (PBPS) – if available)

7. Who is using this program/strategy

Washington Counties	Oregon Counties

8. Study populations

9. Quality of studies

The documents below were reviewed for Quality of Research. The research point of contact can provide information regarding the studies reviewed and the availability of additional materials, including those from more recent studies that may have been conducted.

References

Her, M., Giesbrecht, N., Room, R., & Rehm, J. (1999). Privatizing alcohol sales and alcohol consumption: evidence and implications. Addiction, 94, 1125-1139.

Holder, H. D., & Wagenaar, A. C. (1990). Effects of the elimination of a state monopoly on distilled spirits' retail sales: A time-series analysis of Iowa. British Journal of Addiction, 85, 1615-1625.

Miller, T. R., Snowden, C. B., Birckmayer, J., & Hendrie, D. (2006). Retail alcohol monopolies, underage drinking, and youth impaired driving deaths. Accident Analysis and Prevention, 38(6), 1162-1167.

Valli, R. (1998). Forandringar i ungdomarnas alkoholvanor nar mellanolet slapptes fritt: Fallet Jakobstad (Changes in young people's alcohol consumption with improved availability of medium strength beer: The case of Pietarsaari). Nordisk Alkohol- and Narkotikatidskrift (Nordic Alcohol and Drug Studies), 15, 168-175.

Wagenaar, A. C., & Holder, H. D. (1995). Changes in alcohol consumption resulting from the elimination of retail wine monopolies: Results from five U.S. states. Journal of Studies on Alcohol, 56(5), 566-572.

10. Readiness for Dissemination

As of June 1, 2012, there is no state liquor retail monopoly in Washington.

11. Costs (if available)

12. Contacts