

Description of strategy

A license holder penalty is a legal mechanism that allows a local governing body to penalize alcohol license holders for failing to comply with state laws or local ordinances relating to sales of alcoholic beverages. It usually involves a monetary fine or the suspension or revocation of an alcohol license. It is administered by a local governing body (city council, county board), rather than the court system. It is imposed upon the license holder (in contrast to state laws that target the behavior of individual sellers and servers of alcohol). Administrative penalties are intended to provide an alternative enforcement mechanism that is more cost-effective, timely and practical than prosecuting servers and sellers through the court system. It provides an alternative to criminal prosecution, but does not necessarily replace criminal prosecution (some communities pursue both prosecution and administrative penalties). Administrative penalties can be written and passed as a local ordinance or state law (University of Minnesota Alcohol Epidemiology Program, 2011).

Local governing bodies by ordinance or resolution may regulate or restrict the operation of licensees (N.D.C.C. §5-02-09—Local regulations, 2013).

Discussion of effectiveness

Alcohol

There is limited evidence to evaluate the effectiveness of administrative penalties as an independent prevention strategy to prevent sale of alcohol to underage youth. Evidence suggests graduated administrative penalties work as an enforcement mechanism for compliance checks and responsible beverage service training (Mosher, Toomey, Good, Harwood, & Wagenaar, 2002). However, this evidence was based on qualitative analysis and did not provide quantitative results.

Intervening Variables	
Retail Pricing	
Retail availability	
Social availability	
Law Enforcement	
Community norms	
Promotion & media	

References for description of strategy

University of Minnesota Alcohol Epidemiology Program. (2011). Administrative Penalties. Retrieved July 27, 2012, from: <http://www.epi.umn.edu/alcohol/policy/admnpnl.shtml>

Evidence base

Mosher, J. F., Toomey, T. L., Good, C., Harwood, E., & Wagenaar, A. C. (2002). State laws mandating or promoting training programs for alcohol servers and establishment managers: An assessment of statutory and administrative procedures. *Journal of Public Health Policy, 23*(1), 90–113. doi:10.2307/3343120

Sloan, F. A., Reilly, B. A., & Schenzler, C. (1994). Effects of prices, civil and criminal sanctions, and law enforcement on alcohol-related mortality. *Journal of Studies on Alcohol and Drugs, 55*(4), 454.

Stead, L. F., & Lancaster, T. (2005). Interventions for preventing tobacco sales to minors. *Cochrane Database of Systematic Reviews*. John Wiley & Sons, Ltd. Retrieved from <http://onlinelibrary.wiley.com/doi/10.1002/14651858.CD001497.pub2/abstract>

Wagenaar, A. C., & Wolfson, M. (1995). Deterring sales and provision of alcohol to minors: A study of enforcement in 295 counties in four states. *Public Health Reports, 110*(4), 419.

Further reading

University of Minnesota Alcohol Epidemiology Program. (2011). Administrative Penalties. Available at: <http://www.epi.umn.edu/alcohol/policy/admnpnl.shtml>

Toomey, T. L., Lenk, K. M., & Wagenaar, A. C. (2007). Environmental policies to reduce college drinking: An update of research findings. *Journal of Studies on Alcohol and Drugs, 68*(2), 208.

Toomey, T. L., & Wagenaar, A. C. (1999). Policy options for prevention: The case of alcohol. *Journal of Public Health Policy, 20*(2), 192–213. doi:10.2307/3343211