

Preventing Excessive Alcohol Consumption: Dram Shop Liability

Task Force Finding and Rationale Statement

Intervention Definition

Dram shop liability allows the owner or server of a retail alcohol establishment where a customer recently consumed alcoholic beverages to be held legally responsible for the harms inflicted by that customer. Examples of such harms may include death, injury or other damages as a result of an alcohol-related car crash. Historically, the term dram shop referred to any establishment where alcohol was sold; a dram was a measure of alcohol.

Some states impose restrictions on dram shop liability by capping the amount of compensation allowed in suits, by increasing the evidence required to demonstrate responsibility, or by imposing statutes of limitations.

Task Force Finding (March 2010)

The Community Preventive Services Task Force concludes on the basis of strong evidence that dram shop liability is effective in preventing and reducing alcohol related harms.

Rationale

The Task Force finding is based on evidence from eleven studies which assessed the association of state dram shop liability with diverse outcomes, including motor vehicle fatalities overall, alcohol-related motor vehicle fatalities, alcohol consumption behaviors, alcohol-related violence, and alcohol-related diseases. Most studies assessed the relationships between dram shop liability and the alcohol outcomes of interest using national data over periods of several years, statistically controlling for other alcohol-related policies, state demographics and other characteristics. All found reductions in alcohol-related outcomes associated with the presence of dram shop liability. Dram shop liability was associated with a median reduction of 6.4% (range 3.7% to 11.3%) in alcohol-related motor vehicle fatalities, the most common outcome assessed in the reviewed studies. Similar effects were found in a study assessing the effects of dram shop liability suits in a single state (Texas) over time.

General tort reform efforts or specific attempts to limit the liability of commercial alcohol establishments may serve as barriers to maximally effective dram shop laws. For example, a survey of proprietors of alcohol establishments suggests that in states with stronger liability, establishment owners perceive greater risk of law suits for service to intoxicated patrons. Many of the studies on which this review is based were conducted prior to the widespread implementation of such restrictions, and further research will be required to accurately estimate their influence on the effectiveness of dram shop laws.

The Task Force identified no evidence on additional benefits or potential harms associated with dram shop liability.

Publications

Rammohan V, Hahn RA, Elder R, Brewer R, Fielding J, Naimi TS, Toomey TL, Chattopadhyay SK, Zometa C, Task Force on Community Preventive Services. Effects of dram shop liability and enhanced overservice law enforcement initiatives on excessive alcohol consumption and related harms: two Community Guide systematic reviews. *Am J Prev Med* 2011;41(3):334-43.

Task Force on Community Preventive Services. Recommendations on dram shop liability and overservice law enforcement initiatives to prevent excessive alcohol consumption and related harms. *Am J Prev Med* 2011;41(3):344-6.

Disclaimer

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