



APRIL 2013 NEWSLETTER

VOLUNTARY COMPLIANCE: AN IMPORTANT ENFORCEMENT RESOURCE

In this era of tight budgets, no one should overlook the importance of efforts to gain voluntary compliance from liquor licensees. It is an exceptionally cost-effective means of enforcement. Proposals to merge agencies or allocate liquor enforcement to local authorities often overlook this important function.

Voluntary compliance is something we take for granted because most licensees actually abide by most regulations. In fact, no system of law or regulation can work by intensely scrutinizing and policing all those subject to regulation. It would be too big of a job. All systems—from criminal law to child labor regulations—count on compliance by most parties.

Imagine if restaurants and bars would not honor closing hours unless an inspector appeared and ordered them to do so night after night! Fortunately, that is not necessary because licensees routinely abide by closing hours. In the rare instances where they don't, the chances of being reported by a competitor or a patron are high. No one wants to risk loss or suspension of their license.

So we want to maintain a high level of voluntary compliance, but how we do that?

Every effective regulatory system needs a core of stable businesses that understand and readily abide by regulations.

It starts with education. Alcohol regulations are complex and often include specific responsibilities for licensees such as preventing sales to minors and intoxicated patrons. That's why it's very important to have some kind of educational program, especially for new licensees. Many alcohol beverage control agencies have such programs and use newsletters, social media and other means to regularly communicate with licensees. Efforts should be made to clearly explain the rationale for regulations as licensees may be more apt to comply or place a priority on compliance if they understand the public purpose involved.

Deterrence is important. Voluntary compliance is not the same as self-regulation because enforcement is critical. Compliance will likely decline if laws are never or rarely enforced. Liquor law enforcement officials need to make sure licensees are aware that regulations are actively enforced. Publicity on enforcement actions is crucial. According to the National Highway Traffic Safety Administration, "...if employees, managers, and owners of licensed establishments believe that they will be caught if they violate the law, they are more likely to be vigilant in their compliance with the law." (www.nhtsa.gov)

Seek new ways to increase compliance. There is very little research on this aspect of enforcement and there are few formal programs with clear goals. This is an area ripe for innovation.

For more information, see www.healthyalcoholmarket.com
Contact Pam Erickson at pam@pamaction.com