

National Alcohol Experts: Alcohol is Different, Requires Effective Regulation

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LANSING— Alcohol is different from other consumer products and requires different laws, a panel of alcohol policy experts said at a Center for Alcohol Policy forum this week in Lansing.

Brannon Denning, professor at Samford University's Cumberland School of Law and CAP Advisory Council member, began the session by providing a global perspective on alcohol regulation, discussing factors that influence alcohol laws such as religion, ethnicity, climate and history. He recounted the history of America's experience with alcohol, noting how unique it is for a product to be the subject of two constitutional amendments. America's history of abuses with alcohol leading up to national Prohibition is important to remember, he argued, in order to understand why we have the state-based alcohol regulatory system that we have today.

"According to national polling, over three-fourths of people say they understand that alcohol is different and needs different rules," **Denning** said.

Steven Schmidt, senior vice president of public policy and communications at the **National Alcohol Beverage Control Association**, provided a national perspective of current alcohol regulatory and safety trends and described broad themes driving deregulatory efforts, including anti-government sentiment, state budget shortfalls, big retailers, alcohol abuse apathy and consumer and media perceptions that alcohol is just like any other product.

"The three-tier system and alcohol regulation in the U.S. has worked very well," **Schmidt** said, indicating that America does not experience large problems with bootlegging, counterfeit products or a black market, which have proven deadly in other parts of the world that lack an effective regulatory system for alcohol.

Michigan Liquor Control Commission Chairman Andrew Deloney explained how Michigan's alcohol laws guide the commission's operations and described the goals of the Snyder Administration of creating a simple and predictable process for licensing, a system of certainty for decision making based on statute as well as open and accountable operations.

Howard Goldberg of Willingham & Cote P.C. in East Lansing spoke about the history of legal decisions impacting Michigan alcohol law and noted that actions by the state legislature indicate that its members clearly care about public health and safety. He also cautioned that policymakers should be cautious when developing legislation to assist in-state breweries and wineries due to the potential of court challenges.

Pamela Erickson, President & CEO of Public Action Management PLC and former executive director of Oregon Liquor Control, reiterated the theme that alcohol is not like other products on the market, and it should be sold, marketed and handled with a great deal of care because there is a high cost to getting it wrong.

Erickson contrasted the balanced approach of the U.S. regulatory system with the United Kingdom, which deregulated alcohol over several decades so it is now sold almost anywhere 24 hours per day, is

aggressively promoted and sold below-cost at supermarkets. As a result, she said, hospital admissions for alcohol-related problems in that country have doubled in just 10 years and death rates have doubled since 1991.

“It pays to be very careful when considering deregulation as it will be difficult to revert back,” **Erickson** said.

The forum, “What’s Happening in the World of Alcohol Regulation,” was the third and final session of the CAP’s 2012 Michigan Alcohol Policy Forum Series held at the Radisson Hotel Lansing.

Session One of the series, “The Economic Impact of the Alcohol Industry in Michigan,” provided an overview of the alcohol industry in Michigan along with the impact of regulation. Session Two, “Public Safety and Law Enforcement in Alcohol Regulation,” explored the important relationship between alcohol regulation and alcohol law enforcement.

The Center for Alcohol Policy is a 501c(3) organization whose mission is to educate policy makers, regulators and the public about alcohol, its uniqueness and regulation. By conducting sound and scientific-based research and implementing initiatives that will maintain the appropriate state-based regulation of alcohol, the Center promotes safe and responsible consumption, fights underage drinking and drunk driving and informs key entities about the effects of alcohol consumption. For more information, visit www.centerforalcoholpolicy.org or follow the Center on Twitter at www.twitter.com/AlcoholPolicy.