

## Low-Price, High-Volume Drink Specials

### Policy Description

Restrictions on low-price, high-volume drink specials regulate on-premises retailers in their use of various price-related marketing tactics such as happy hours, two-for-one specials, or free drinks that encourage heavier consumption. These promotions are particularly prevalent in college communities, where large numbers of underage students are present.

Research has examined the impact of on-premises retail drink specials on binge drinking among college students. For example, one study measured self-reported binge-drinking rates among college students from 119 colleges, conducted an assessment of marketing practices of on-premises outlets in neighboring communities, and determined whether these communities restricted low-price, high-volume drink specials. Results demonstrated that price-related promotions were significantly correlated with higher binge drinking and self-reported drinking and driving rates among students (Wechsler, Lee, Nelson, & Lee, 2003).

Based on this and other research, the *Surgeon General's Call to Action* concluded that “increasing the cost of drinking can positively affect adolescent decisions about alcohol use,” and recommended “[e]limination of low price, high-volume drink specials, especially in proximity to college campuses, military bases, and other locations with a high concentration of youth” (HHS, 2007).

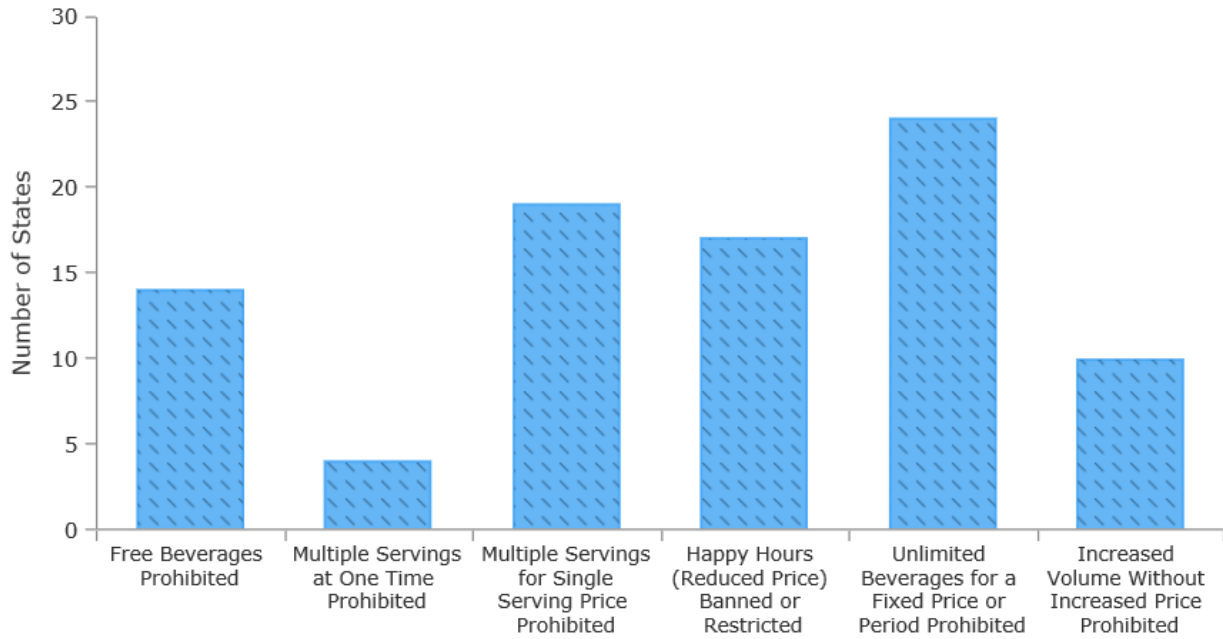
A state law concerning low-price, high-volume drink specials may prohibit or restrict the following practices:

1. Providing customers with free beverages either as a promotion or on a case-by-case basis (e.g., on a birthday or anniversary, as compensation for poor services).
2. Offering additional drinks for the same price as a single drink (e.g., two-for-ones).
3. Offering reduced-price drinks during designated times of day (“happy hours”).
4. Instituting a fixed price for an unlimited amount of drinks during a fixed period of time (e.g., “beat the clock” and similar drinking games).
5. Offering drinks with increased amounts of alcohol at the same price as regular-sized drinks (e.g., double shots for the price of single shots).
6. Service of more than one drink to a customer at a time.

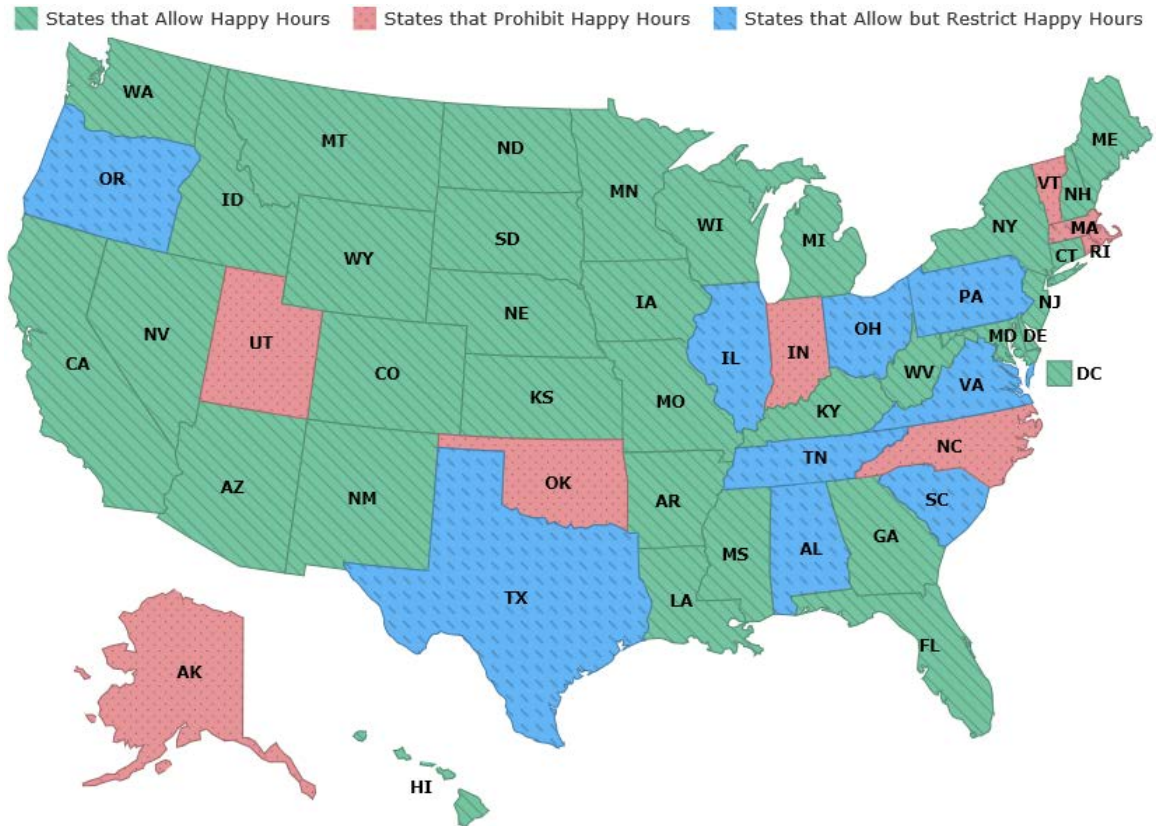
### Status of Low-Price, High-Volume Drink Specials Law

Exhibit 1.49 shows the number of states that prohibit one of the six low-price, high-volume specials listed above. Fourteen states prohibit free beverages. Four states prohibit multiple servings at one time. Nineteen states prohibit multiple servings for a single serving price. Twenty-four states prohibit unlimited beverages for a fixed price or period. Ten states prohibit increased volume without increase in price. As shown in Exhibit I.50, eight states prohibit happy hours (reduced prices). Nine additional states allow happy hours but restrict the hours in which they may be offered.

**Exhibit I.49: Number of States Prohibiting Various Low-Price, High-Volume Drink Specials**



**Exhibit I.50: Happy Hours 2017**



## Trends in Low-Price, High-Volume Drink Specials Law

Since 2011, one state (Pennsylvania) has increased the number of hours during which discounts may be offered. In 2012, Kansas changed its law to allow reduced-price drinks during designated times of day and increased volume of an alcoholic beverage. In 2015, Illinois changed its prohibition against multiple servings at one time to prohibiting multiple servings for a single serving price. At the same time, Illinois lifted its ban of “happy hour pricing” that prohibited discounting drinks during the day to permitting drink discounts before 10 p.m., provided the discounts do not exceed 4 hours per day and 15 hours per week.

### Data Sources and Citations

All data for this policy were obtained from <http://www.alcoholpolicy.niaaa.nih.gov>, NIAAA’s APIS. Follow links to the policy titled “Drink Specials” for further descriptions of this policy and its variables, details regarding state policies, and a review of the limitations associated with the reported data.

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