

EXTENDED ALCOHOL SERVICE HOURS

Background for Seattle's proposal to the Liquor Control Board

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Table of Contents

I.	BACKGROUND AND STATEMENT OF PURPOSE	3
II.	POTENTIAL BENEFITS	4
a.	Increased Public Safety for Residents and Visitors	4
b.	Economic Opportunity and Growth.....	5
III.	LATER CLOSINGS AND LOCAL CONTROL IN THE UNITED STATES	8
a.	Summary	8
b.	Referenced Summary	9
1.	Alabama	9
2.	Alaska	9
3.	California	9
4.	Florida.....	10
5.	Georgia	10
6.	Hawaii.....	10
7.	Idaho.....	10
8.	Illinois	10
9.	Indiana.....	11
10.	Kentucky.....	11
11.	Louisiana.....	11
12.	Minnesota	11
13.	Michigan	11
14.	Mississippi.....	12
15.	Missouri.....	12
16.	Nebraska.....	12
17.	New Jersey	12
18.	Ohio	12
19.	Oregon.....	13
20.	New York	13
21.	Nevada.....	13
22.	Philadelphia.....	13
23.	South Carolina.....	13
24.	Tennessee.....	13

25. Texas.....	13
26. Washington D.C.....	13
IV. ACADEMIC LITERATURE AND SUMMARY OF NATIONAL AND INTERNATIONAL MODELS.....	14
V. LATE SERVICE HOURS AND LOCAL CONTROL INTERNATIONALLY	14
a. United Kingdom.....	15
b. Vancouver’s Extended Hours Pilot Program Administrative Report.....	15
VI. CONCLUSION.....	17

I. BACKGROUND AND STATEMENT OF PURPOSE

Seattle is currently considering requesting authorization from the Washington Liquor Control Board to allow on-premise licensed beverages to be sold beyond the current 2 a.m. closing time, with certain explicit restrictions relating to those additional hours. The motivation for this effort is to increase the vibrancy of Seattle’s burgeoning music and nightlife industries while maintaining or enhancing public safety, and it is a critical step in the complete implementation of Seattle’s Nightlife Initiative.

Washington currently does not allow service or sale of alcohol between the hours of 2 a.m. and 6 a.m.¹ The Liquor Control Board promulgates this standard, and has the rule-making ability to amend the Washington Administrative Code to allow local extension of service hours.² Therefore, Seattle intends to submit a rule-making petition requesting that the Liquor Control Board amend the Code to allow municipal jurisdictions to extend service hours, contingent upon meeting certain conditions and approval from the Liquor Control Board.

Two recent polls found broad public support for such an extension, with more than 75% of over 4,000 participants indicating a preference for extended alcohol service hours.³ City outreach to 14 community meetings over the course of 4 months also showed overwhelming support, provided that all other elements of the Nightlife Initiative are completed.⁴

This report summarizes the potential benefits extended alcohol service would bring to Seattle. Additionally, it presents a review of international academic literature and a summary of existing

¹ WAC 314-11-070

² RCW 66.08.030

³ Seattle Times “Mayor McGinn proposes letting bars stay open later, or all night” Emily Heffter, available online at http://seattletimes.nwsourc.com/html/localnews/2012348256_nightlife14m.html; Mayor’s Office, Seattle Nightlife Initiative: Final Survey Results, available online at <http://mayormcginn.seattle.gov/wp-content/uploads/2010/12/Seattle-Nightlife-Initiative-final-results.pdf>

⁴ Seattle Nightlife Initiative, Community Report. <http://www.seattle.gov/mayor/PDF/101228PR-NightlifeReportFinal.pdf>

regulations from other jurisdictions that can provide guidance for Seattle's extended alcohol service proposal.

II. POTENTIAL BENEFITS

Washington's uniform 2 a.m. closing time has placed significant burdens on Seattle's police and other public services to respond to large crowds, and manage potential aggressive behavior due to the rapid release of thousands of individuals into city streets at closing time.

Seattle's diverse lifestyle and economy, as well as conventioners and visitors accustomed to modern liquor laws, create demand for nightlife that extends beyond existing entertainment hours. Later hours could bring increased tourism, tax revenue, and a more accessible city to young professionals.

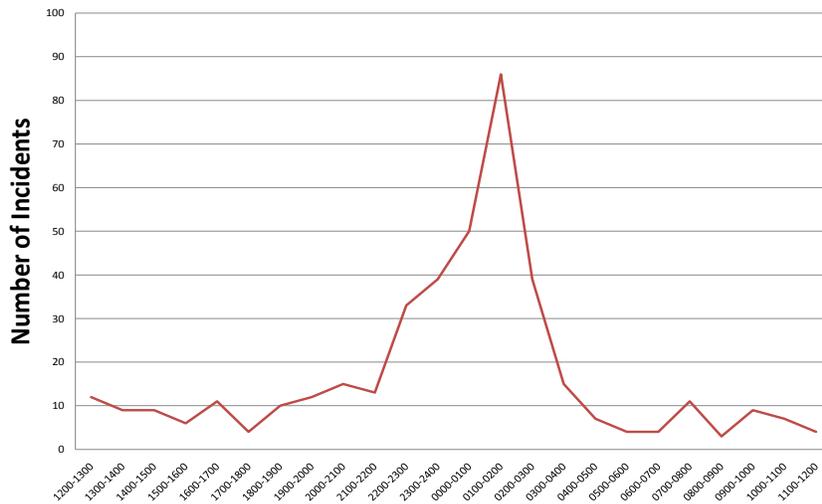
a. Increased Public Safety for Residents and Visitors

Washington's current approach to alcohol service, with its uniform 2 a.m. closing time, has placed greater demand on Seattle's police and other public services to respond to large crowds, manage potential aggressive behavior, and disperse crowds to reduce noise complaints and public disorder. Nightlife patrons are more inclined to binge drink at last call for alcohol service, which creates a greater risk of impairment and over-intoxication.

As a summary of how the "push out" works: At 1:30 a.m. in a bar establishment, the lights are dimmed, music is playing; people are talking and having a drink. At 1:45 a bartender proclaims "last call." Within 15 minutes, the music ends, lights are turned on, and security is moving the crowd to the exit door. The patrons respond by quickly finishing their drinks, with some ordering another drink to consume before service ends across the city. At 2 a.m., thousands of people are simultaneously pushed outside onto the streets.

Some are now aggravated, and many are not ready to go home. All these people then compete for cabs and public transportation, which on busy nights cannot keep up with demand, encouraging people to drive. The streets in nightlife zones may become chaotic. If a fight breaks out in one neighborhood, several police must respond at once due to the potential of a larger situation developing, leaving fewer police in other areas that could have a problem at the same time. As a result, disproportional police resources in the city are tied up dealing with the "push out" rather than performing their other police duties. This system creates a peak demand for enforcement services and concentrates disruptions to residents.

Incidents at Nightlife Establishments (Thursday - Saturday, May-September 2010)



According to SPD Chief Clark Kimerer "Our most difficult time is Friday and Saturday night bar closing. Fundamentally the benefit of having strategic closing times is to avoid that." SPD data shows that while nightlife is managed well during most evening hours there is a significant increase in nightlife related "events" between 1-2 a.m. This is most extreme on Saturday nights when activity spikes 135% around closing time (SPD data, 2010).

A simultaneous closing time creates a synergy of risk factors such as:

- Increased risk of intoxication from rapid drinking on a short schedule
- Large crowds forced into limited space with restrictions on mobility to move quickly
- Increased demands on policing services, distracting resources from other priorities
- Decreased effectiveness of police in de-escalating multiple incidents of violence or aggression
- Increased vulnerability of individuals to crime and assaults

A plan to allow varied closing times can lead to better allocation of resources, provide a more uniform flow of patrons from venues, allow increased mobility management by taxi and public transit services, and reduce the concentration of crowds.

b. Economic Opportunity and Growth

Changes to alcohol service hours can also take advantage of the economic and social rewards nighttime businesses bring in making Seattle a destination city. Increasing opportunities for Seattle's nighttime economic sector would not only generate significant tax revenues, but it could also grow city and state service funds through increased property value, revitalize business districts, drive tourism and support local businesses.

Estimated direct economic impact of 100 new establishments extending service hours

ADDITIONAL BUSINESS REVENUE	
Additional average weekly revenue from food and beverage sales	\$5,000
Weeks in a year	52
Total additional annual revenue for average establishment	\$260,000
Newly licensed establishments	100
Total city-wide additional annual revenue for average establishment	\$26,000,000
ADDITIONAL TAX FROM NEW BUSINESS REVENUE	
10% sales tax on additional city-wide annual revenue	\$2,600,000
1690000 (STATE @ .65%)	
780000 (CITY/COUNTY @ .3%)	
130000 (KC FOOD & BEVERAGE DEPT. @ .05%)	
.686% B&O tax on additional city-wide annual revenue	\$178,360
122460 (STATE @ .471%)	
55900 (CITY @ .215%)	
Total annual new sales/b&o tax revenue from additional service	\$2,778,360
ADDITIONAL JOBS CREATED	
New FTE positions created on average per establishment	2
Newly licensed establishments	100
Total new jobs created	200
Total wages earned annually from new FTE positions (\$8.67/hour)	\$3,606,720

Does not include application and license fees

Seattle is proudly known as a city with vibrant entertainment options. It maintains this status because of its vibrant nightlife and music industries, which continually reinvent themselves and the city. Every year in Seattle, new trends are started, new music is created, and new styles are established. Much of the influence of the city's nightlife industry is visible, and therefore known to the public at large. However, the nightlife industry's economic impact is often minimized and sometimes ignored.

Seattle nightlife includes hundreds of restaurants, bars, lounges and nightclub establishments. As thousands of people come and go through these venues—seeking cultural as well as social entertainment—they spend money. Nightlife patrons do not simply pay a cover charge and buy drinks. They also buy clothes in shops, eat food in restaurants, stay in hotels and pay for transportation to and from their destinations. In addition to the ancillary spending of nightlife patrons, the bars and clubs themselves spend money on such items as capital improvements to real estate, rent, employees, supplies, utilities and taxes.

Economically sustainable cities nurture and invest in diverse economic opportunities. Seattle's diverse economic priorities include a number of industries that attract and employ workers outside of traditional working hours. These include healthcare, biotechnology, film and music, tourism and information technology. Relocating corporations more frequently consider quality of life to attract and retain employees. Providing for social opportunities for these workers on alternative schedules could give Seattle a competitive edge in the global economy.

Seattle has been lauded as one of the top Global Cities by Urban Land Institute, and it is truly an international destination for both business and leisure. Seattle commands a healthy convention and meeting trade, ranking in the top 20 convention destinations in the U.S. Convention attendees and visitors travel from different time zones, sometimes not staying long enough to adapt to Seattle's Pacific Time Zone. Business travelers in general, no matter what city their destination, often arrive hungry, only to find local food and social amenities – even room service -- closed. Cities such as Las Vegas, New York, New Orleans and London capture visitor dollars on the visitors' schedules, and thereby remain at the top of preferred meeting destinations.

Investment in diverse economies supports a city's ongoing financial well-being, allowing new industries to flourish as others wane. Visitor and convention activity itself is characterized by periods of boon and scarcity. Within the tourism industry, food and beverage businesses rely on a diverse customer base where the out-of-town customer supplements income from local patrons. Affording these businesses the ability to adjust to capture visitor dollars when they are available offsets the business risk during lulls.

Nightlife is not solely a restaurant or a night-time industry. It is an industry that is symbiotic with day-time retail stores, the fashion industry, conventions, production, print and broadcast media. It makes Seattle an attractive place for educated young people to live, benefiting every aspect of the economy. Examples of industries that are symbiotic with nightlife include:

The Seattle Music Industry

The music industry in the city of Seattle alone directly creates 11,155 jobs, with \$1.2 billion in sales and \$487 million in earnings. When the indirect and induced impacts of the industry are considered, the number of jobs supported rises to 22,391, sales are \$2.6 billion, and labor income is \$972 million. It is estimated that the music industry in Seattle generates \$90 million in state and local sales and business and occupation taxes. The industry also contributes to the region's economic base, with sales in nonlocal (export) markets of at least 40%.⁵

The Local Fashion Industry

A recent analysis of the local fashion and apparel industry found that in 2009 it generated gross business revenues of \$8.3 billion and directly employed 34,460 people, mostly in the Seattle area. The majority of the jobs, 22,000, are in retail sales. According to the study, the Seattle area ranks fourth in the nation in the number and concentration of fashion occupations, behind New York, Los Angeles and San Francisco.⁶

Overall, nightlife and associated industries make Seattle a more vibrant and attractive place for young people to settle and industries to locate. A recent Wall Street Journal study ranked Seattle as the #1 city

⁵ Beyers, William B., Fowler, Christopher, and Andreoli, Derek, "The Economic Impact of Music in Seattle and King County. A report for the Mayor's Office of Film + Music," (Nov. 2008).

⁶ Community Attributes International (CAI), "Washington State Fashion and Apparel Industry Cluster Study," (Oct. 2010).

for educated young people to move to out of college. According to the study’s experts, “*where young adults settle is no small thing. People 18 to 29 are the most mobile age group, and their past migration patterns have defined the future of regions, from the long rural exodus of the 1900s to the Silicon Valley boom of the 1990s. Youth-magnet cities gain an enviable cultural allure and a labor-market edge.*” The study specifically cites Seattle’s nightlife and tens of thousands of jobs in music and interactive media as the reason for its success.⁷

Market forces are betting that these trends will continue. Recent data indicates that the City of Seattle will account for at least 85 percent of new apartments in King and Snohomish counties, compared to the past rate of only 43%⁸ -- indicating that young people and new residents will increasingly choose to live in more dense, walkable, and vibrant urban environments. Extended service hours will ensure that an increasingly urban population has the entertainment and nightlife choices they expect and value when choosing to live in the city.

III. LATER CLOSINGS AND LOCAL CONTROL IN THE UNITED STATES

Some degree of local control over alcohol service hours is relatively common throughout America: at least 15 states explicitly authorize the practice in statute or administrative regulations. Additionally, at least 18 states allow alcohol service beyond the hours of 2 a.m. Other American jurisdictions have seriously considered granting local authority or extending alcohol service hours.

a. Summary

Later Closings, Local Control Throughout the United States	
Jurisdiction	Policy
Alabama	Alcohol served 24 hours a day unless restricted by local ordinance
Alaska	Alcohol served until 5 a.m. unless restricted by local ordinance
California	Considered extending service hours from 2 a.m. until 4 a.m., with support from San Francisco Board of Supervisors in 2004
Florida	State-wide closing time of 12 a.m. can be extended without limit by local jurisdictions
Georgia	Local Municipalities have unlimited authority to extend or limit service hours
Hawaii	Hawaii gives counties complete control of operating hours for alcohol service
Idaho	Counties can choose to extend drinking hours from 1 a.m. to 2 a.m.

⁷ Wall Street Journal, The Next Youth-Magnet Cities. <http://online.wsj.com/article/SB10001424052748703787204574442912720525316.html>

⁸ Seattle Times, “Apartment developers bypass suburbs, target Seattle.” Available online at http://seattletimes.nwsourc.com/html/business/technology/2015562249_cityapartments10.html

Illinois	Complete local control of alcohol service hours. Chicago has a late hour license program which requires additional fees
Indiana	Service of alcoholic beverages authorized until 3 a.m.
Kentucky	Local jurisdictions can extend closing time of midnight
Louisiana	No regulation of sales at state level: completely local control
Minnesota	State authorized 2 a.m. closing, only some jurisdictions follow
Michigan	Considered extending service hours from 2 a.m. to 4 a.m. through late night license.
Mississippi	Last call of midnight, but municipalities can petition for extended hours
Missouri	Last call of 1:30 a.m., but large cities can designate areas for extended hours
Nebraska	Last call of 1 a.m., but jurisdictions have local control to extend to 2 a.m.
New Jersey	Hours of sale established by local and municipal regulations
New York	State-wide closing time of 4 a.m.
Nevada	Complete local control of service hours for alcoholic beverages
Ohio	Closing time of 2:30 a.m.
Oregon	Closing time of 2:30 a.m.
South Carolina	No restriction on beer and wine hours., but no distilled spirits after 2 a.m.
Philadelphia	Recently considered establishment of late night licenses
Tennessee	Closing time of either 1 or 3 a.m. depending on establishment can be extended by liquor commission upon petition
Texas	State-wide closing time of 1 a.m., but late night license in metropolitan areas allows closing time of 2 a.m.
Washington D.C.	Allows sale of alcoholic beverages until 3 a.m. on weekends.

b. Referenced Summary

1. Alabama

In Alabama alcohol may be served 24 hours a day unless restricted by local ordinances.⁹

2. Alaska

In Alaska alcohol may be served until 5 a.m. unless restricted by local ordinance.¹⁰

3. California

Like Washington, California does not allow alcohol service past 2 a.m. However, California gave serious thought to extending its alcohol service hours from 2 a.m. to 4 a.m. in 2004. This measure, which would have allowed cities with over 500,000 people to have extended service hours, was supported from by San Francisco's Board of Supervisors and some state legislators, but ultimately did not become a law.¹¹

⁹ Alabama Code 1975 § 28-3A-25(a)(20 & 21)

¹⁰ Alaska Statute § 04.16.010

¹¹ "Drink Until Four a.m.? Maybe..." Jaime Felippo, *Golden Gate Press*, February 12, 2004. Available online at <http://xpress.sfsu.edu/archives/arts/000601.html>, accessed July 6th, 2011.

4. Florida

Florida has a statewide closing time of 12 a.m. However, cities and counties can extend operating hours beyond state law.¹² Numerous counties and cities have extended service hours beyond 12 a.m. including Miami, which has virtually no restrictions. Others have recently extended service hours from 2 a.m. until 3 a.m., including the city of St. Petersburg and Pinellas County.¹³

5. Georgia

Last call in Georgia varies by county according to statute, with local municipalities having the power to extend or limit service hours.¹⁴ Atlanta, which has a 3 a.m. closing time, has considered a fee based late-night license for extended service hours. Its main proponent, Atlanta city councilman Ceasar Mitchell, noted that there would be a multiplier effect on other businesses from increased numbers of visitors and that together with license fees the boost of tax revenue would more than pay for any increased enforcement costs.¹⁵

6. Hawaii

The state of Hawaii gives counties complete control of operating hours for alcohol service.¹⁶ An example of this local control is the county of Honolulu, which has a general bar on service beyond 2 a.m., but has decided to allow hotels and cabarets to serve alcohol until 4 a.m.¹⁷

7. Idaho

The standard closing time in Idaho is 1 a.m., but counties can choose to extend drinking hours until 2 a.m. by ordinance.¹⁸

8. Illinois

Illinois allows complete local control of alcohol service hours.¹⁹ Just like Washington, Chicago has adopted a standard closing time of 2 a.m. (albeit with 3 a.m. closing on Sunday).²⁰ However, businesses in Chicago may apply for a late hour license, which extends closing time until 4 a.m. Monday-Saturday and until 5 a.m. on Sunday. The additional cost of the late night license is \$4,440 for a two year period.

¹² Florida Statute § 562.14(1).

¹³ "Alcohol serving time extended to 3 a.m." Suzette Porter for *Tampa Bay Newspapers Weekly*, July 27, 2010. Available online at http://www.tbnweekly.com/pinellas_county/content_articles/072710_pco-01.txt.

¹⁴ Georgia Comp Rules and Regulations 560-2-2, 560-2-3.

¹⁵ "Plan would extend city's bar hours." J. Scott Trubey, *Atlanta Business Chronicle*, July 17, 2008.

¹⁶ Florida Statute § 562.14(1).

¹⁷ "Rules and Regulations of the Liquor Commission of the Department of Liquor Control of the County of Honolulu, State of Hawaii, Rule 3-8 (B to E)

¹⁸ Idaho Statute 23-927.

¹⁹ See 235 ILCS 5/4-1, 235 ILCS 5/6-14)

²⁰ "Classes of Liquor Licenses", *City of Chicago*, available online at http://www.cityofchicago.org/city/en/depts/bacp/supp_info/classes_of_liquorlicenses.html, accessed July 6th, 2011.

9. Indiana

Alcohol service in Indiana is authorized until 3 a.m. by state statute.²¹

10. Kentucky

Hours of service in Kentucky stop at midnight. However, statute also allows the legislative bodies of local jurisdictions to extend this closing time without limit.²²

11. Louisiana

Louisiana does not have any state statutes or regulations limiting the hours of sale for alcoholic beverages. Unless limited by local jurisdictions, bars have no restrictions.

12. Minnesota

In 2003 Minnesota's legislature passed HF 0719 (Law 126), which allowed bars in Minnesota to stay open until 2 a.m. instead of 1 a.m. Since then, several municipalities have extended their drinking hours to 2 a.m. (essentially eliminating municipal regulations more strict than the state promulgated 2 a.m. closing time), including Minneapolis. One of the bill's detractors claimed in the legislative history that extending drinking hours would lead to more drunk driving and accompanying injuries.

The state-wide result for Minnesota was in fact just the opposite. The proportion of deaths coming from drunk driving accidents dropped from around 40% (where it had been for several years) to 32% after the enactment of Law 126 and the adoption of extended drinking hours by several of Minnesota's largest cities.²³

One city that extended its drinking hours after the passage of Law 126 was Duluth, Minnesota. Police and MADD opposed the extension, but a year after its enactment, neither group found adverse consequences. Approximately one out of three Duluth bars extended service hours. Subsequently, police calls for help between 1 a.m. and 5 a.m. dropped by almost 10%. There was no spike in drunk driving offenses, and no spike in alcohol related deaths according to the Duluth Traffic Bureau.²⁴ In fact, the police and alcohol-advocacy groups that originally opposed the bill were no longer opposed to it a year after its passage.

13. Michigan

In 2009 the Michigan State Legislature considered establishing a late night license for alcohol sales from 2 to 4 a.m. with House Bill 5056.²⁵ This bill was derived from then-Governor Granholm's Executive Budget Recommendation which included a late night license for extended alcohol service hours.²⁶ The bill allowed local governments to establish 'entertainment districts' within which late

²¹ Indiana Code Title 7.1, Article 3, Chapter 1, Section 14(a)

²² Kentucky Revised Statutes 244 § 290(3)

²³ "A drink at all hours" Bob Collins, *MPR News*, July 5th, 2011.

²⁴ "2 A.M. Last Call Draws Few Critics" Jane Brissett and Mark Stodghill, *Duluth News Tribune*.

²⁵ See House Bill 5056, 2009 Michigan Legislative Session.

²⁶ "Executive Budget Recommendation: Increase Liquor Fees and New Liquor Licenses: House Bill 5056", 2009.

night sales permits would be issued at the cost of \$1,500 per annual license. While the Michigan legislation was statewide and included Sunday and on premise sales, supporters estimated it would bring in over \$13 million additional revenue in license fees alone.²⁷

One sponsor, Rep. Richard Hammel noted that: “[e]very other major destination spot in the country when it comes to cities has this option.”²⁸ Revenue from the new special activity permits would be retained entirely by the state liquor commission for licensing and enforcement costs.²⁹ The bill was passed out of committee but was not passed by either chamber of the Michigan State Legislature.

14. Mississippi

In Mississippi the last call statewide is midnight, but municipalities may petition the state department for extended hours. Resort areas are also exempt from the midnight closing time.³⁰

15. Missouri

Last call statewide in Missouri is 1:30 a.m., but businesses located in an area designated by a large city as a convention trade area can apply for an extended license that allows sales until 3 a.m.³¹ City and county regulations typically require the business to meet a certain annual gross amount in order to be eligible. At least one Missouri jurisdiction only allows extended hours when a licensed on-premise retailer can show that the individual purchaser has accommodations at that retailer for the night, effectively limiting extended hours to paying guests at hotels.

16. Nebraska

Last call state-wide in Nebraska is 1 a.m., however in 2010 Nebraska passed legislation allowing municipalities to extend on-premise sales to 2 a.m. with two-thirds approval of city or county councils.³² Since then nearly 100 jurisdictions have utilized this local option to extend their service hours to 2 a.m.³³ Because this adoption of extended hours has been very recent, there is very limited analysis of the effects of certain localities adopting later closing hours.

17. New Jersey

Hours of alcohol sales are entirely established by local and municipal regulations.³⁴

18. Ohio

On-premise sales are allowed in Ohio until 2:30 a.m.³⁵

²⁷ “Michigan panel votes for bars staying open later”, David Eggert, *Associated Press*, Oct. 8th, 2009.

²⁸ *Id.*

²⁹ “Executive Budget Recommendation: Increase Liquor Fees and New Liquor Licenses: House Bill 5056”, 2009.

³⁰ Mississippi Code Title 35-2(2): Ch. 04.

³¹ Missouri Revised Statute 311.170 to 311.178

³² See LB 861 (2010), codified at Revised Statutes of Nebraska 53-179.

³³ For a comprehensive listing, see “2 a.m. ordinances filed with the Nebraska Liquor Control Commission” at <http://www.lcc.ne.gov/2amordinance.html>

³⁴ Alcoholic Beverage Control Handbook of New Jersey for Retail Licensees, Page 15.

³⁵ Ohio Administrative Code 4301:1-1-49

19. Oregon

On-premise sales are allowed in Oregon until 2:30 a.m.³⁶

20. New York

New York statutes explicitly authorize service of alcoholic beverages on premise until 4 a.m. Additionally, New York does not allow local jurisdiction to restrict these hours unless they did so prior to 1995.³⁷

21. Nevada

Nevada allows complete local control of hours of service for alcoholic beverages.³⁸

22. Philadelphia

Councilwoman Blondell Reynolds Brown expressed interest this June in creation of a special late night license with increased fees, going so far as asking for feedback on social networking sites for the proposal.³⁹ She also thinks that proceeds from these licenses should go to public schools.

23. South Carolina

South Carolina has no state-wide restriction on beer and wine sales past 2 a.m., but does not allow sales of distilled spirits after 2 a.m.

24. Tennessee

Service hours in Tennessee end at either 3 a.m. or 1 a.m., depending on the nature of the establishment. However, Tennessee's liquor commission, upon petition, can adopt rules expanding the hours during which it is legal to sell alcoholic beverages, although any local government can opt out of any such extension.⁴⁰

25. Texas

Texas statute limits service hours to 1 a.m. Sunday morning and midnight on other nights. However, statute provides exceptions: businesses in cities with populations over 800,000 can pay \$150 and receive a late hours permit which allows them to serve until 2 a.m. every morning. Less populated areas can also choose to implement this late night option through local adoption.⁴¹

26. Washington D.C

Washington DC allows sales until 3 a.m. on Saturday and Sunday mornings, and until 2 a.m. on weeknights.⁴²

³⁶ Oregon Administrative Rules 845-006-0425

³⁷ New York Law: ABC-Alcoholic Beverage Control Article 8 Section 106(5).

³⁸ Nevada Revised Statutes Chapter 244 § 350-2(b).

³⁹ "Councilwoman Brown on Extending City Bar Hours", Randy Lobasso, *Philadelphia Weekly*, June 7th, 2011

⁴⁰ Tennessee Code 57-4-203(d)(5).

⁴¹ Texas Alcoholic Beverage Code § 105.03

⁴² District of Columbia Code § 25-723.

IV. ACADEMIC LITERATURE AND SUMMARY OF NATIONAL AND INTERNATIONAL MODELS

Academic literature is largely inconclusive on the net effect of extending closing times for on-premise alcohol service. Some jurisdictions have had positive experiences, others have been more mixed, but there is not a general consensus that extended service hours result in greater public health and safety risks.

In 2009, Tim Stockwell and Tanya Chikritzhs conducted a thorough review of past studies analyzing the effects of extended service hours for on-premise alcohol consumption. They found that there had been 49 previous studies on the effects of extending alcohol service hours, although many of them were deficient or potentially misleading because of a lack of key baseline and control measures. On balance, the authors found that evidence supported the notion that extending late night service could increase alcohol consumption and related harms, but there was considerable variation across local experiences.⁴³

Importantly for Seattle's proposal, the authors found that social and economic factors can have a substantial impact on the effects of extended service hours.⁴⁴ The culture surrounding drinking is different in London, or Brisbane, or Vancouver than it is in Seattle, and the public impacts are likely to be different as well. Additionally, the article's conclusion notes that more studies are required to confirm that extended drinking hours do in fact lead to increased consumption and related harms, especially because statistics might be inflated due to an increased police presence.⁴⁵ Alternately, the authors also found that consumption and harm might have remained stable in some cases, in terms of numbers of incidents per individual, but a certain uptick might be purely the result of more people utilizing extended service hours, meaning that extended service hours simply increase economic activity.⁴⁶

Additionally, the authors' conclusion assumes *no underlying changes in enforcement or regulation*. Seattle's proposal includes several safeguards designed to mitigate potentially harmful results. The city of Seattle has implemented numerous policies designed to decrease alcohol related violence and drunk driving. The city will be going even farther in this proposal by implementing strict guidelines for late-night licenses designed to abate the risk of public disorder and safety risks. Given that the academic material is inconclusive at best when no underlying changes take place, Seattle's proactive efforts to curb public safety risks could help to avoid negative impacts.

V. LATE SERVICE HOURS AND LOCAL CONTROL INTERNATIONALLY

In many cities around the world, including major cities in Asia and Europe, an entertainment culture that includes late-night venues is well-established and accepted. Nevertheless, proposals to extend liquor

⁴³ "Do relaxed trading hours for bars and clubs mean more relaxed drinking? A review of international research on the impacts of changes to permitted hours of drinking." Crime Prevention and Community Safety, Vol. 11 (3), pp 157-170 (2009).

⁴⁴ *Id.* at 155.

⁴⁵ *Id.* at 165.

⁴⁶ *Id.* at 162.

service hours can be controversial. Two relevant examples that can inform Seattle's proposal come from the United Kingdom and from Vancouver, Canada.

a. United Kingdom

Since 2003, the United Kingdom has maintained a 24/hr licensing policy that allows venues to stay open and serve alcohol around the clock. The initiative was controversial and its success has been debated at length, but in any case, Seattle can learn from the experience.

Following local implementation of extended hours, a survey of 30 police forces compared the twelve-month periods before and after the change. Data showed a 1% fall in recorded incidents involving violence, disorder and vandalism, and a fall of 5% in serious violent crimes.⁴⁷ Similarly, although some emergency rooms have recorded a rise in alcohol related attendances, a survey of 33 departments in England and Wales, undertaken in 2006, concluded that there was little evidence that the 2003 Act had any significant effect on violence-related injuries. The data, therefore, indicate a variable pattern with no substantial change overall.⁴⁸

The principle difference that distinguishes the UK's approach from that of Seattle is that in the UK, the elimination of an established closing time was proposed as a single remedy to alleviate negative impacts. The policy also allowed off-premise businesses to extend hours, and discounting contributed to a growth in "pre-loading"; people were drinking a great deal before going out, often creating increased risk for the on-premise venues.

The takeaway from studying the UK and other jurisdictions that have implemented extended hours is that a multi-faceted approach is necessary to fully address business practices, transportation, conflict resolution and local sanctions for non-compliance, and thus attain sustainable, positive impacts on safety and sociability.

b. Vancouver's Extended Hours Pilot Program Administrative Report

Similar to Washington State, prior to 2002 provincial regulations in British Columbia prevented local municipalities from extending alcohol service hours beyond 2 a.m. After provincial changes in 2002 gave municipalities the option to extend alcohol service, Vancouver implemented a pilot program that permitted licensed establishments to serve alcohol until 4 a.m. in certain areas. While Vancouver ultimately experienced problems with its extension, it seems these problems were at least partially the result of limiting licenses to small areas and granting too many licenses within those areas. Vancouver ultimately moved closing times to 3 a.m. in the designated areas.

⁴⁷ Babb, Penny. 2007. *Violent Crime, Disorder, and Criminal Damage since the Introduction of the Licensing Act 2003*. London, UK: Home Office.

⁴⁸ Conibear, Helen, "Has the Licensing Act of 2003 made an impact in Britain?" AIM Digest, _____ (2010); see also Hough, Mike and Hunter, Gillian, "Two Thousand Three Licensing Act's Impact on Crime and Disorder: An Evaluation," in *Criminology & Criminal Justice*, Vol. 8, No.3, pp. 239-260 (Aug. 2008).

In October 2004, the City's General Manager submitted a report that summarized Vancouver's experience in extending alcohol service hours and also examined the policies of six Canadian cities, six American cities (which included Seattle) and six international cities for best practices and to compare Vancouver's extension of service hours.⁴⁹ The report concluded that "one of the key messages in this research was that it is not necessarily the specific hours of liquor service that are critical, but how licenses and licensed premises are controlled, managed, and regulated." This finding supports an approach that focuses less on the alcohol service hours and more on properly regulating the licensed premises, allowing the economic benefit of longer hours, while minimizing potential negative effects.

The Vancouver Administrative Report included a brief summary of conclusions from other cities with extended service hours. The most relevant positive experiences for Seattle's proposed extension of service hours:

- London found that hours of service are not the most important issue. Rather it is how licenses and licensed premises are controlled, managed, and regulated that is critical.
- Halifax found that hours of operation beyond 2 a.m. can be managed through efficient communication and management.
- Toronto found that extended hours for annual week-long festivals resulted in a huge economic benefit.
- Chicago found that the best cure for potential problems is prevention through a strict application process.

Vancouver's report noted that some cities experienced negative results from extending alcohol hours. The two key cities that had negative experiences were Edinburgh, Scotland, and Auckland, New Zealand.

- In the 1970s Edinburgh, Scotland relaxed licensing requirements. After a campaign by police, environmental health bodies, local crime prevention panels and residents associations, the city reintroduced earlier and uniform closing times. Following that implementation there was a 30% reduction in alcohol-related violence and disorder
- In 1989 Auckland, NZ extended its service hours and allowed 24-hour licenses. Measured impacts included: 1) high levels of intoxication associated with longer operating hours; 2) considerable negative impacts on local residents; 3) police and other resources had to stretch to accommodate increased antisocial behavior, including crime and violence; and 4) migration to late night establishments from all over the metropolitan area.

The experience of these two cities should be contrasted with the positive experiences of other cities, and also should be qualified by the Vancouver Administrative Report's main conclusion that potential

⁴⁹ "Liquor Licensing Hours of Service Policy Review", Vancouver General Manager of Community Services, October 5th, 2004. Available online at <http://vancouver.ca/ctyclerk/cclerk/20041005/a4.htm>.

effects of extended hours can be effectively managed. As Vancouver's report concluded: "the research shows that there are ways to reduce or eliminate nuisances while maintaining a thriving, diverse, and safe entertainment component within a major city..."

Vancouver's Police Department also filed two memoranda evaluating the impact of Vancouver's pilot program. The reports noted an increase in violence in and around bars, and argued that the promised benefits of the alcohol extension -- namely, a trickle-out bar effect and reduction in noise and disorder issues -- had simply not occurred. In light of these problems, the department concluded that the pilot program had not been successful.

It appears that the Vancouver's problems were to some extent created or exacerbated by (1) the concentration of late-night establishments defined areas; and (2) the uniform 4 a.m. closing time, which extended, but did not eliminate, "push out" problems. Further, the Vancouver Police department found that timely enforcement against business for violating regulations was not taking place, contributing to the observed problems and lack of promised benefits. Finally, the Vancouver Police Department noted that conditional approvals for extended licenses that permitted revocation, along with a strong enforcement system and increased staffing could also alleviate these conditions.

Vancouver's administrative report provides guidance for Seattle's nightlife initiative, which incorporates numerous steps in a proactive policy to minimize risks to public safety.

VI. CONCLUSION

Extended service hours could bring numerous economic benefits to Seattle, including increased numbers of visitors, a more vibrant entertainment industry, and broader recognition as a city friendly to young professionals.

Across the country, at least 15 states allow local jurisdictions substantial authority to determine or extend hours of service based on market demand and regulatory capacity; and at least 18 jurisdictions have established liquor service hours later than 2 a.m. As a progressive and adaptable city, Seattle is well suited to lead the state in joining these jurisdictions by adopting a more flexible urban policy that accommodates diverse lifestyles and entertainment choices.

However, as with any policy change involving alcohol service, there are also potential risks. Because numerous other jurisdictions have grappled with these same issues, Seattle can actively learn from their examples. The key finding from other jurisdictions is that the primary factor affecting public health and safety is not the service hours themselves, but rather the broader regulatory and jurisdictional framework that governs alcohol sales.

Seattle is a prime candidate to explore extended hours of alcohol service without an increase in public risk or safety due to the City's comprehensive approach to nightlife safety. Already on track are seven proactive and strategic steps to manage areas of nighttime activity, including: (1) police training for all security personnel in nightclubs; (2) a nuisance ordinance that allows police to issue a civil citation for disorderly behavior; (3) a code compliance team to coordinate communication among key agencies; (4) a new amplified noise standard, with escalating penalties for non-compliance; (5) a prepaid parking program, which allows nightlife patrons to leave their cars parked on city streets until 10 a.m. the next morning; (6) extended public transit with a circulator route among neighborhoods; and (7) a campaign to increase awareness of taxi availability through designating more taxi-zones in parts of the city with concentrated nightlife destinations.

Central to this comprehensive, dedicated process is the desire to create places for people to meet, socialize, share food, drink, listen to music, and dance. Seattle is in the forefront of many cities in coordinating resources to meet these needs as its neighborhoods evolve, integrating the services of code compliance agencies, business district development organizations and neighborhood networks. The transition of 9-5 institutional work hours and accompanying systems to a 24/7 global economy has begun across North America. Seattle should embrace this transition and allow licensed venues flexibility to meet consumer demand and make the city a more attractive place to live, work, study and play.

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