North Carolina Alcohol “Social Districts”

What are social alcohol districts?

In July of 2021, NC passed a law (HB211) that allowed local city and county governments to create alcohol “social districts.” Social districts loosen restrictions for pedestrians carrying open alcohol containers away from on-premise alcohol outlets (bars and restaurants) where the beverage was purchased. Social districts require signage (including prevention messages on cups), ABC licensure, clearly defined days and hours of operation, and posted maps and signage at boundaries. While social districts must create management and maintenance plans, enforcement in practice may vary widely. They are typically a few blocks within a city, but vary widely in size and structure.

Over time these alcohol social districts may also indirectly impact other alcohol environment dynamics, including: increasing outlet density, expanding hours of sale, more alcohol promotions, and increasing exposure of youth and adults to advertising and cultural normalization of alcohol use.

A quarter of NC counties already have social districts in one or more of their cities (see map) as of February 2023.

Why should we care?

Changes to alcohol policy can have real, measurable public health impacts. Seemingly “small” changes - like increasing hours of sale, advertising, or adding a few more alcohol selling businesses in an area - have been measured as negatively impacting alcohol-related car crashes, chronic diseases, violent crime, and deaths, largely through the pathway of enabling easier excessive alcohol consumption of adults and youth. These health impacts also have huge social costs. Alcohol costs North Carolina over $7 billion dollars at the last estimate in lost productivity, healthcare costs, criminal justice expenses, and motor vehicle crash costs. Although considered a motivation for alcohol social district development, increased business revenue and downtown foot traffic may not offset the enforcement and public health costs of expanding access to alcohol.

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What do we know? What don’t we know?

The Center for Disease Control and Prevention Community Guide\(^1\) summarizes the researched impacts of alcohol laws and policies on health. There is little known (yet) on the impact of social alcohol districts by name. However, breaking social alcohol districts down into their direct and indirect impacts, here’s what we know:

- **Increased alcohol outlet density negatively impacts health.** Social districts may promote new alcohol-centered businesses, increasing outlet density.
- **Increased hours of sale** (such as adding happy hours) negatively impact health. This includes independent efforts to expand happy hours, and any downstream impacts to promote alcohol sales by expanding hours in social districts.
- **Price discounts and promotions negatively impact health.** These make it easier to purchase larger quantities of alcohol at the same time.
- **Youth are sensitive to alcohol advertising, normalizing, and exposure.** Proximity of social districts to schools and teen social areas can negatively impact youth drinking behaviors.
- **Increasing excessive alcohol consumption has a high social cost.** While proponents of social alcohol districts may claim it will increase local business or tax revenue, that is yet to be shown. However, it is known that alcohol-related harms cost local NC communities over 10 billion each year.
- **People in recovery** can be particularly sensitive to increased promotion and normalization of drinking.
- **Alcohol related harms and policies often disproportionately impact Black, Indigenous, and People of Color (BIPOC) communities.** For example, off premises outlets are often more dense in BIPOC communities and the health consequences of “entertainment” and “tourist” districts are sometimes felt more by those who live nearby and not those who travel there to spend money.

What can locals do?

- Locals can create their own local evaluation plans by tracking changes like outlet density, hours of sale, price and promotion changes, youth exposure, actual business revenue, and practical changes in business and drunk driving enforcement. Local health departments may be able to help and get involved locally (e.g. with required messaging on cups).
- Locals and organizations can educate their city councils, county commissioners, and community members; provide public comments; write op-eds to local papers; or release press releases.
- Use the NC Public Health Alcohol Data Dashboard\(^2\) to get data and talking points for your county.
- **Business owners** can track changes to not only revenue, but (1) be outspoken about their own experiences and (2) track hidden impacts like those to liability insurance and actual revenue impacts.
- Unlike some states, NC preempts localities from many alcohol-related policies that protect health, like increasing excise taxes or making businesses share liability for selling to minors.

What are we doing?

- State and academic researchers are working on a social alcohol district evaluation plan. Interested researchers join the NC Statewide Excessive Alcohol Consumption Committee.
- NC DHHS continues to share well-researched, evidence-based, public health knowledge about the harms of excessive alcohol consumption. You can find more information at the state alcohol data page\(^3\).

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\(^1\) CDC Community Guide: [https://www.thecommunityguide.org/topics/excessive-alcohol-consumption.html](https://www.thecommunityguide.org/topics/excessive-alcohol-consumption.html)


\(^3\) NC DHHS IVPB Alcohol Use & Related Harms: [https://injuryfreenc.dph.ncdhhs.gov/DataSurveillance/alcohol.htm](https://injuryfreenc.dph.ncdhhs.gov/DataSurveillance/alcohol.htm)