

MEMORANDUM

TO: W. Calvin Horton, Town Manager
FROM: Gregg Jarvies, Chief of Police
SUBJECT: Request for Legislative Initiative - Keg Registration
DATE: February 16, 2005

The purpose of this memorandum is to request that the Council recommend to our local state legislators that a statute requiring the registration of beer kegs be introduced in the current session of the North Carolina Legislature.

In our on-going efforts to reduce the level of underage persons who use and often abuse alcohol, the Police Department has been working with local community groups to develop a long-range strategy involving education, information-sharing and enforcement. As a part of our enforcement initiative we have committed to conduct criminal investigations of any incident at which adults or other teens provide alcohol to those under the age of twenty-one.

I believe that requiring keg registration would serve as a deterrent to the illegal distribution of alcohol and would reduce the availability of alcohol to teens. I also believe that such legislation would add little financial or operational burden on manufacturers and distributors. In fact, I believe that keg registration would actually help merchants who sell kegs by providing a means of documentation that would prove to law enforcement officials that the keg was sold by the merchant to a person over twenty-one. This in turn would release the merchant from criminal liability, allowing us to focus on the person who bought the keg and made its contents available to teens.

Twenty-three states and the District of Columbia have implemented legislation requiring keg registration. I believe that North Carolina should follow suit. At the very least, I hope that the Town would be willing to work with our neighboring jurisdictions to seek enabling legislation that would allow Triangle communities to regulate the sale and distribution of kegs. Without this cooperation a keg registration requirement limited only to Chapel Hill would likely prove to be ineffective, with people intent on violating the law needing only to go to a neighboring community to purchase an unregistered keg.

I hope that the Council will support us in this matter.

KEY POINTS OF KEG REGISTRATION

In general, keg registration requires:

- Identifying kegs with a serial number, sticker, or paper tag.
- The purchaser to complete paperwork including personal information (i.e., name, address, operator's license number) at time of purchase.
- The purchaser must acknowledge with their signature the potential penalties for providing alcohol to underage persons.
- The retail establishment to maintain records for 90 – 180 days.
- The retailer to obtain a deposit at the time of purchase. The deposit will be refunded when the keg is returned with the identifying marking intact.
- New legislation making the possession of a keg with the identifier removed or altered illegal and subject to a significant penalty.

The benefits of keg registration:

- An opportunity to educate the purchaser of the penalty and potential liability for providing alcohol to an underage person.
- Places the responsibility on the purchaser. If there is evidence the keg is made available to underage persons the purchaser can be held accountable, the same as a bartender.
- Keg registration has significant public support. Based on a 1998 study, more than four out of five Americans believe that registration of beer kegs should be required as a way to reduce underage drinking. (E. Harwood et al: Youth Access to Alcohol Survey Summary report. University of Minnesota Alcohol Epidemiology Program, 1998)
- Opportunity for alcohol industry to take responsible steps toward addressing underage drinking.

Potential concerns:

- Without regional or statewide cooperation, a local ordinance leaves the option for the purchaser to travel to a neighboring retail establishment to make a keg purchase.
- Complaints from retail establishments about lost sales and time consuming paperwork.