

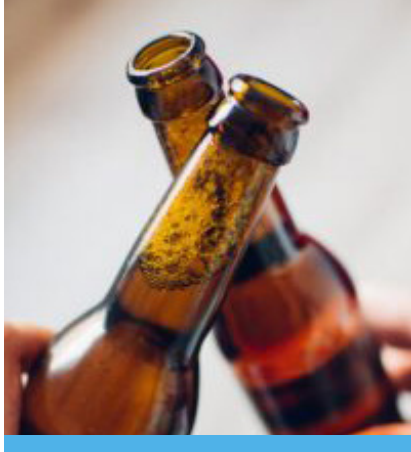
# LIQUOR LIABILITY

Liquor liability represents a significant exposure to emergency service organizations (ESOs). In recent years, both the frequency of claims involving this coverage and the severity of the awards has increased dramatically.

## ALCOHOL EXPOSURES

To help generate income, ESOs occasionally rent out social halls, conduct social activities and/or run other fundraising events. These activities could include the sale or distribution of alcoholic beverages. As a server of alcohol beverages, an ESO may be held liable for events or issues relating to individuals that they have served. Here are a couple of examples:

- A social member of a volunteer fire company left the company's bar with a blood-alcohol level of .08 percent. The member was involved in an auto accident with severe injuries.
- After leaving a picnic/party sponsored by the insured fire company, claimants were involved in an automobile accident. One of the injuries resulted in death. Beer, liquor and wine were served on a cash basis. The driver of the vehicle was under 21. Claimants brought suit under liquor liability.



Some specific areas where an ESO may have an alcohol exposure include:

- Private Club.
- Bar.
- Social hall where alcoholic beverages are sold, distributed or managed by the insured, (whether licensed or not).
- Social hall where alcoholic beverages are provided by the lessee and distributed or managed by the insured.
- Continuing or ongoing special events, such as summer softball leagues, where alcoholic beverages are sold.
- Individual special events with beer or liquor sales.

## RISK CONTROL PROGRAMS AND ACTIVITIES

Understanding the potential liability as a server of alcoholic beverages is important. Examples of areas where issues occurred when serving alcohol include:

- Serving an individual under the legal drinking age.
- Serving a visibly intoxicated person.
- Failure to maintain control at special event.

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An effective program to address liquor liability may help ESOs:

- Identify potential problems.
- Take steps to prevent the potential problems, thereby reducing the liquor liability exposure.
- Identify intoxicated individuals.
- Identify unacceptable forms of ID.
- Intervene if or when an individual shows signs of intoxication.
- Prevent individuals from drinking and driving.
- Document incidents.
- Promote a safe social event/special event environment with responsible drinking.

**Be aware of your specific state's laws for serving alcohol. These laws vary from state to state. It's important that ESOs adhere to these laws.**

## REDUCING EXPOSURE

The following steps are recommended to help reduce a liquor liability exposure:

- Obtain the proper liquor permit/license from the State Liquor Control Board.
- Have alcohol servers attend a server training program (i.e. – TIPS, RAMP or a state-sponsored program).
- Post the policy concerning the serving of alcoholic beverages (sample attached).
- Require customers to show proof of age – when in doubt, do not serve.
- Observe patrons to detect signs of intoxication. (Signs may include but not be limited to: talkative, saying off-color jokes, slurring speech, poor coordination, swaying, smoking a cigarette from the wrong side.)
- Do not serve alcoholic beverages to any customer who shows signs of intoxication upon arrival or may have consumed too much alcohol on the premises.
- Intervene if a patron decides to leave if ESO personnel feel that they have had too much to drink.
- Contact law enforcement immediately if a patron that appears too drunk to drive, gets in their car to drive.
- Document unusual events and actions taken to prevent an individual from becoming intoxicated.
- Consider having a designated driver program that provides alternative transportation to individuals who consume in excess.
- For special events:
  - Separate or fence off the area where alcohol is being served from the rest of the event.
  - Keep beverages within the designated area. Post signs requiring beverages to be consumed within the designated area.
  - Prevent the practice of allowing customers to purchase alcohol who will in turn provide to underage or intoxicated individuals.
  - Supervise the area looking for signs of individuals who may have had too much to drink or underage drinking.

# LIQUOR POLICY

## RULES AND REGULATIONS

The purpose of this policy is to set forth the position of \_\_\_\_\_ with regard to alcohol consumption. Our position is that if one chooses to drink alcohol at social events, one should be guided by maturity, restraint and regard for the well-being of others.

1. No individual under the age of 21 is permitted to purchase or consume alcoholic beverages on these premises.

Any individual under the age of 21 seen purchasing or consuming alcoholic beverages will be removed from the premises with the proper authorities notified.

2. Proof of age will be required of any guest utilizing our \_\_\_\_\_.

3. It is the policy of the \_\_\_\_\_ to discontinue an event if we believe individuals are becoming intoxicated or unruly. Law enforcement will be contacted if necessary.

4. Any individual who chooses to consume alcohol is strongly encouraged to refrain from driving and to designate a driver who has not been drinking as his or her only source of transportation.

The above mentioned rules and regulations have been formulated for the safety of our guests utilizing our \_\_\_\_\_

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