

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Judiciary to which was referred House Bill No. 288
3 entitled “An act relating to liability for the sale of alcoholic beverages”
4 respectfully reports that it has considered the same and recommends that the
5 bill be amended by striking out all after the enacting clause and inserting in
6 lieu thereof the following:

7 Sec. 1. 7 V.S.A. § 501 is amended to read:

8 § 501. UNLAWFUL SALE OF ALCOHOLIC BEVERAGES; CIVIL
9 ACTION FOR DAMAGES

10 (a) Action for damages. ~~A spouse, child, guardian, employer, or other~~
11 ~~person who is injured in person, property, or means of support by an~~
12 ~~intoxicated person, or in consequence of the intoxication of any person, shall~~
13 ~~have a right of action in his or her own name, jointly or severally, An injured~~
14 ~~person may bring an action in the person’s own name pursuant to this~~
15 ~~subsection.~~

16 (1) Unlawful sale. An injured person shall have a right of action against
17 ~~any person or persons server who have~~ caused in whole or in part the
18 intoxication of the intoxicated person by selling or furnishing alcoholic
19 beverages:

20 ~~(1)(A)~~ to a minor as defined in section 2 of this title; or

21 ~~(2) to a person apparently under the influence of alcohol;~~

1 ~~(3)(B)~~ to a person after legal serving hours; ~~or~~

2 ~~(4) to a person who it would be reasonable to expect would be under the~~
3 ~~influence of alcohol as a result of the amount of alcoholic beverages served by~~
4 ~~the defendant to that person.~~

5 (2) Negligent service. An injured person may bring an action against
6 any server who negligently furnishes alcoholic beverages to a person:

7 (A) apparently under the influence of alcohol; or

8 (B) who it would be reasonable to expect would be under the
9 influence of alcohol as a result of the amount of alcoholic beverages served by
10 the server to that person.

11 (3) Negligence; prudent person. A server’s conduct is negligent under
12 this subsection if the server knows, or if a reasonable and prudent person in
13 similar circumstances would know, that the individual being served is
14 intoxicated.

15 (4) Server’s knowledge; individual consumption. A server is not
16 chargeable with knowledge of an individual’s off-premises consumption of
17 alcoholic beverages or other substances unless the individual’s appearance and
18 behavior, or other facts known to the server, would put a reasonable and
19 prudent person on notice of the individual’s consumption of alcoholic
20 beverages or other substances.

1 (b) Survival of action; joint action. Upon the death of either party, the
2 action and right of action shall survive to or against the party's executor or
3 administrator. The party injured or ~~his or her~~ the party's legal representatives
4 may bring either a joint action against the ~~person~~ intoxicated, person and the
5 ~~person or persons who furnished the alcoholic beverages, and an owner who~~
6 ~~may be liable under subsection (c) of this section,~~ server or a separate action
7 against either ~~or any~~ of them.

8 (c) ~~Landlord liability.~~ Liability insurance required. The Department of
9 Financial Regulation shall adopt rules governing minimum policy
10 requirements, including coverage amounts, for liquor liability insurance. Any
11 server who is licensed under this title shall carry a liquor liability insurance
12 policy that meets the minimum requirements adopted by the Department.

13 ~~(1) If the alcoholic beverages were sold or furnished to the intoxicated~~
14 ~~person in a rented building, the owner may be joined as a defendant in the~~
15 ~~action, and judgment in the action may be rendered against the owner, if the~~
16 ~~owner of the building or in the case of a corporation, its agent, knew or had~~
17 ~~reason to know that alcoholic beverages were sold or furnished by the tenant:~~

18 (A) ~~to minors as defined in section 2 of this title;~~

19 (B) ~~to persons apparently under the influence of alcohol;~~

20 (C) ~~to persons after legal serving hours; or~~

1 (1) “Apparently under the influence of alcohol” means a state of
2 intoxication accompanied by a perceptible act or series of actions ~~which~~ that
3 present signs of intoxication.

4 (2) “Injured person” means a person who is:

5 (A) injured in person or property by an intoxicated person, or in
6 consequence of the intoxication of any person; or

7 (B) a legal dependent of an injured person who is injured in means of
8 support by an intoxicated person, or in consequence of the intoxication of any
9 person.

10 (3) “Intoxicated person” means an intoxicated individual who caused
11 injury to a person, a person’s property, or a person’s means of support.

12 (4) “Server” means the holder of a first-, third-, or fourth-class license
13 under this title, and the license holder’s employees, who sells or furnishes
14 alcohol to an intoxicated person.

15 (5) “Social host” means a person who is not the holder of a license or
16 permit under this title and is not required to hold a license or permit under this
17 title.

18 Sec. 2. EFFECTIVE DATE

19 This act shall take effect on July 1, 2023.

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2 (Committee vote: _____)

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Representative _____

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FOR THE COMMITTEE