

SENATE BILL No. 367

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-3-27.

Synopsis: Alcoholic beverage retailer liability coverage. Requires a person who holds a retailer's license or permit to sell alcoholic beverages for consumption on the premises to maintain coverage for liability after December 31, 2012. Requires the commissioner of the department of insurance to adopt rules to establish minimum amounts of insurance and self-insurance coverage.

Effective: July 1, 2010.

Stutzman

January 12, 2010, read first time and referred to Committee on Commerce, Public Policy & Interstate Cooperation.

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PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2009 Regular and Special Sessions of the General Assembly.

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SENATE BILL No. 367



A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 7.1-3-27 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2010]:

4 **Chapter 27. Coverage for Liability**

5 **Sec. 1. After December 31, 2012, a person who:**

- 6 (1) holds a retailer's license or permit; and
- 7 (2) sells alcoholic beverages for consumption on the licensed
- 8 or permitted premises;

9 shall procure and maintain a policy of liability insurance to cover
10 the person's liability for damages that arise out of the person's sale
11 of alcoholic beverages for consumption on the licensed premises.

12 **Sec. 2. Notwithstanding section 1 of this chapter, the department**
13 **of insurance may, upon the application of a person described in**
14 **section 1 of this chapter, issue a certificate of self-insurance if the**
15 **department of insurance is satisfied that the person making the**
16 **application is possessed of and will continue to be possessed of the**
17 **ability to pay a judgment obtained against the person for damages**



1 that arise out of the person's sale of alcoholic beverages for
 2 consumption on the licensed premises.
 3 Sec. 3. The minimum amounts of insurance and self-insurance
 4 coverage required under this chapter shall be established in rules
 5 adopted by the commissioner of the department of insurance.
 6 Sec. 4. A person who violates this chapter is subject to the
 7 penalties described in IC 7.1-3-23.
 8 Sec. 5. The commissioner of the department of insurance shall
 9 adopt rules under IC 4-22-2 to implement this chapter.
 10 SECTION 2. [EFFECTIVE JULY 1, 2010] (a) The commissioner
 11 of the department of insurance shall adopt rules under IC 4-22-2
 12 to implement IC 7.1-3-27, as added by this act, before January 1,
 13 2012.
 14 (b) This SECTION expires January 1, 2015.

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