

## Will Your Christmas Party Be Holiday Cheer or a Potential Lawsuit?



Most states have laws, which govern the operation of bars, taverns, restaurants or any other businesses who are required to have a liquor license in order to sell and serve liquor. State laws further define the responsibilities of these business owners for the actions of their customers who leave their place of business after having too much to drink. These businesses are encouraged to purchase a Liquor Liability Insurance Policy to provide protection for potential lawsuits due to property damage or bodily injury caused by an intoxicated customer. Many states extend liquor liability to any “social host” who continues to serve liquor to anyone who appears to have had too much to drink and will likely be driving home. So, if you plan to have a company Christmas party where liquor or alcohol will be served, there are some precautions you may want to take: Contact your State Department of Insurance to see if current state law will hold you and your company liable for the actions of your party guests.

Contact your business insurance agent to see if a Special Event Liquor Liability Policy is available in your state.

### **TIPs**

- If possible, have the party at a location other than on company property.
- Don't make attendance mandatory or require employees to work if they don't attend; this makes it definitely a company event.
- It is best to hire an outside bartender, since an “open bar” allows members of management and employees to serve alcoholic drinks to other employees. The bartender should have enough training to recognize when someone has had too much to drink.
- Don't serve drinks at the table. Require everyone to come to the bar so the bartender can see them.
- Serve lots of food and non-alcoholic drinks.
- Have someone keep an eye on your guests, to recognize when someone has had too much alcohol.
- Keep an eye on everyone as they leave the party to determine whether or not they are sober enough to drive.
- Make arrangements for transportation for those who shouldn't get behind the wheel of a vehicle.
- You may even want to consider an "alcohol free" Christmas party. You will just have to weigh the advantage of alcohol over the potential for workers comp claims or lawsuits due to sexual harassment, property damage or bodily injury which might result from the actions of an intoxicated party guest or employee.