## LEGISLATURE OF NEBRASKA

## ONE HUNDREDTH LEGISLATURE

## SECOND SESSION

# LEGISLATIVE BILL 810

Read first time January 10, 2008

Committee: Judiciary

### A BILL

- 1 FOR AN ACT relating to alcoholic liquor; to adopt the Alcoholic
- 2 Liquor Liability Act.
- 3 Be it enacted by the people of the State of Nebraska,

1 Section 1. This act shall be known and may be cited as

- 2 the Alcoholic Liquor Liability Act.
- 3 Sec. 2. The purposes of the Alcoholic Liquor Liability
- 4 Act are to prevent intoxication-related traumatic injuries, deaths,
- 5 and other damages among Nebraskans and to establish a legal basis
- 6 of obtaining compensation to persons suffering damages as a result
- 7 of provision or service of alcoholic liquor under circumstances
- 8 described in the act.
- 9 Sec. 3. For purposes of the Alcoholic Liquor Liability
- 10 Act:
- 11 (1) Adult means a person who is not a minor as defined in
- 12 section 53-103;
- 13 (2) Alcoholic liquor has the definition found in section
- 14 53-103;
- 15 (3) Intoxication means an impairment of a person's mental
- 16 or physical faculties as a result of his or her use of drugs or
- 17 alcoholic liquor so as to diminish the person's ability to think
- 18 and act in the manner of an ordinary prudent and cautious person in
- 19 full possession of his or her faculties using reasonable care under
- 20 like circumstances;
- 21 (4) Licensed premises means the real property to which
- 22 the license held by the licensee applies;
- 23 (5) Licensee means a person holding a license issued
- 24 under the Nebraska Liquor Control Act to sell alcoholic liquor at
- 25 retail; and

1 (6) Service of alcoholic liquor means any sale, gift, or

- 2 other manner of conveying possession of alcoholic liquor.
- 3 Sec. 4. Any person who suffers injury, death, or damage
- 4 as provided in section 5 of this act may bring an action under the
- 5 Alcoholic Liquor Liability Act, except that an intoxicated adult
- 6 who caused such injury, death, or damage or his or her estate does
- 7 not have a cause of action under the act.
- 8 Sec. 5. A licensee who through his, her, or its employees
- 9 serves alcoholic liquor to an adult who is noticeably intoxicated
- 10 <u>is liable for resulting injury, death, or damage if the licensee</u>
- 11 was negligent pursuant to section 6 of this act or reckless
- 12 pursuant to section 7 of this act.
- 13 Sec. 6. (1) A licensee is negligent if the licensee
- 14 serves alcoholic liquor to an adult who is noticeably intoxicated
- 15 if the licensee knew or a reasonably prudent person in the same or
- 16 similar circumstances would know that the person being served is an
- 17 intoxicated adult.
- 18 (2) A licensee is not chargeable with knowledge of a
- 19 person's consumption of alcoholic liquor away from the licensed
- 20 premises unless the person's appearance and behavior or other facts
- 21 known to the licensee would put a reasonably prudent person in the
- 22 same or similar circumstances on notice of such consumption.
- 23 (3) A licensee is not under a duty to recognize signs
- 24 of a person's intoxication other than those normally associated
- 25 with the consumption of alcoholic liquor, except for intoxication

1 resulting in whole or in part from consumption of alcoholic liquor

- 2 on the licensed premises with the licensee's actual or constructive
- 3 knowledge.
- 4 Sec. 7. (1) A licensee is reckless if the licensee
- 5 intentionally serves alcoholic liquor to a person when the licensee
- 6 knows or a reasonably prudent person in the same or similar
- 7 circumstances should know that such service creates an unreasonable
- 8 risk of physical harm to the person served or to others.
- 9 (2) Evidence of recklessness by the licensee includes,
- 10 but is not limited to, the following:
- 11 (a) Active encouragement of an intoxicated person to
- 12 consume substantial amounts of alcoholic liquor;
- 13 (b) Service of alcoholic liquor which is so continuous
- 14 and excessive that it creates a substantial risk of death of the
- 15 person served from alcohol poisoning; or
- 16 <u>(c) Active assistance of a person to a motor vehicle</u>
- 17 by the licensee when the person is noticeably intoxicated to the
- 18 extent that such assistance is required and the licensee knows or
- 19 a reasonably prudent person in the same or similar circumstances
- 20 should know that the intoxicated person intends to operate the
- 21 motor vehicle.
- 22 Sec. 8. (1) A licensee is not liable for any damages
- 23 resulting from a refusal in good faith to serve alcoholic liquor to
- 24 any person to prevent excessive consumption of alcoholic liquor by
- 25 any person.

1 (2) A licensee is not liable for any damages resulting

- 2 from holding identification presented as proof of a person's age
- 3 for purposes of acquiring alcoholic liquor from the licensee if
- 4 (a) the length of time the identification is held is reasonable
- 5 in a good faith effort to determine the age of the person or to
- 6 summon law enforcement officers and (b) the licensee informs the
- 7 person presenting the identification of the reason for holding the
- 8 identification.
- 9 (3) This section does not limit the right to assert any
- 10 defense to a claim of negligence or recklessness otherwise provided
- 11 by law.
- 12 Sec. 9. Defenses applicable to tort actions in Nebraska
- 13 based on negligence and recklessness may be asserted in defending
- 14 an action brought under the Alcoholic Liquor Liability Act.
- 15 Sec. 10. In addition to the defenses described in
- 16 sections 8 and 9 of this act, the licensee has the following
- 17 affirmative defenses to any action brought under the Alcoholic
- 18 Liquor Liability Act:
- 19 (1) Complicity. The licensee may establish that the
- 20 plaintiff or, in the case of death, the decedent was guilty
- 21 of complicity if the plaintiff or, in the case of death,
- 22 the decedent encouraged, contributed to, or participated in the
- 23 drinking activities of the intoxicated person;
- 24 (2) Assumption of risk. The licensee may establish that
- 25 the plaintiff or, in the case of death, the decedent assumed the

1 risk when (a) the plaintiff or, in the case of death, the decedent

- 2 (i) knew of or understood the specific danger and (ii) voluntarily
- 3 exposed himself or herself to the danger and (b) the plaintiff's
- 4 or, in the case of death, the decedent's injury, death, or other
- 5 damages occurred as a result of his or her exposure to the danger.
- 6 The plaintiff may not assert his, her, or the decedent's own
- 7 intoxication as a reason for failure to perceive the risk or its
- 8 seriousness as a reason for his, her, or the decedent's choice to
- 9 incur the risk; and
- 10 (3) Server training program. The licensee may establish
- 11 that the licensee, if a natural person, all of the licensee's
- 12 employees who serve alcohol, and all of the licensee's employees
- 13 who manage such servers have taken and passed a state-certified
- 14 server training program and that the program and training tenets
- 15 were being followed at the time of sale or service to the
- 16 individual who caused harm or injury to a third party.
- Any of the defenses described in this section, if
- 18 established, bars the plaintiff's recovery.
- 19 Sec. 11. In an action under the Alcoholic Liquor
- 20 Liability Act, damages may be awarded for all actual damages
- 21 recognized under common law, including damages for wrongful death,
- 22 as in other tort actions.
- 23 Sec. 12. Notwithstanding any other provision of law, any
- 24 action under the Alcoholic Liquor Liability Act shall be brought
- 25 within two years after the alleged negligent or reckless service of

- 1 <u>alcoholic liquor</u>.
- Sec. 13. (1) A plaintiff's settlement and proper release
- 3 of any defendant in an action under the Alcoholic Liquor Liability
- 4 Act does not bar potential claims against any other defendant.
- 5 (2) The amount paid to a plaintiff in consideration
- 6 for the settlement and proper release of any defendant in an
- 7 action under the act shall be offset against all other subsequent
- 8 judgments awarded to the plaintiff under the act.
- 9 (3) The licensee and the intoxicated adult to whom the
- 10 licensee served alcoholic liquor who are defendants in an action
- 11 brought under the act are jointly and severally liable in such
- 12 action.
- 13 (4) In an action based on negligence as described in
- 14 section 6 of this act, the licensee and the intoxicated adult to
- 15 whom the licensee served alcoholic liquor shall have a right of
- 16 contribution and not a right of indemnification.
- 17 (5) In an action based on recklessness as described in
- 18 section 7 of this act, any defendant who is found not reckless has
- 19 a right of either indemnification or contribution from defendants
- 20 <u>found reckless</u>.
- 21 Sec. 14. The Alcoholic Liquor Liability Act is the
- 22 exclusive remedy for claims of damage based on a licensee's
- 23 negligent or reckless service of alcoholic liquor.