

2016 -- S 2855 SUBSTITUTE A

LC005436/SUB A

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

A N A C T

RELATING TO ALCOHOLIC BEVERAGES -- RETAIL LICENSES

Introduced By: Senators Nesselbush, P Fogarty, Jabour, McCaffrey, and Archambault

Date Introduced: March 23, 2016

Referred To: Senate Special Legislation and Veterans Affairs

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 3-7 of the General Laws entitled "Retail Licenses" is hereby
2 amended by adding thereto the following section:

3 **3-7-29. Liquor liability insurance.** -- Any applicant or holder of any retail license for
4 the sale of alcoholic beverages issued pursuant to this chapter shall file with the application a
5 certificate of insurance evidencing comprehensive, general-liability and liquor-liability coverage
6 in the minimum amount of five hundred thousand dollars (\$500,000) for bodily or personal injury
7 and one hundred fifty thousand dollars (\$150,000) for property damage. Failure to maintain
8 insurance as required by this section, shall result in a revocation of the retail license unless the
9 holder of the license reinstates insurance coverage within forty-eight (48) hours of notice of
10 revocation. The certificate of insurance shall provide that the insurance shall not be modified or
11 cancelled unless thirty (30) days prior notice is given to the licensing authority.

12 SECTION 2. Section 3-7-27 of the General Laws in Chapter 3-7 entitled "Retail
13 Licenses" is hereby repealed.

14 ~~**3-7-27. Insurance requirements.** -- (a) In the town of Burrillville, an applicant for a~~
15 ~~license under this chapter shall file with the application a certificate of insurance evidencing~~
16 ~~comprehensive, general-liability coverage in the minimum amount of three hundred thousand~~
17 ~~dollars (\$300,000) for bodily or personal injury and one hundred thousand dollars (\$100,000) for~~
18 ~~property damage; or for a minimum amount to be set by ordinance. The certificate shall provide~~
19 ~~that the insurance shall not be modified or cancelled unless thirty (30) days prior notice is given~~

1 ~~to the town of Burrillville and that the town of Burrillville is named as an additional insured. A~~
2 ~~licensee must be insured by a carrier licensed in this state.~~

3 ~~(b) In the town of North Providence, an applicant for a license under this chapter shall~~
4 ~~file with the application a certificate of insurance evidencing comprehensive, general liability~~
5 ~~coverage in the minimum amount of three hundred thousand dollars (\$300,000) for bodily or~~
6 ~~personal injury and one hundred thousand dollars (\$100,000) for property damage; or for a~~
7 ~~minimum amount to be set by ordinance. The certificate shall provide that the insurance shall not~~
8 ~~be modified or cancelled unless prior, advance notice is given to the town of North Providence,~~
9 ~~according to the terms of the insurance policy, and that the town of North Providence is named as~~
10 ~~an additional insured. A licensee must be insured by a carrier licensed in this state.~~

11 SECTION 3. This act shall take effect on May 1, 2017, and shall apply to any new or
12 renewed license issued or renewed on or after May 1, 2017.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO ALCOHOLIC BEVERAGES -- RETAIL LICENSES

1 This act would require that any applicant or holder of any retail license for the sale of
2 alcoholic beverages be required to file with the application a certificate of insurance evidencing
3 comprehensive, general-liability and liquor-liability coverage in the minimum amount of five
4 hundred thousand dollars (\$500,000) for bodily or personal injury and one hundred fifty thousand
5 dollars (\$150,000) for property damage. This act would also provide that failure to maintain such
6 insurance would result in a revocation of the retail license, unless the holder of the license
7 reinstates insurance coverage within forty-eight (48) hours of notice of revocation. The certificate
8 of insurance would also provide that the insurance may not be modified or cancelled, unless thirty
9 (30) days prior notice is given to the licensing authority.

10 This act would take effect on May 1, 2017, and would apply to any new or renewed
11 license issued or renewed on or after May 1, 2017.

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