To: Ways and Means

HOUSE BILL NO. 149

1 AN ACT TO AMEND SECTION 67-3-73, MISSISSIPPI CODE OF 1972, TO 2 REQUIRE THAT PERSONS WHO ARE ISSUED ON-PREMISES RETAILER'S PERMITS 3 FOR THE SALE OF ALCOHOLIC BEVERAGES, BEER OR LIGHT WINE FOR 4 CONSUMPTION ON THE LICENSED PREMISES SHALL PURCHASE AND MAINTAIN 5 CERTAIN LIABILITY INSURANCE; TO AMEND SECTIONS 67-1-57 AND 6 67-3-19, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR 7 RELATED PURPOSES.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 9 SECTION 1. Section 67-3-73, Mississippi Code of 1972, is 10 amended as follows:

11 67-3-73. (1) The Mississippi Legislature finds and declares 12 that the consumption of intoxicating beverages, rather than the 13 sale or serving or furnishing of such beverages, is the proximate 14 cause of any injury, including death and property damage, 15 inflicted by an intoxicated person upon himself or upon another 16 person.

Notwithstanding any other law to the contrary, except as 17 (2) otherwise provided herein, no holder of an alcoholic beverage, 18 beer or light wine permit, or any agent or employee of such 19 20 holder, who lawfully sells or serves intoxicating beverages to a person who may lawfully purchase such intoxicating beverages, 21 shall be liable to such person or to any other person or to the 22 23 estate, or survivors of either, for any injury suffered off the 24 licensed premises, including wrongful death and property damage, because of the intoxication of the person to whom the intoxicating 25 beverages were sold or served. Those persons who are issued 26 on-premises retailer's permits for the sale of alcoholic 27 28 beverages, beer or light wine for consumption on the licensed premises under Section 67-1-1, et seq., or Section 67-3-1, et 29

seq., shall purchase and maintain liability insurance in a minimum 30 amount of Two Hundred Fifty Thousand Dollars (\$250,000.00) for 31 32 each permit to cover claims made by any person or the estate or survivors of any person for any injury suffered off the licensed 33 34 premises, including wrongful death and property damage, because of 35 the intoxication of the person to whom the intoxicating beverages were sold or served. Those persons who have in effect liability 36 insurance as required herein may be sued by anyone affected to the 37 extent of such insurance carried; however, immunity from suit is 38 waived only to the extent of such liability insurance carried and 39 a judgment creditor shall have recourse only to the proceeds or 40 right to proceeds of such liability insurance. 41

Notwithstanding any other law to the contrary, no social 42 (3) host who serves or furnishes any intoxicating beverage to a person 43 who may lawfully consume such intoxicating beverage shall be 44 liable to such person or to any other person or to the estate, or 45 survivors of either, for any injury suffered off such social 46 47 host's premises, including wrongful death and property damage, because of the intoxication of the person to whom the intoxicating 48 49 beverages were served or furnished. No social host who owns, leases or otherwise lawfully occupies a premises on which, in his 50 51 absence and without his consent, intoxicating beverages are consumed by a person who may lawfully consume such intoxicating 52 beverage shall be liable to such person or to any other person or 53 to the estate, or survivors of either, for any injury suffered off 54 the premises, including wrongful death and property damage, 55 56 because of the intoxication of the person who consumed the 57 intoxicating beverages.

(4) The limitation of liability provided by this section
shall not apply to any person who causes or contributes to the
consumption of alcoholic beverages by force or by falsely
representing that a beverage contains no alcohol, or to any holder
of an alcoholic beverage, beer or light wine permit, or any agent

H. B. No. 149 02/HR03/R614 PAGE 2 (MS\LH) 63 or employee of such holder when it is shown that the person making 64 a purchase of an alcoholic beverage was at the time of such 65 purchase visibly intoxicated.

66 **SECTION 2.** Section 67-1-57, Mississippi Code of 1972, is 67 amended as follows:

68 67-1-57. Before a permit is issued the commission shall69 satisfy itself:

That the applicant, if an individual, or if a 70 (a) partnership, each of the members of the partnership, or if a 71 corporation, each of its principal officers and directors, is of 72 73 good moral character and, in addition, enjoys a reputation of being a peaceable, law-abiding citizen of the community in which 74 75 he resides, and is generally fit for the trust to be reposed in him, is not less than twenty-one (21) years of age, and has not 76 77 been convicted of a felony in any state or federal court.

78 (b) That, except in the case of an application for a solicitor's permit, the applicant is the true and actual owner of 79 80 the business for which the permit is desired, and that he intends to carry on the business authorized for himself and not as the 81 82 agent of any other person, and that he intends to superintend in person the management of said business or that he will designate a 83 84 manager to manage the business for him; any such manager must be approved by the commission and must possess all of the 85 qualifications required of a permittee. 86

(c) That the applicant for a package retailer's permit,
if an individual, is a resident of the State of Mississippi. If
the applicant is a partnership, each member of the partnership
must be a resident of the state. If the applicant is a
corporation, the designated manager of the corporation must be a
resident of the state.

93 (d) That the place for which the permit is to be issued
94 is an appropriate one considering the character of the premises
95 and the surrounding neighborhood.

H. B. No. 149 02/HR03/R614 PAGE 3 (MS\LH) 96 (e) That the place for which the permit is to be issued 97 is within the corporate limits of an incorporated municipality or 98 qualified resort area or club which comes within the provisions of 99 this chapter.

100 (f) That the applicant is not indebted to the state for 101 any taxes, fees or payment of penalties imposed by any law of the 102 State of Mississippi or by any rule or regulation of the 103 commission.

(g) That the applicant is not in the habit of using alcoholic beverages to excess and is not physically or mentally incapacitated, and that the applicant has the ability to read and write the English language.

(h) That the commission does not believe and has no
reason to believe that the applicant will sell or knowingly permit
any agent, servant or employee to unlawfully sell liquor in a dry
area or in any other manner contrary to law.

(i) That the applicant is not residentially domiciled with any person whose permit or license has been cancelled for cause within the twelve (12) months next preceding the date of the present application for a permit.

(j) That the commission has not, in the exercise of its discretion which is reserved and preserved to it, refused to grant such permits under the restrictions of this section, as well as under any other pertinent provision of this chapter.

120 (k) That there are not sufficient legal reasons to deny a permit on the ground that the premises for which the permit is 121 122 sought has previously been operated, used or frequented for any purpose or in any manner that is lewd, immoral or offensive to 123 public decency. In the granting or withholding of any permit to 124 125 sell alcoholic beverages at retail, the commission in forming its 126 conclusions may give consideration to any recommendations made in 127 writing by the district or county attorney or county, circuit or chancery judge of the county, or the sheriff of the county, or the 128

H. B. No. 149 02/HR03/R614 PAGE 4 (MS\LH) 129 mayor or chief of police of an incorporated city or town wherein 130 the applicant proposes to conduct his business and to any 131 recommendations made by representatives of the commission.

(1) That no criminal record of the applicant or any of
applicant's employees exists, and the commission may therefore
require that any applicant and employees of such applicant be
photographed and fingerprinted for identification.

(m) That the applicant for an on-premises retailer's permit has purchased and has maintained liability insurance in the minimum amount of Two Hundred Fifty Thousand Dollars (\$250,000.00) as required by Section 67-3-73, as amended by House Bill No. , 2002 Regular Session.

141 SECTION 3. Section 67-3-19, Mississippi Code of 1972, is 142 amended as follows:

143 67-3-19. Where application is made for a permit to engage in 144 the business of a retailer of light wine or beer, the applicant 145 shall show in his application that he possesses the following 146 qualifications:

(a) Applicant must be a person at least twenty-one (21)
years of age, of good moral character and a resident of the State
of Mississippi.

(b) Applicant shall not have been convicted of a felony, or of pandering or of keeping or maintaining a house of prostitution, or have been convicted within two (2) years of the date of his application of any violation of the laws of this state or the laws of the United States relating to alcoholic liquor.

(c) Applicant shall not have had revoked, except for a violation of Section 67-3-52, within two (2) years next preceding his application, any license or permit issued to him pursuant to the laws of this state, or any other state, to sell alcoholic liquor of any kind.

H. B. No. 149 02/HR03/R614 PAGE 5 (MS\LH) (d) Applicant shall be the owner of the premises for
which the permit is sought or the holder of an existing lease
thereon.

(e) Applicant shall not be residentially domiciled with
any person whose permit has been revoked for cause, except for a
violation of Section 67-3-52, within two (2) years next preceding
the date of the present application for a permit.

(f) The applicant has not had any license or permit to sell beer or light wine at retail revoked, within five (5) years next preceding his application, due to a violation of Section 67-3-52.

(g) Applicant shall not employ any person whose permit has been revoked when such person owned or operated the business on the premises for which a permit is sought or allow such person to have any financial interest in the business of the applicant, until such person is qualified to obtain a permit in his own name.

176 (h) The applicant is not indebted to the State of177 Mississippi for any taxes.

(i) If applicant is a partnership, all members of the
partnership must be qualified to obtain a permit. Each member of
the partnership must be a resident of the State of Mississippi.

181 (j) If applicant is a corporation, all officers and directors thereof, and any stockholder owning more than five 182 percent (5%) of the stock of such corporation, and the person or 183 184 persons who shall conduct and manage the licensed premises for the corporation shall possess all the qualifications required herein 185 for any individual permittee. However, the requirements as to 186 187 residence shall not apply to officers, directors, and stockholders of such corporation, although such requirements shall apply to any 188 189 officer, director, or stockholder who is also the manager of the licensed premises or who is engaged or employed at the licensed 190 191 premises. The designated manager of the licensed premises must be 192 a resident of the State of Mississippi.

H. B. No. 149 02/HR03/R614 PAGE 6 (MS\LH) 193 <u>(k) If the applicant is applying for an on-premises</u> 194 retailer's permit, he must show proof that he has purchased and 195 maintained liability insurance in the minimum amount of Two 196 <u>Hundred Fifty Thousand Dollars (\$350,000.00) as required by</u> 197 <u>Section 67-3-73, as amended by House Bill</u>, 2002 Regular 198 Session.

Any misstatement or concealment of fact in an application shall be ground for denial of the application or for revocation of the permit issued thereon.

The commissioner may refuse to issue a permit to an applicant for a place that is frequented by known criminals, prostitutes, or other law violators or troublemakers who disturb the peace and quietude of the community and frequently require the assistance of peace officers to apprehend such law violators or to restore order. The burden of proof of establishing the foregoing shall rest upon the commissioner.

209 **SECTION 4.** This act shall take effect and be in force from 210 and after July 1, 2002.