

SERVING ALCOHOL AT PARISH EVENTS

Archdiocese of Dubuque, the Catholic Mutual Insurance Group, & the State of Iowa

NON-NEGOTIABLE

- When money is collected (or collected subsequent to the event but related to the event) in any meeting, dinner or gathering, whether as contributions, donations, or sale of tickets, no alcohol may be served, regardless if the alcohol would be purchased by the parish, purchased by an individual, or supplied in any way – unless a liquor license and DRAM SHOP insurance is obtained.
- No hard liquor may be served (Includes: liquor like whiskey, rum, bourbon, etc.) without a liquor license and DRAM Shop insurance.
- Host must be the provider of beer and wine. “Bring your own bottle” is not permitted. “Bottles” include beer and wine.

FROM THE ARCHDIOCESE WEBSITE

DRAM SHOP EXPOSURE

A person/organization, who is required to obtain an alcohol license or permit, is liable under Iowa law for damages caused by an intoxicated person who purchased and consumed alcohol on the licensee's premises.

This statutory liability is called the Iowa Dram Shop Act. Dram Shop Insurance needs to be purchased from outside the DAPP program to cover the liquor liability exposure when the event includes the "sale" of alcohol. The Iowa Code defines "sale" very broadly.

"Sale" includes, but is not limited to, events where any alcohol is served and:

- an admission fee is required to enter the location
- goods or services are sold or purchased at the time of consumption
- a "donation" is accepted in exchange for alcohol (or food).

Dram Shop insurance is also necessary when a hall is rented to an outside party and alcoholic liquor, except wine and beer, is dispensed or consumed on the premises and no other party has the appropriate license or permit.

If you have a question as to whether or not Dram Shop insurance is needed for your event, or whether an alcohol license or permit is required, please contact the DAPP office. You will need to purchase DRAM shop coverage from a local insurance agent. The Archdiocese of Dubuque needs to be listed as an "additional insured" on the policy, and the limit must be a minimum of \$1,000,000.

EXAMPLES:

- *We have a parish potluck where everyone brings food. Wine is served. No contributions or donations are solicited.*
▪ **Response from Catholic Mutual:** this would be covered under our normal insurance, host liquor liability, just follow normal guidelines for serving alcoholic beverages
- *Evening committee meeting serves wine. No contributions or donations are solicited.*
▪ **Response from Catholic Mutual:** this would be covered under our normal insurance, host liquor liability, just follow normal guidelines for serving alcoholic beverages
- *The Knights serve wine and beer at their functions (evening meetings).*
▪ **Response from catholic mutual:** Knights carry their own insurance coverage.
- *Group serves beer or wine at the evening meal, paid for by free will donations.*
▪ **Response from Catholic Mutual:** this is illegal per state of Iowa liquor laws. If the state became aware of this they would be charged for selling alcoholic beverages without a liquor license.
- *There is a parish Dinner that sells tickets to the event and wine is served.*
▪ **Response from Catholic Mutual:** It is not legal because there is consideration (money in exchanged).

From Catholic Mutual: FOLLOWING CATHOLIC MUTUAL POLICY is a requirement for our membership in the loss pool. Policy excludes payment for “illegal acts”. It is very possible that if a loss resulted from an event that served alcohol, but was not supposed to, the parish would be responsible for defense and settlement costs, resulting from any suit or legal action, on their own.

Need to obtain a liquor license and dram shop insurance when required (approx. \$1600 per year)
The easiest way to do this is rent a room at a local restaurant and use their liquor license and dram shop insurance.