

What to do when . . .

You want to serve alcohol at a business function

There's nothing like serving fine wine to add panache to an open house for that new upscale condo development you're marketing. But make sure you're doing it in a way that won't create unnecessary legal liability for your brokerage.

That could happen not just if one of your guests overindulges but also if you fail to heed state or local laws that prohibit activities such as allowing an underage person to drink alcohol. To protect yourself when you or your associates host a business function at which alcohol is served:

- **Get to know your state and local liability laws.** Start by conducting an Internet search for "social host" and "dram shop" laws in your state. State agencies that administer these laws vary. In Wisconsin, for example, the administering agency is the Alcohol and Tobacco Enforcement Division within the state Department of Revenue. In New York, the agency is the Division of Alcoholic Beverage Control in the New York State Liquor Authority.
- **Review your liability insurance policy** to determine if serving alcohol is covered. It's usually not. If it isn't, consider purchasing a liquor liability rider from your insurance provider.

Once you've checked your laws and your policy, structure your event with common sense safeguards:

1. **Keep a server between the alcohol and the guests.** If you work with a caterer, it should provide the servers. Don't let your employees serve the drinks; they're not trained to spot fake IDs and can't be expected to accurately evaluate your guests' level of intoxication.
2. **Make sure the agreement you enter into with the caterer indemnifies your company** for liability arising out of the service of alcohol. The caterer's insurance should cover that.
3. **Limit drinks.** Offer no more than two free drinks. Above that, have guests pay at a cash bar. Don't have a self-serve bar.

4. **Limit the time period for serving.** Consider stopping service an hour before the event ends.
5. **Don't make a last call announcement;** it can encourage hasty consumption.
6. **Include nonalcoholic alternatives.**
7. Let attendees who drove **know of available alternative transportation** (taxis, buses).

There's no reason you and your guests can't have a pleasant time at your event if it's structured with these few simple precautions in mind. **RM**

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Know your state alcohol laws

The national advocacy group Mothers Against Drunk Driving (MADD) has compiled a list of laws that touch on alcohol-related issues for all 50 states. Nine states have no dram shop laws. For these states, which include California and Virginia, MADD's site lists other laws that could be applicable to anyone serving alcohol in a commercial setting. To access the MADD resource, click **Current Links** at REALTOR.org/realformag.

