

South Carolina General Assembly
126th Session, 2025-2026

Bill 3497

~~Indicates Matter Stricken~~

Indicates New Matter

(Text matches printed bills. Document has been reformatted to meet World Wide Web specifications.)



~~Indicates Matter Stricken~~

Indicates New Matter

AMENDED

April 15, 2025

H. 3497

Introduced by Reps. W. Newton, Wooten, Pope, Chapman, Forrest, Kirby, Ligon, Bailey, M. M. Smith, B. L. Cox, Holman, Oremus, Sanders, Willis, Brewer, Hiott, Hixon, Caskey, Henderson-Myers, Wickensimer, Yow, Mitchell, Bamberg, Hart and Garvin

S. Printed 4/15/25--S.

Read the first time March 11, 2025



A BILL

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 38-90-20, RELATING TO INSURANCE LICENSURE, SO AS TO ALLOW AN INSURANCE COMPANY TO PROVIDE LIQUOR LIABILITY INSURANCE; BY AMENDING SECTION 61-2-60, RELATING TO THE PROMULGATION OF ALCOHOL REGULATIONS, SO AS TO AUTHORIZE REGULATIONS REGARDING ALCOHOL SERVER TRAINING POSITIONS; BY AMENDING SECTION 61-2-145, RELATING TO REQUIRED LIQUOR LIABILITY INSURANCE COVERAGE, SO AS TO ESTABLISH A LIQUOR LIABILITY MITIGATION PROGRAM; BY ADDING CHAPTER 3 TO TITLE 61 SO AS TO ESTABLISH AN ALCOHOL SERVER TRAINING PROGRAM; AND BY AMENDING SECTION 61-6-2220, RELATING TO ALCOHOL SALES, SO AS TO PROHIBIT A PERSON FROM KNOWINGLY SELLING ALCOHOL TO AN INTOXICATED PERSON.

Amend Title To Conform

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 15-38-15 of the S.C. Code is amended to read:

Section 15-38-15. (A) In an action to recover damages in tort; ~~resulting from personal injury, wrongful death, or damage to property or to recover damages for economic loss or for noneconomic loss such as mental distress, loss of enjoyment, pain, suffering, loss of reputation, or loss of companionship resulting from tortious conduct, if indivisible damages are determined to be proximately caused by more than one defendant, joint and several liability does not apply to any defendant whose conduct is determined to be less than fifty percent of the total fault for the indivisible damages as compared with the total of: (i) the fault of all the defendants; and (ii) the fault (comparative negligence), if any, of plaintiff. A defendant whose conduct is determined to be less than fifty percent of the total fault shall only be liable for that percentage of the indivisible damages determined by the jury or trier of fact.~~

(1) The trier of fact shall determine the percentage of fault of the plaintiff, of the defendant or defendants, and of any nonparty whose tortious act or omission was proven to be a proximate cause of the plaintiff's alleged damages. For purposes of apportioning fault on the verdict form, a "nonparty" means an individual or entity who has previously settled a claim arising out of the same tortious act or omission with the plaintiff, or if more than one plaintiff, who has previously settled with any plaintiff in the same civil action.

(2) A settling party shall be placed on the verdict form if there is any evidence sufficient to survive a South Carolina Rules of Civil Procedure Rule 50 Directed Verdict Motion that the settling party was proximate cause, in whole or in part, of the plaintiff's damages.

(3) If the percentage of fault of the plaintiff is greater than fifty percent of the total fault involved in the tortious act or omission that caused the plaintiff's damages, then the trier of fact shall return a verdict for the defendant and no further deliberation is required.

(4) If the plaintiff's percentage of fault is not greater than fifty percent of the total fault involved in the tortious act or omission that caused the plaintiff's damages, then the trier of fact shall determine the total amount of damages that the plaintiff would be entitled to recover if comparative fault were disregarded.

(5) Upon the completion of subitem (4), the court shall enter judgment for the plaintiff against each defendant in an amount equal to the total amount of damages awarded in subitem (4) multiplied by the percentage of fault assigned to each respective defendant in subitem (1) using the following criteria:

(a) each defendant is severally liable for his share of the total amount of the plaintiff's noneconomic damages, as defined in Section 15-32-210, and any punitive or exemplary damages; and

(b) if the percentage of fault of any one defendant is greater than fifty percent of the total fault involved in the act or omission that cause the plaintiff's damages, then the defendant is jointly and severally liable to the total amount of plaintiff's economic damages.

(6) If the percentage of fault of any defendant that is charged under Section 56-5-2930, 56-5-2933, or 56-5-2945 is greater than fifty percent of the total fault in the tortious act or omission that caused the plaintiff's damages, then the total amount of damages for which the licensee is liable shall not be more than fifty percent of the plaintiff's total damages. Licensee shall have the same meaning as in Section 15-3-710(A)(2).

(7) For purposes of this section, the terms economic damages and noneconomic damages have the same meaning as defined in Section 15-32-210.

~~(B) Apportionment of percentages of fault among defendants is to be determined as specified in subsection (C).~~

~~(C)-(B).~~ The jury, or the court if there is no jury, shall: Within one hundred eighty days of commencement of an action, or by leave of court for good cause shown, a defendant may move to add to the verdict form any person or entity, not otherwise excluded by subsection (C) or (E), who may be, or may have been, liable to the plaintiff if the defendant has a reasonable basis to believe that the person's or entity's act or omission was a proximate cause of the plaintiff's alleged damages, which must be set forth in its motion. If the defendant will assert the person or entity committed an act of professional negligence, the provisions of Section 15-36-100 apply, and the affidavit required pursuant to Section 15-36-100(B) must be filed with the motion.

(1) Any party may make any motion at the appropriate time including, but not limited to, a motion pursuant to Rules 12, 50, and 56 of the South Carolina Rules of Civil Procedure to dismiss or otherwise remove the added person or entity from the verdict form. The court shall apply the same standard to the dismissal or removal of an added person or entity, as it would to any party.

(2) In order for the trier of fact to allocate any or all fault to an added person or entity, the defendant bears the burden of proof that the added person's or entity's conduct was a proximate

cause of the plaintiff's damages unless the plaintiff's pleading is amended to assert a direct claim against the added person or entity pursuant to subitem (3).

(3) The plaintiff may, within sixty days of the court granting a motion pursuant to this section, amend the plaintiff's pleading to assert any claim against the added person or entity arising out of the occurrence that is the subject matter of the pending litigation. This provision applies notwithstanding any statute of limitations as long as the plaintiff would have satisfied the applicable statute of limitations against the added person or entity if the plaintiff had named the added person or entity as a defendant when the suit was commenced.

(a) A person or entity added as a party pursuant to this subitem shall be identified as a defendant in the caption of the action.

(b) An amended pleading pursuant to this provision must comply with Rule 4 of the South Carolina Rules of Civil Procedure and be served on the added party within sixty days of filing the amended pleading.

(c) A party added pursuant to this provision has the same rights to defend or plead as a defendant under the South Carolina Rules of Civil Procedure.

~~— (1) specify the amount of damages;~~

~~— (2) determine the percentage of fault, if any, of plaintiff and the amount of recoverable damages under applicable rules concerning "comparative negligence"; and~~

~~— (3) upon a motion by at least one defendant, where there is a verdict under items (1) and (2) above for damages against two or more defendants for the same indivisible injury, death, or damage to property, specify in a separate verdict under the procedures described at subitem (b) below the percentage of liability that proximately caused the indivisible injury, death, damage to property, or economic loss from tortious conduct, as determined by item (1) above, that is attributable to each defendant whose actions are a proximate cause of the indivisible injury, death, or damage to property. In determining the percentage attributable to each defendant, any fault of the plaintiff, as determined by item (2) above, will be included so that the total of the percentages of fault attributed to the plaintiff and to the defendants must be one hundred percent. In calculating the percentage of fault attributable to each defendant, inclusion of any percentage of fault of the plaintiff (as determined in item (2) above) shall not reduce the amount of plaintiff's recoverable damages (as determined under item (2) above).~~

~~— (a) For this purpose, the court may determine that two or more persons are to be treated as a single party. Such treatment must be used where two or more defendants acted in concert or where, by reason of agency, employment, or other legal relationship, a defendant is vicariously responsible for the conduct of another defendant.~~

~~— (b) After the initial verdict awarding damages is entered and before the special verdict on percentages of liability is rendered, the parties shall be allowed oral argument, with the length of such argument subject to the discretion of the trial judge, on the determination of the percentage attributable to each defendant. However, no additional evidence shall be allowed.~~

~~— (D) A defendant shall retain the right to assert that another potential tortfeasor, whether or not a party, contributed to the alleged injury or damages and/or may be liable for any or all of the damages alleged by any other party.~~

~~—(E) Notwithstanding the application of this section, setoff from any settlement received from any potential tortfeasor prior to the verdict shall be applied in proportion to each defendant's percentage of liability as determined pursuant to subsection (C);~~

~~—(F) This section does not apply to a defendant whose conduct is determined to be wilful, wanton, reckless, grossly negligent, or intentional or conduct involving the use, sale, or possession of alcohol or the illegal or illicit use, sale, or possession of drugs;~~

(C) The following are excluded from being added to the verdict form pursuant to subsection (B):

(1) a person or entity not subject to civil liability or payment of damages in a civil action due to worker's compensation statutes or U.S. Bankruptcy Code;

(2) a person or entity where the plaintiff's damages arise in whole or in part from assault, battery, sexual assault, sexual abuse, sexual misconduct, financial fraud, or theft;

(3) a person whose fault is imputed to the defendant or whose fault is based upon the fault of the nonparty for which a defendant is vicariously liable; or

(4) a person involved in a case where the causes of action involve strict liability.

(D) A defendant shall not be entitled to a setoff for monies paid by a nonparty added to the verdict form pursuant to subsection (A) or a person or entity added to the verdict form pursuant to subsection (B). A defendant can elect the setoff from the added nonparty or added person or entity in lieu of placing that nonparty, person, or entity on the verdict form.

(E) Nothing in this section shall be construed as eliminating the empty chair defense, which is the defendant's right to assert that another potential tortfeasor, whether or not a party, contributed to the alleged injury or damages or may be liable for any or all of the damages alleged by the plaintiff.

(F)(1) The following are excluded from being added to the verdict form pursuant to subsection (B) and from the modified joint and several liability contained in subitem (A):~~(5) This section does not apply:~~

~~(1)(a)~~ (a) to an action commenced by the State, a state agency, a municipality, a county, a local government, a regional public authority, a special purpose district, a public utility, or any other governmental entity or political subdivision including, but not limited to, claims seeking recovery of public funds, remediation costs, or other damages arising from acts or omissions of third parties that result in harm to public health, safety, infrastructure, or the environment;

(b) to a defendant whose conduct is determined to be intentional, including an act or omission that is intentional; or

(c) where two or more defendants or nonparties knowingly pursue a common plan or design to commit a tortious act, or actively take part in it. This subitem does not apply to any cause of action arising out Section 15-3-710.

(2) In an action to recover damages arising under any of the exempted items in this subsection, if indivisible damages are determined to be proximately caused by more than one defendant, joint and several liability does not apply to any defendant whose conduct is determined to be less than fifty percent of the total fault for the indivisible damages as compared with the total of the fault of all the defendants; and the fault (comparative negligence), if any, of plaintiff. A defendant whose

conduct is determined to be less than fifty percent of the total fault shall only be liable for that percentage of the indivisible damages determined by the jury or trier of fact.

(G) The provisions of this section do not apply to causes of action involving PFAS or asbestos commenced prior to the effective date of this act. In such cases, liability shall be determined in accordance with other applicable statutory law and common law governing such torts.

SECTION 2. Section 15-38-20 of the S.C. Code is amended to read:

Section 15-38-20. (A) Except as otherwise provided in this chapter, where two or more persons become jointly or severally liable in tort for the same injury to person or property or for the same wrongful death, there is a right of contribution among them even though judgment has not been recovered against all or any of them.

(B) The right of contribution exists only in favor of a tortfeasor who has paid more than his pro rata share of the common liability, and his total recovery is limited to the amount paid by him in excess of his pro rata share. No tortfeasor is compelled to make contribution beyond his own pro rata share of the entire liability.

(C) There is no right of contribution in favor of any tortfeasor who has intentionally caused or contributed to the injury or wrongful death.

(D) A tortfeasor who enters into a settlement with a claimant is not entitled to recover contribution from another tortfeasor whose liability for the injury or wrongful death is not extinguished by the settlement nor in respect to any amount paid in a settlement which is in excess of what was reasonable.

(E) A liability insurer, who by payment has discharged in full or in part the liability of a tortfeasor and has thereby discharged in full its obligation as insurer, is subrogated to the tortfeasor's right of contribution to the extent of the amount it has paid in excess of the tortfeasor's pro rata share of the common liability. This provision does not limit or impair any right of subrogation arising from any other relationship.

(F) This chapter does not impair any right of indemnity under existing law. Where one tortfeasor is entitled to indemnity from another, the right of the indemnity obligee is for indemnity and not contribution, and the indemnity obligor is not entitled to contribution from the obligee for any portion of his indemnity obligation.

(G) This chapter does not apply to breaches of trust or of other fiduciary obligation.

(H) The provisions in this section apply only to causes of action where the nonparty tortfeasor was not added to the verdict form pursuant to Section 15-38-15(A)(1), (C), or (F).

SECTION 3. Section 15-38-30 of the S.C. Code is amended to read:

Section 15-38-30. In determining the pro rata shares of tortfeasors in the entire liability (1) their relative degrees of fault shall not be considered; (2) if equity requires, the collective liability of some as a group shall constitute a single share; and (3) principles of equity applicable to

contribution generally shall apply. This section applies only to causes of action where the nonparty tortfeasor was not added to the verdict form pursuant to Section 15-38-15(A)(1), (C), or (F).

SECTION 4. Section 15-38-40 of the S.C. Code is amended to read:

Section 15-38-40. (A) Whether or not judgment has been entered in an action against two or more tortfeasors for the same injury or wrongful death, contribution may be enforced by separate action.

(B) Where a judgment has been entered in an action against two or more tortfeasors for the same injury or wrongful death, contribution may be enforced in that action by judgment in favor of one against other judgment defendants by motion upon notice to all parties to the action. Provided, however, contribution may not be enforced in the action until the issue of liability and resulting damages against the defendant or defendants named in the action is determined. Once the issue of liability has been resolved, subject to Section 15-38-20(B), a defendant has the right to seek contribution against any judgment defendant and other persons who were not made parties to the action.

(C) If there is a judgment for the injury or wrongful death against the tortfeasor seeking contribution, any separate action by him to enforce contribution must be commenced within one year after the judgment has become final by lapse of time for appeal or after appellate review.

(D) If there is no judgment for the injury or wrongful death against the tortfeasor seeking contribution, his right of contribution is barred unless he has either (1) discharged by payment the common liability within the statute of limitations period applicable to claimant's right of action against him and has commenced his action for contribution within one year after payment, or (2) agreed while action is pending against him to discharge the common liability and has within one year after the agreement paid the liability and commenced his action for contribution.

(E) The recovery of a judgment for an injury or wrongful death against one tortfeasor does not of itself discharge the other tortfeasors from liability for the injury or wrongful death unless the judgment is satisfied. The satisfaction of the judgment does not impair any right of contribution.

(F) The judgment of the court in determining the liability of the several defendants to the claimant for an injury or wrongful death shall be binding as among such defendants in determining their right to contribution.

(G) The provisions in this section apply only to causes of action where the nonparty tortfeasor was not added to the verdict form pursuant to Section 15-38-15(A)(1), (C), or (F).

SECTION 5.A. Chapter 3, Title 15 of the S.C. Code is amended by adding:

Section 15-3-710. (A) As used in this section:

(1) "Alcohol" means beer, wine, alcoholic liquors, or alcoholic beverages as defined in Section 61-6-20; alcoholic liquor by the drink or alcoholic beverage by the drink as defined in Section 61-6-20; or any other type of alcoholic beverage that contains any amount of alcohol and is used as a beverage for human consumption.

(2) "Licensee" means any person or entity licensed to sell alcohol by the State of South Carolina or any agency or department thereof. The term "licensee" includes any owner, partner, manager, agent, employee, or other person or entity engaged in a single business enterprise with another licensee or permittee or one for whose conduct a licensee or permittee may be vicariously liable.

(3) "Visibly intoxicated" means an individual who displayed visible signs and symptoms of intoxication that would have been obvious to a trained alcohol server under the circumstances.

(4) "Trained alcohol server" means an alcohol server who has completed the training required by Chapter 3 of Title 61.

(B) Except as provided in this section, a licensee is not liable in a civil action arising out of the sale, service, or furnishing of alcohol.

(C) A person other than the intoxicated individual, who has suffered bodily injury, death, or property damage caused by the acts or omissions of the intoxicated individual possesses a civil cause of action against a licensee if the person shows, by the preponderance of the evidence that the licensee knowingly sold, served, or directly furnished alcohol to an individual who was visibly intoxicated, and the sale, service, or direct furnishing of alcohol to the intoxicated individual was a proximate cause of the person's bodily injury, death, or property damage.

(D) A person who was nineteen years of age or older at the time of the sale, service, or direct furnishing of alcohol by a licensee does not possess a civil cause of action against a licensee for the sale, service, or furnishing of alcohol if:

(1) at the time the person suffered bodily injury or death, the person was riding as a passenger in a motor vehicle operated by an intoxicated individual and had knowledge of the operator's intoxication; or

(2) at the time the person suffered property damage, the person had placed the damaged property in the possession, custody, or control of the intoxicated individual with knowledge of either:

(a) the individual's intoxication;

(b) the individual's addiction to intoxication; or

(c) the individual's habit of becoming intoxicated and the individual's propensity to operate a motor vehicle while intoxicated.

(E) A person who was under the age of nineteen years at the time of the sale, service, or direct furnishing of alcohol by a licensee possesses a civil cause of action against the licensee if that person shows by the preponderance of the evidence that:

(1) the licensee knowingly sold, served, or directly furnished alcohol to the person under the age of nineteen; and

(2) the licensee's sale, service, or direct furnishing of alcohol to the person under the age of nineteen was a proximate cause of the person's bodily injury, death, or property damage.

(F) A licensee who affirmatively proves a forensic digital identification system approved by the South Carolina Law Enforcement Division was used to confirm the validity of the person's identification has not knowingly sold, served, or furnished alcohol to that person for the purposes of subsection (E).

(G) Upon the death of any party, the action or right of action authorized by this section will survive to or against the party's personal representative.

(H) A licensee is not chargeable with knowledge of acts by which a person becomes intoxicated at other locations.

(J) If an attorney initiates or maintains a civil action against a licensee under this section when a reasonable attorney in the same circumstances would not conclude that under the facts, the civil action against the licensee was justifiably initiated or maintained under this section, then the court shall award that licensee reasonable attorney's fees of not less than five thousand dollars and costs to be paid by that person to that licensee upon a motion made within ten days following the conclusion of a trial and after a verdict has been rendered, or a case has been dismissed by summary judgment, direct verdict, or judgment notwithstanding the verdict.

(K) The provisions of this section are the exclusive manner for bringing a dram shop cause of action.

B. Section 61-4-580(B) of the S.C. Code is amended to read:

(B) In addition to civil liability as provided by law, including as provided in Section 15-3-710, a violation of any provision of this section is a ground for the revocation or suspension of the holder's permit. A permittee or licensee who violates any provision of this section:

- (1) for a first offense, shall be fined two thousand five hundred dollars by the department;
- (2) for a second offense within two years of the first offense, shall have its alcohol license or permit suspended for up to fourteen days as determined by the department; and
- (3) for a third offense within three years of the first offense, shall have its alcohol license or permit revoked.

SECTION 6.A. Title 61 of the S.C. Code is amended by adding:

CHAPTER 3

Alcohol Server Training

Section 61-3-100. For the purposes of this chapter, the following definitions apply:

(1) "Alcohol" means beer, wine, alcoholic liquors, or any other type of alcoholic beverage that contains any amount of alcohol and is used as a beverage for human consumption.

(2) "Alcohol server" means an individual who sells alcohol for on-premises consumption at permitted or licensed premises and may include a permittee, licensee, manager, or other employee of a permittee or licensee. "Alcohol server" does not include an individual employed or volunteering on a temporary basis for a one-time special event, such as a banquet, or at an event that has a temporary permit to sell beer, wine, or alcoholic liquors by the drink and does not include an individual transferring alcohol from one location to another as a distributor, wholesaler, or as otherwise lawfully authorized to transfer alcohol from one location to another by this title;

and does not include an individual who cannot lawfully serve or deliver alcohol pursuant to Sections 61-4-90(D) and 61-6-2200.

(3) "Alcohol server certificate" means an authorization issued by the department for an individual to be employed or engaged as an alcohol server for on-premises consumption.

(4) "DAODAS" means the South Carolina Department of Alcohol and Other Drug Abuse Services.

(5) "Department" means the South Carolina Department of Revenue.

(6) "Division" means the South Carolina Law Enforcement Division.

(7) "Employee" means a person who is employed for at least ten hours a week by a permittee or a licensee.

(8) "Licensee" means a person issued a license by the department pursuant to Title 61 to sell, serve, transfer, or dispense alcoholic liquors or alcoholic liquor by the drink for on-premises consumption.

(9) "Manager" means an individual permittee, an individual licensee, and any person employed by a permittee or licensee who manages, directs, or controls the sale, service, transfer, or dispensing of alcoholic beverages for on-premises consumption at the permitted or licensed premises.

(10) "Permittee" means a person issued a permit by the department pursuant to Title 61 to sell, serve, transfer, or dispense beer, wine, ale, porter, or other malted beverages for on-premises consumption.

(11) "Program" means an alcohol server training and education course and examination approved by the department with input from DAODAS and the division that is administered by authorized providers.

(12) "Provider" means an individual, partnership, corporation, or other legal entity authorized by the department that offers and administers a program.

Section 61-3-110. (A) An alcohol server or manager must complete alcohol server training and obtain an alcohol server certificate pursuant to the provisions of this chapter. If an alcohol server or manager does not have a current alcohol server certificate at the time of employment in that capacity, then the licensee or permittee must provide alcohol server training within thirty calendar days of employment. An alcohol server shall not be mentally or physically impaired or intoxicated by alcohol, drugs, or controlled substances while serving alcohol on behalf of the licensee.

(B) A permittee or licensee shall maintain at all times on its permitted or licensed premises physical or electronic copies of the alcohol server certificates for its managers and alcohol servers for the duration of employment. Copies of the alcohol server certificate must be made available, upon request, to the department, the division, or the agents and employees of each. For the purposes of enforcement of the provisions of this chapter:

(1) a permittee or licensee must also make available to the department or the division, when requested, the date a manager or alcohol server began employment in the capacity; and

(2) a permittee or licensee shall be excused for the failure to produce the alcohol server certificate if that failure is due to a provider's failure to report the successful completion of training

and testing or the department's failure to issue a certificate to an applicant who has met the requirements of Section 61-3-130.

Section 61-3-120. (A)(1) The department shall approve alcohol server training programs offered by providers that are based on best evidence practice standards. The department may collaborate with DAODAS and the division to determine appropriate providers for the purposes of this chapter. The department shall approve or deny a program within sixty days of application by a provider. A provider may appeal a denial pursuant to Section 61-2-260 and the South Carolina Administrative Procedures Act.

(2) A provider may charge a licensee, permittee, or individual seeking training for the purpose of employment as an alcohol server or manager a fee not to exceed fifty dollars per participant.

(B) The curricula of each program must include the following subjects:

(1) state laws and regulations pertaining to:

- (a) the sale and service of alcoholic beverages;
- (b) the permitting and licensing of sellers of alcoholic beverages;
- (c) impaired driving or driving under the influence of alcohol or drugs;
- (d) liquor liability issues;

(e) the carrying of concealed weapons by authorized permit holders into businesses selling and serving alcoholic beverages; and

(f) life consequences, such as the loss of education scholarships, to minors relating to the unlawful use, transfer, or sale of alcoholic beverages;

(2) the effect that alcohol has on the body and human behavior including, but not limited to, its effect on an individual's ability to operate a motor vehicle when intoxicated;

(3) information on blood alcohol concentration and factors that change or alter blood alcohol concentration;

(4) the effect that alcohol has on an individual when taken in combination with commonly used prescription or nonprescription drugs or with illegal drugs;

(5) information on recognizing the signs of intoxication and methods for preventing intoxication;

(6) methods of recognizing problem drinkers and techniques for intervening with and refusing to serve problem drinkers;

(7) methods of identifying and refusing to serve or sell alcoholic beverages to individuals under twenty-one years of age and intoxicated individuals;

(8) methods for properly and effectively checking the identification of an individual, for identifying illegal identification, and for handling situations involving individuals who have provided illegal identification;

(9) South Carolina law enforcement information including, but not limited to, the most recently published official statistics on drunk driving accidents, injuries, and deaths in South Carolina; and

(10) other topics related to alcohol server education and training designated by the department, in collaboration with DAODAS and the division, to be included.

(C) The department shall approve only online designed training programs that meet each of the following criteria:

- (1) a program must cover the content specified in subsection (B);
- (2) the content in a program must clearly identify and focus on the knowledge, skills, and abilities needed to responsibly serve alcoholic beverages and must be developed using best practices in instructional design and exam development to ensure that the program is fair and legally defensible;
- (3) a program shall be offered online;
- (4) online training must be at least four hours, be available in English and Spanish, and include a test;
- (5) online or computer based training programs must use linear navigation that requires the completion of a module before the course proceeds to the next module, with no content omitted, be interactive, have audio for content, and include a test;
- (6) training and testing must be conducted online. All tests must be monitored by an online proctor. A passing grade for a test, as provided by the program, is required; and
- (7) training certificates are issued by the provider only after training is complete and a test has been passed successfully.

(D) Within ten business days after a training is completed, each provider must give to the department a report of all individuals who have successfully completed the training and testing. The provider must also maintain these records for at least five years following the end of the training program for purposes of verifying certification validity by the department or the division.

(E) The department, in collaboration with DAODAS and the division, may suspend or revoke the authorization of a provider that the department determines has violated the provisions of this chapter. If a provider's authorization is suspended or revoked, then that provider must cease operations in this State immediately and refund any money paid to it by individuals enrolled in that provider's program at the time of the suspension or revocation.

Section 61-3-130. (A)(1) The department must issue an alcohol server certificate to each applicant who completes an approved program or a recertification program and who provides other information as may be required by the department in an application form that is available on the department's website. An individual must apply for an alcohol server certificate within six months of completing a program. The department, if circumstances warrant the issuance of a temporary alcohol server certificate, may issue a temporary alcohol server certificate that is valid for a period of no more than thirty calendar days.

(2) The department, in collaboration with DAODAS and the division, may issue an alcohol server certificate to an individual from outside of the State who applies for an alcohol server certificate if the individual has an alcohol server certificate from a nationally recognized or comparable, state recognized alcohol server certification program that the department, DAODAS, and the division find meets or exceeds the programs offered in this State.

(B) Alcohol server certificates shall not be issued to graduates of programs that are not approved by the department.

(C) An alcohol server certificate is the property of the individual to whom it is issued and is transferrable among employers. An individual must reimburse a licensee or permittee that paid for the cost of alcohol server training if the individual leaves the employment of the licensee or permittee within six months of its issuance.

(D) Alcohol server certificates are valid for a period of three years from the date that the alcohol server certificate was issued. After the three-year period, a new or recertified alcohol server certificate must be obtained pursuant to the provisions of this chapter.

(E) Upon expiration of an alcohol server certificate, the individual to whom the alcohol server certificate was issued may obtain recertification in accordance with regulations promulgated by the department.

(F) The department shall not charge a fee to issue and renew alcohol server certificates to qualifying applicants.

(G) An applicant must be deemed to be a qualifying applicant for the purpose of alcohol server certificate issuance and renewal if they have successfully completed all training and testing requirements as found in Section 61-3-120.

Section 61-3-140. The division and the department are responsible for enforcement of the provisions of this chapter. The department is responsible for bringing administrative actions for violations of the provisions of this chapter or related regulations, and those actions shall proceed according to the provisions of Section 61-2-260 and the South Carolina Administrative Procedures Act.

B. Section 61-2-60 of the S.C. Code is amended by adding:

(9) regulations governing the development, implementation, education, and enforcement of responsible alcohol server training provisions.

C. Section 61-6-2220 of the S.C. Code is amended to read:

Section 61-6-2220. A person or establishment licensed to sell alcoholic liquors or liquor by the drink pursuant to this article may not knowingly sell these beverages to persons in an intoxicated condition; these sales are considered violations of the provisions thereof and subject to the penalties contained herein.

D. This SECTION takes effect nine months after the effective date of this act.

SECTION 7. Chapter 73, Title 38 of the S.C. Code is amended by adding:

Section 38-73-550. (A) Due to the mandatory requirement for commercial casualty coverage contained in Section 61-2-145, the availability of affordable commercial casualty coverage,

including liquor liability coverage, is found to be essential to South Carolina's hospitality industry and by South Carolina citizens.

(B) By January thirty-first of each year, the director must prepare and submit a report to the President of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Banking and Insurance Committee, the Chairman of the House Labor, Commerce and Industry Committee, the Chairman of the Senate Judiciary Committee, and the Chairman of the House Judiciary Committee regarding the status of commercial general liability and liquor liability markets, including the insurance industry's participation and profitability in the commercial general liability and the liquor liability sub-line of that market. The report shall be posted in an electronic format on the department's website within five days of its submission. The report shall include, but not be limited to, the following:

(1) the number of policies written in South Carolina that provide coverage by insurers for liquor liability in South Carolina, whether as a stand-alone product or as another commercial liability insurance product;

(2) the volume of earned premiums associated with the coverage provided by the insurers for liquor liability in South Carolina and written in South Carolina;

(3) the number of claims closed with payments and the volume of those payments associated with liquor liability coverage written in South Carolina;

(4) the number of claims open and the volume of actual reserves on those claims associated with liquor liability coverage written in South Carolina;

(5) the volume of reserves for incurred but not reported claims associated with liquor liability coverage;

(6) the sum of subrogation and salvage associated with liquor liability coverage written in South Carolina;

(7) the volume of combined losses as a percentage of premiums associated with liquor liability coverage written in South Carolina and the methodology of its determination;

(8) the amount of profit as a percentage of premiums associated with liquor liability coverage written in South Carolina and the methodology of its determination;

(9) the number of insurers participating in commercial general liability market and the liquor liability sub-line of that market;

(10) the director's conclusions as to the availability of commercial general liability and liquor liability coverage and the trends in changes in the rates for that coverage; and

(11) the director's recommendations to continue to improve the availability of insurance coverage as mandated in Section 61-2-145 and the rates associated with that coverage.

SECTION 8.A. Section 61-2-145 of the S.C. Code is amended to read:

Section 61-2-145. (A) In addition to all other requirements, a person licensed or permitted to sell alcoholic beverages for on-premises consumption, which remains open after five o'clock p.m. to sell alcoholic beverages for on-premises consumption, except for a 501(c)(3) nonprofit corporation is required to maintain a liquor liability insurance policy or a general liability insurance

policy with a liquor liability endorsement for a total coverage of at least ~~one million five hundred thousand~~ three hundred thousand dollars during the period of the biennial permit or license. A 501(c)(3) nonprofit corporation licensed or permitted to sell alcoholic beverages for on-premises consumption, which remains open after five o'clock p.m. to sell alcoholic beverages for on-premises consumption, is required to maintain a liquor liability insurance policy or a general liability insurance policy with a liquor liability endorsement for a total coverage of at least three hundred thousand dollars during the period of the biennial permit or license. Failure to maintain this coverage constitutes grounds for suspension or revocation of the permit or license.

(B) The department shall add this requirement to all applications and renewals for biennial permits or licenses to sell alcoholic beverages for on-premises consumption, in which the permittees and licensees remain open and sell alcoholic beverages for on-premises consumption after five o'clock p.m. Each applicant or person renewing its license or permit, to whom this requirement applies, shall provide the department with documentation of a liquor liability insurance policy or a general liability insurance policy with a liquor liability endorsement in the required amounts.

(C) Each insurer writing liquor liability insurance policies or general liability insurance policies with a liquor liability endorsement to a person licensed or permitted to sell alcoholic beverages for on-premises consumption, in which the person so licensed or permitted remains open to sell alcoholic beverages for on-premises consumption after five o'clock p.m., must notify the department in a manner prescribed by department regulation of the lapse or termination of the liquor liability insurance policy or the general liability insurance policy with a liquor liability endorsement.

(D) For the purposes of this section, the term "alcoholic beverages" means beer, wine, alcoholic liquors, and alcoholic liquor by the drink as defined in Chapter 4, Title 61, and Chapter 6, Title 61.

(E) Permittees and licensees selling alcoholic beverages at any time between the hours of 12:00 a.m. and 4:00 a.m. shall use a forensic digital identification system that validates the identification of any person attempting to enter the premises as a patron.

B. This SECTION takes effect on July 1, 2026, and applies to all policies issued on and after that date.

SECTION 9. Section 15-7-30(A)(9) of the S.C. Code is amended to read:

(9) "Nonresident individual" means a person who is not domiciled in this State, John Doe, or an unknown defendant, as provided in Section 38-37-180.

SECTION 10. Section 56-5-6540(C) of the S.C. Code is amended to read:

(C) A violation of this article ~~is not negligence per se or contributory negligence, and is not~~ admissible as evidence in a civil action if the violation is a proximate cause of the claimed damages.

SECTION 11. Section 38-77-150(A) of the S.C. Code is amended to read:

(A) No automobile insurance policy or contract may be issued or delivered unless it contains a provision by endorsement or otherwise, herein referred to as the uninsured motorist provision, undertaking to pay the insured all sums which he is legally entitled to recover as damages from the owner or operator of an uninsured motor vehicle, within limits which may be no less than the requirements of Section 38-77-140. The uninsured motorist provision is not required to include coverage for punitive or exemplary damages. The uninsured motorist provision also must provide for no less than ~~twenty-five~~^{fifty} thousand dollars coverage for injury to or destruction of the property of the insured in any one accident but may provide an exclusion of the first two hundred dollars of the loss or damage. The director or his designee may prescribe the form to be used in providing uninsured motorist coverage and when prescribed and promulgated no other form may be used.

SECTION 12. Section 38-77-160 of the S.C. Code is amended to read:

Section 38-77-160. Automobile insurance carriers shall offer, at the option of the insured, uninsured motorist coverage up to the limits of the insured's liability coverage in addition to the mandatory coverage prescribed by Section 38-77-150. In the offer of uninsured motorist coverage, the automobile insurance carriers shall offer the insured the option to include coverage for punitive or exemplary damages. Such carriers shall also offer, at the option of the insured, underinsured motorist coverage up to the limits of the insured liability coverage to provide coverage in the event that compensatory damages are sustained in excess of the liability limits carried by an at-fault insured or underinsured motorist or in excess of any damages cap or limitation imposed by statute. The underinsured motorist coverage is not required to include coverage for punitive or exemplary damages. However, in the mandatory offer of underinsured motorists coverage, automobile insurance carriers shall offer the insured the option to include coverage for punitive or exemplary damages. If, however, an insured or named insured is protected by uninsured or underinsured motorist coverage in excess of the basic limits, the policy shall provide that the insured or named insured is protected only to the extent of the coverage he has on the vehicle involved in the accident. If none of the insured's or named insured's vehicles is involved in the accident, coverage is available only to the extent of coverage on any one of the vehicles with the excess or underinsured coverage. Benefits paid pursuant to this section are not subject to subrogation and assignment.

No action may be brought under the underinsured motorist provision unless copies of the pleadings in the action establishing liability are served in the manner provided by law upon the insurer writing the underinsured motorist provision. The insurer has the right to appear and defend in the name of the underinsured motorist in any action which may affect its liability and has thirty days after service of process on it in which to appear. The evidence of service upon the insurer may not be made a part of the record. In the event the automobile insurance insurer for the

putative at-fault insured chooses to settle in part the claims against its insured by payment of its applicable liability limits on behalf of its insured, the underinsured motorist insurer may assume control of the defense of action for its own benefit. No underinsured motorist policy may contain a clause requiring the insurer's consent to settlement with the at-fault party.

SECTION 13. Section 15-78-30(g) of the S.C. Code is amended to read:

(g) "Occurrence" means an unfolding sequence of events which proximately flow from a single act of negligence: including continuous or repeated exposure to substantially the same harmful conditions. For purposes of this section, multiple acts of negligence occurring without a break in the causal chain that result in substantially the same damages shall be considered one occurrence.

SECTION 14. Section 15-78-120 of the S.C. Code is amended to read:

Section 15-78-120. ~~(a)~~(A). For any action or claim for damages brought under the provisions of this chapter, the liability shall not exceed the following limits:

(1) Except as provided in Section 15-78-120(a)(3), no person shall recover in any action or claim brought hereunder a sum exceeding ~~three~~five hundred thousand dollars because of loss arising from a single occurrence regardless of the number of agencies or political subdivisions involved.

(2) Except as provided in Section 15-78-120(a)(4), the total sum recovered hereunder arising out of a single occurrence shall not exceed ~~six hundred thousand~~one million dollars regardless of the number of agencies or political subdivisions or claims or actions involved.

(3) No person may recover in any action or claim brought hereunder against any governmental entity and caused by the tort of any licensed physician or dentist, employed by a governmental entity and acting within the scope of his profession, a sum exceeding ~~one million two hundred thousand~~two million dollars because of loss arising from a single occurrence regardless of the number of agencies or political subdivisions involved.

(4) The total sum recovered hereunder arising out of a single occurrence of liability of any governmental entity for any tort caused by any licensed physician or dentist, employed by a governmental entity and acting within the scope of his profession, may not exceed ~~one million two hundred thousand~~two million dollars regardless of the number of agencies or political subdivisions or claims or actions involved.

(5) The provisions of Section 15-78-120(a)(3) and (a)(4) shall in no way limit or modify the liability of a licensed physician or dentist, acting within the scope of his profession, with respect to any action or claim brought hereunder which involved services for which the physician or dentist was paid, should have been paid, or expected to be paid at the time of the rendering of the services from any source other than the salary appropriated by the governmental entity or fees received from any practice plan authorized by the employer whether or not the practice plan is incorporated and registered with the Secretary of State.

~~(b)~~(B) No award for damages under this chapter shall include punitive or exemplary damages or interest prior to judgment.

~~(c)~~(C) In any claim, action, or proceeding to enforce a provision of this chapter, the signature of an attorney or party constitutes a certificate by him that he has read the pleading, motion, or other paper; that to the best of his knowledge, information, and belief formed after reasonable inquiry it is well-grounded in fact and is warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law, and that it is not interposed for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation. If a pleading, motion, or other paper is not signed, it shall be stricken unless it is signed promptly after the omission is called to the attention of the pleader or movant. If a pleading, motion, or other paper is signed in violation of this rule, the court, upon motion or upon its own initiative, shall impose upon the person who signed it, a represented party, or both, an appropriate sanction, which may include an order to pay the other party or parties the amount of the reasonable expenses incurred because of the filing of the pleading, motion, or other paper, including a reasonable attorney's fee.

SECTION 15. Section 15-32-220(E) of the S.C. Code is amended to read:

(E)(1) The limitations for noneconomic damages rendered against any ~~health-care~~ healthcare provider or ~~health-care~~ healthcare institution do not apply if the jury or court determines that the defendant ~~was grossly negligent, wilful, wanton, or reckless, and such conduct was the proximate cause of the claimant's noneconomic damages, or if the defendant has engaged in fraud or misrepresentation related to the claim, or if the defendant altered or destroyed medical records with the purpose of avoiding a claim or liability to the claimant.~~

(a) acted in a wilful, wanton, or reckless manner;

(b) has pled guilty to or been convicted of a felony arising out of the same act or course of conduct complained of by the plaintiff and that the act or course of conduct is a proximate cause of the plaintiff's damages; or

(c) acted or failed to act while under the influence of alcohol or drugs to the degree that his judgment was materially and appreciably impaired.

(2) If the limitations for noneconomic damages are found to be inapplicable pursuant to the jury or court finding that the defendant's conduct fell within one of the exceptions herein, then the maximum limit of civil liability for the defendant, regardless of the number of claims or causes of action, shall not exceed ten times the current limitation on noneconomic damages, as adjusted pursuant to subsection (F).

SECTION 16.A. Section 15-3-640 of the S.C. Code is amended to read:

Section 15-3-640. No actions to recover damages based upon or arising out of the defective or unsafe condition of an improvement to real property may be brought more than ~~eight~~ ten years

after substantial completion of the improvement. For purposes of this section, an action based upon or arising out of the defective or unsafe condition of an improvement to real property includes:

(1) an action to recover damages for breach of a contract to construct or repair an improvement to real property;

(2) an action to recover damages for the negligent construction or repair of an improvement to real property;

(3) an action to recover damages for personal injury, death, or damage to property;

(4) an action to recover damages for economic or monetary loss;

(5) an action in contract or in tort or otherwise;

(6) an action for contribution or indemnification for damages sustained on account of an action described in this section;

(7) an action against a surety or guarantor of a defendant described in this section;

(8) an action brought against any current or prior owner of the real property or improvement, or against any other person having a current or prior interest in the real property or improvement;

(9) an action against owners or manufacturers of components, or against any person furnishing materials, or against any person who develops real property, or who performs or furnishes the design, plans, specifications, surveying, planning, supervision, testing, or observation of construction, or construction of an improvement to real property, or a repair to an improvement to real property.

This section describes an outside limitation of ~~eight~~ten years after the substantial completion of the improvement, within which normal statutes of limitations continue to run.

A building permit for the construction of an improvement to real property must contain in bold type notice to the owner or possessor of the property of his rights under this section to contract for a guarantee of the structure being free from defective or unsafe conditions beyond ~~eight~~ten years after substantial completion of the improvement. The Department of Consumer Affairs shall publish in conspicuous places the right of an owner or possessor to contract for extended liability under this section. Nothing in this section prohibits a person from entering into a contractual agreement prior to the substantial completion of the improvement which extends any guarantee of a structure or component being free from defective or unsafe conditions beyond ~~eight~~ten years after substantial completion of the improvement or component.

For any improvement to real property, a certificate of occupancy issued by a county or municipality, in the case of new construction or completion of a final inspection by the responsible building official in the case of improvements to existing improvements, shall constitute proof of substantial completion of the improvement under the provisions of Section 15-3-630, unless the contractor and owner, by written agreement, establish a different date of substantial completion.

B. This SECTION takes effect one year after the effective date of this act.

SECTION 17. Section 15-3-670 of the S.C. Code is repealed.

SECTION 18. Chapter 6, Title 61 of the S.C. Code is amended by adding:

Section 61-6-2225. A person or establishment licensed to sell liquor by the drink pursuant to this article may not sell these beverages to an individual to be consumed by that individual in an amount in excess of what a trained alcohol server would believe to be reasonable, based on the immediately available inferences, information, and the totality of the circumstances, that occurred while the individual was on the licensee's premises.

SECTION 19.A. Section 38-77-140 of the S.C. Code is amended to read:

Section 38-77-140. (A) An automobile insurance policy may not be issued or delivered in this State to the owner of a motor vehicle or may not be issued or delivered by an insurer licensed in this State upon a motor vehicle then principally garaged or principally used in this State, unless it contains a provision insuring the persons defined as insured against loss from the liability imposed by law for damages arising out of the ownership, maintenance, or use of these motor vehicles within the United States or Canada, subject to limits exclusive of interest and costs, with respect to each motor vehicle, as follows:

(1) ~~twenty-five~~fifty thousand dollars because of bodily injury to one person in any one accident and, subject to the limit for one person;

(2) ~~fifty-one hundred~~ thousand dollars because of bodily injury to two or more persons in any one accident; and

(3) ~~twenty-five~~fifty thousand dollars because of injury to or destruction of property of others in any one accident.

(B) Nothing in this article prevents an insurer from issuing, selling, or delivering a policy providing liability coverage in excess of these requirements.

B. This SECTION takes effect two years after the effective date of this act.

SECTION 20. The repeal or amendment by this act of any law, whether temporary or permanent or civil or criminal, does not affect pending actions, rights, duties, or liabilities founded thereon, or alter, discharge, release or extinguish any penalty, forfeiture, or liability incurred under the repealed or amended law, unless the repealed or amended provision shall so expressly provide. After the effective date of this act, all laws repealed or amended by this act must be taken and treated as remaining in full force and effect for the purpose of sustaining any pending or vested right, civil action, special proceeding, criminal prosecution, or appeal existing as of the effective date of this act, and for the enforcement of rights, duties, penalties, forfeitures, and liabilities as they stood under the repealed or amended laws.

SECTION 21.If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this act, and each and every section, subsection,

paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

SECTION 22. Except as otherwise provided in this act, this act takes effect upon approval by the Governor.

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This web page was last updated on April 15, 2025 at 03:04 PM

