The Minnesota Legislature recently amended Minn. Stat. § 340A.409, subd. 1(1), providing in relevant part:

No retail [liquor] license may be issued, maintained or renewed unless the applicant demonstrates proof of financial responsibility with regard to liability imposed by section 340A.801 . . . . $50,000 for other pecuniary loss of any one person in any one occurrence, and $100,000 for other pecuniary loss of two or more persons in any one occurrence . . . 

(emphasis added to the new statutory language).

This amendment follows the Minnesota Supreme Court’s recent holding in Brua v. Minnesota Joint Underwriting Association, 778 N.W.2d 294 (Minn. 2010) (please see Johnson & Condon’s client letter on Brua, dated March 10, 2010, at http://www.johnsoncondon.com/news-resources.htm). In Brua, the court provided in relevant part that Minn. Stat. § 340A.409, subd. 1(1) did not require liquor licensees obtain liquor liability coverage to insure “other pecuniary loss” damages even though Minn. Stat. § 340A.801, subd. 1 specifically granted injured parties a right of action to recover the same. Id. at 300-301.

The legislature responded by amending Minn. Stat. § 340A.409, subd. 1(1); requiring liquor licensees obtain minimum limits of $50,000/$100,000 coverage for “other pecuniary loss” damages in addition to the previously mandated coverages for loss of means of support, bodily injury, and property damage. The minimum required annual aggregate limit is still $300,000 (Minn. Stat. § 340A.409, subd. 1(3)(c)) even though the mandated coverages equal $310,000.

We will continue to update you regarding Minnesota cases and statutes addressing liquor liability. In the meantime, feel free to give us a call regarding this statutory amendment.

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