

# SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-3780 • RFA.SC.GOV/IMPACTS

This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

**Bill Number:** S. 1175 Introduced on March 19, 2024

Author: Malloy

Subject: Dram Shop Act Requestor: Senate Judiciary

RFA Analyst(s): Gardner

Impact Date: March 27, 2024

### **Fiscal Impact Summary**

This bill enables a person to bring an action against an intoxicated individual and any entities permitted to sell alcoholic beverages whose knowing sale, furnishment, or service of such beverages to the intoxicated individual is the proximate cause of injury or damage suffered by the plaintiff. The bill also enables underage individuals who are knowingly sold, furnished, or served alcoholic beverages by a permitted entity and suffer injury or damages as a result of said provision to bring an action against the permit holder or his agent/employee.

Judicial anticipates implementation of this bill may result in a slight increase in the number of civil actions filed in court. However, Judicial intends to use existing General Fund appropriations to manage any modifications in caseloads. Therefore, this bill will have no expenditure impact on Judicial.

The bill may also result in a corresponding slight increase fees collected in court due to the increase in civil actions. These fees are distributed to the General Fund, Other Funds, and local funds.

## **Explanation of Fiscal Impact**

## Introduced on January 19, 2024 State Expenditure

This bill enables a person to bring an action against an intoxicated individual; a permitted establishment that sells beer, wine, or liquor; a retailer that sells such beverages; or an agent or employee of a permitted entity that knowingly sells, furnishes, or serves the intoxicated individual whereby the sale, furnishment, or service is the proximate cause of injury or damage to the plaintiff. The bill prohibits the intoxicated individual from recovering damages for injuries suffered by the individual as a result of his consumption of alcoholic beverages, provided that he was of lawful drinking age at the time of the event giving rise to the civil action. The bill also enables a person injured by an underage intoxicated individual to bring an action against the underage individual; a permitted establishment that sells beer, wine, or liquor; a retailer that sells such beverages; or an agent or employee of a permitted entity that knew or should have known that the individual was under the lawful drinking age and was possessing and consuming alcoholic beverages on the premises whereby the sale, furnishment, service, or

possession and consumption is the proximate cause of injury or damages to the plaintiff. The bill does allow underage individuals who suffer injury or property damage to bring an action against an alcoholic beverage permit holder or his agent or employee whose knowing sale, furnishment, or service to the individual is the proximate cause of the injury or damages.

Judicial anticipates implementation of this bill may result in a slight increase in the number of civil actions filed in court. However, Judicial intends to use existing General Fund appropriations to manage any modifications in caseloads. Therefore, this bill will have no expenditure impact on Judicial.

#### **State Revenue**

The bill may result in a corresponding slight increase fees collected in court due to the increase in civil actions. These fees are distributed to the General Fund, Other Funds, and local funds.

### **Local Expenditure**

N/A

#### **Local Revenue**

The bill may result in a corresponding slight increase fees collected in court due to the increase in civil actions. These fees are distributed to the General Fund, Other Funds, and local funds.

Frank A Rainwater Executive Director