

# IOWA ALCOHOLIC BEVERAGES COMMISSION

## DRAMSHOP INSURANCE - AGGREGATE LIMITS

### MINUTES

Old Supreme Court Chamber, Room 103  
State Capitol Building  
1007 East Grand Avenue  
Des Moines, Iowa 50319  
June 26, 2012  
1:00 p.m. – 4:00 p.m.  
Dial In Number: 1.866.685.1580  
Conference Code Number: 0009991572

#### Commission Members Present:

Greg Nashleanas: Chairperson  
Jim Clayton: Vice-Chair  
Rick Hunsaker: Member  
Tami Doll: Member  
Claire Celsi: Secretary – Participated by phone

#### ABD Staff Present:

Stephen Larson: Administrator	Stephanie Strauss: Executive Officer
Tonya Dusold: Communications Director	Heather Schaffer: Compliance Officer
Karen Freund: Deputy Administrator of Regulation	Zach Schrom: Communications Intern
Doug Webb: Deputy Director of Administration	Erin Fitzgerald: Communication Specialist

#### Guests Present:

Kristi Kielhorn: House Republican Caucus Staff	Tom Duff: IAJ
Steve Morain: Iowa Insurance Institute	Lisa Davis Cook: IAJ
Mary Braun: House Democratic Caucus Staff	Eddie Mauro: Universal Insurance
Howard Beck: Illinois Casualty Company	Tom O'Meara: Iowa Insurance Division
Kristen Underwood: Illinois Casualty Company	Charles Burhon: Liberty Mutual Insurance
E. John Broadbent: Broadbent Distillery	Mike St.Clair: Property Causality Insurance
Darin Beck: Iowa Restaurant Association	Kay Godfredsen: Nationwide
Brad Epperly: American Insurance Association	Dan Siegfried: Farmer's Insurance
Mary Braun: House Democratic Caucus Staff	Julie Simon: Senate Democrats

**Conference Call Participants:**

Ann Weber: Property Casualty Insurance

Dave Golden: Property Casualty Insurance

**CALL TO ORDER**

Chairperson Greg Nashleanas called the meeting to order at 1:10 PM and a quorum was present.

**APPROVAL OF AGENDA**

**MOTION: A motion was made by Commissioner Clayton and a second by Commissioner Hunsaker to approve the agenda for the June 26, 2012, for the dram shop insurance aggregate meeting.**

**Motion approved unanimously.**

**Discussion:**

An overview of the history and a timeline of dram shop liability insurance were provided by Communications Director Tonya Dusold. Mrs. Dusold stated that the legislature's intent in requiring such insurance coverage is to guarantee a minimum level of compensation to innocent third parties who are injured by persons who were knowingly served to the point of intoxication by a liquor licensee or wine or beer permittee for on premise consumption. As stated in Administrative code 5.8(3), the insurance shall provide the minimum coverage per occurrence, not claims based. This requirement on the purchase of a qualifying dram shop insurance policy is a statutory condition of licensure pursuant to Iowa Code Section 123.92.

Tom O'Meara and Mike Erdman of Iowa Insurance Division provided an overview of rate and rule filings, liquor liability program attributes and data analysis of submitted claims.

Iowa Alcoholic Beverage Division staff, Commission members, guests and call participants discussed the definition and public policy principles behind dram shop liability insurance, and liquor liability program attributes.

**Public Comment:**

Ann Weber, Steve Morain, Tom Duff, Darin Beck, Charles Burhon, and Eddie Mauro made public comment regarding dram shop liability insurance and the options the Commission should take into consideration before voting on the language for the rule.

Commission Chair Nashleanas spoke further about upcoming commission meetings, and with no further business before the board, the board adjourned.

**ADJOURNMENT**

**MOTION:** A motion was made by Commission Clayton and a second by Commissioner Doll that the meeting be adjourned.

Meeting adjourned at 3:15 PM.

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Commissioner Celsi, Secretary