

CHAPTER 5
LICENSING AND REGULATION OF ALCOHOLIC BEVERAGES

SECTION 505.01. FINANCIAL RESPONSIBILITY OF APPLICANTS AND LICENSEE.

Subd. 1. No license under this Chapter shall be issued, maintained, or renewed unless and until the applicant has provided proof of financial responsibility by filing with the City:

- A. Proof that there is in effect an insurance policy or pool providing a minimum coverage of (1) \$50,000.00 because of bodily injury to any one person in any one occurrence, and \$100,000.00 because of bodily injury to two or more persons in any one occurrence, and in the amount of \$10,000.00 because of injury to or destruction of property of others in any one occurrence; and (2) \$50,000.00 for loss of means of support of any one person in any one occurrence and \$100,000.00 for loss of means of support of two or more persons in any one occurrence. (An annual aggregate policy limit for dram shop liability of not less than \$300,000.00 per policy may be included in the policy provision); or
- B. A bond of a surety company with minimum coverage as provided in Subparagraph A of this Section; or
- C. A certificate of the State Treasurer that the licensee has deposited \$100,000.00 in cash or securities which may legally be purchased by a savings banks or for trust funds having a market value of \$100,000.00.

Subd. 2. The liability insurance policy, bond or certificate of the State Treasurer required above shall include coverage for dram shop liability and shall provide that the policy, bond or certificate may not be canceled for any cause by the licensee, the insurance company, bond company or State Treasurer without first giving 30 days' notice to the municipality in writing of intention to cancel it or, if cancellation is due to nonpayment, 10 days' notice to the municipality in writing of the intent to cancel it. Such notice shall be addressed to the Clerk. The policy shall also list the City of Delano, its agents, officials, and assigns as additional insureds.

Subd. 3. Subdivisions 1 and 2 do not apply to licensees who by affidavit establish that they qualify under Minn. Stat. Section 340A.409, Subd. 4. The exceptions to proof of financial responsibility and insurance do not apply where the applicant seeks a license for the serving or consumption of alcoholic beverages on property owned by the City of Delano or other public property.