

RISK MANAGEMENT & TORT DEFENSE

Policy and Procedures

Serving Liquor/Alcohol at State Functions
Adopted: June 17, 2026

Purpose:

To reduce risk and the liability associated with serving liquor/alcohol at sponsored events, the following guidelines apply.

Scope:

In accordance with 2-9-101, MCA through 2-9-305, MCA, the state shall not defend and/or indemnify actionable conduct outside the course and scope of employment (i.e. the mission of the entity). Liquor/alcohol is served/sold/provided at many state/university system activities that promote the mission of the state/university system.

Compliance with State Law:

The sale and service of liquor/alcohol shall be in compliance with Montana laws.

Authorized Liquor/Alcohol Vendor:

1. The sale of alcohol at a state/university system sponsored event must be by an authorized liquor/alcohol vendor holding a valid liquor license;
2. Sale of tickets to an event where complimentary liquor/alcohol is served will be considered a sale of alcohol;
3. Any person who is authorized to serve or sell liquor/alcohol who has reason to question the age of a person ordering liquor/alcohol must verify age by requesting photo identification that proves the individual is over 21. Liquor/alcohol will not be sold to persons who are intoxicated or disorderly.

Insurance, Defense, and Indemnification:

1. Any vendor serving or selling alcoholic beverages must maintain liquor/alcohol vendor liability insurance with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate. The liquor liability insurance should be separate from the vendor's/sponsor's general liability insurance. If included in the same policy/package, the coverage must have separate limits of at least \$1,000,000 per occurrence, \$2,000,000 aggregate.
2. The liquor/alcohol vendor shall defend, indemnify and hold harmless the state/university system of Montana and the sponsoring agency hereunder and their elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, from and against claims, demands, causes of action, liabilities, damages, judgments, expenses or fees, including the reasonable cost of defense thereof and attorney fees, arising or awarded in favor of vendor's or its subvendor's employees or agents or third parties for bodily or personal injuries, death, damage to property, or financial or other loss resulting or allegedly resulting from (i) the services performed or products provided or (ii) other acts or omissions of vendor and/or its agents, employees, representatives, assigns, and subvendors.
3. The liquor/alcohol vendor shall provide a Certificate of Insurance (COI) and insurance endorsement (if requested) prior to the event and must name [state of Montana/university system and the sponsoring state agency/university as an additional insured with respect to the event.

4. Insurance coverage must be in effect for the full duration of the event and include products/completed operations either under the liquor/alcohol vendor liability insurance or a separate general liability policy. Coverage must match event dates.
5. Failure to provide acceptable proof of insurance may result in denial of participation.
6. Exceptions to this policy must be approved by the Risk Management and Tort Defense Division.