



## **S 244 – Justice Act of 2025: SECTION Summary**

### SECTION 1: Several Liability

- Requires damages to be apportioned among *all* at-fault parties. Parties would be held accountable for the damages that they caused, but no longer forced to cover the fault of others.
- Georgia recently enacted similar damage apportionment laws in 2022.

### SECTION 2: Dram Shop Liability

- Provides limitations on when an alcohol licensee is civilly liable for damages
  - Party must be visibly intoxicated at the time of sale
  - Should have known party would become intoxicated based on obvious factors
  - Under the age of 21
- Licensee is no longer chargeable for knowing what happened at another location.
- Prohibits passengers who knowingly ride with intoxicated drivers from claims against the licensee.
- Balances protections for business and the need for victims to pursue legitimate claims.

### SECTION 3: Alcohol Server Training

- Requires alcohol server training to ensure servers and managers are able recognize the signs of intoxication for the purpose of reducing the number of DUI-related incidents.

### SECTION 4: Captive Insurance Companies/Liquor Liability

- Explicitly states that captive insurance companies are permitted to provide liquor liability insurance for the purpose of introducing more competition in the insurance market and to alleviate some of the availability/affordability issues.

### SECTION 5: Liquor Liability Insurance

- Codifies the current mandatory minimum insurance requirements for liquor liability to require coverage that provides at least \$1M in coverage *per occurrence*.
- Helps potential victims recover, and also helps insulate the businesses in cases where their liability might exceed a lower insurance limit.
- This provision, with the provisions in Section 2, will balance protections for business and the need for victims to pursue legitimate claims.

#### SECTION 6: Construction Defects/Statute of Repose

- The statute of repose for construction defects is supposed to be 8 years (one of the longest in the country), but exceptions have extended that timeframe indefinitely. These changes help enforce the current statute of repose that the legislature intended.
- This will help make homeownership and construction costs more affordable.

#### SECTION 7: Seatbelt Admissibility

- Allows seatbelt usage, or the failure to use, to be admissible as evidence in civil actions.

#### SECTION 8: Venue in “John Doe” Cases

- Requires so-called “John Doe” actions against unknown defendants to be tried in the county where the cause of action arose to prevent venue shopping.

#### SECTIONS 9 & 10: Damage Awards/Underinsured Motorist

- These sections would allow consumers to save on the cost of their uninsured and underinsured motorist coverages by no longer forcing insurers to cover punitive damages under those specific coverages.
- Punitive damages, by definition, are intended to punish – not cover compensatory damages.
- This would allow for new options where insurers will not automatically be forced to pay for punitive damages (punished) by *their own* customers.

#### SECTIONS 11 & 12: “Occurrence” Definition/Medical Malpractice

- Amends the definition of “occurrence” for medical malpractice claims to include the events that flow from a single act of negligence.
- Addresses exceptions to the current caps on non-economic damages.

#### SECTION 13: Tyger River Doctrine – Insurers & Bad Faith

- “Tyger River” settlement demands rely on longstanding SC case law, and often pressure insurance carriers to settle cases that would otherwise be taken to trial.
- This proposes specific guidelines and time periods by when insurers can tender policy limits (or the amount demanded) and avoid being charged with bad faith.
- These provisions will give insurers appropriate time to review the facts of a case and work in good faith with claimants and plaintiffs.