

Social Host Liability: Legal Issues When Hosting Holiday Parties and Other Social Events in NC

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This is a great time of year in North Carolina.

Friends, neighbors, and co-workers find time to get together for various holiday festivities—from holiday parties to New Year's celebrations. In addition to food, and maybe some entertainment at these events, hosts often provide beer, wine, or other alcoholic drinks to their guests.

But what are the legal risks involved when you provide alcohol to your guests at a holiday party or similar get-together? This article explores some specific liability issues, namely the application of "social host" liability in North Carolina.

Social Host Liability

If you serve alcohol to someone who is already intoxicated, and who you know, or should know, will drive after the social occasion has ended, you can be legally liable for any injuries that result from your guest's intoxicated driving.

North Carolina courts recognize a cause of action under the common law theory of social host liability if you:

- Serve alcohol to a person;
- When you, as host, know, or should know, the person is intoxicated; and,
- When you know, or should know, the person will be driving afterwards.

So, if you host a party and allow a friend to have too much to drink and the friend drives home and causes a wreck, you can be personally liable for any damages caused. This is true whether the wreck results in minor injuries, major injuries, or death.

Of course, the intoxicated friend likely will be legally liable as well. However, North Carolina law allows an injured party to pursue claims against everyone whose negligence (i.e., the failure to use reasonable care) contributed to the injury.

Social host liability claims are very fact-specific. Evidence that you knew or should have known a guest was intoxicated may include:

- Knowledge of how many total drinks were consumed by the guest at the party;

- Knowledge that the guest had been drinking somewhere else earlier; or,
- Evidence that the typical signs of intoxication, such as slurred speech, were obvious.

Evidence of whether you knew, or should have known, the guest was going to drive may include:

- Knowledge that your guest drove to your party that night;
- Your guest's normal habits; or,
- Specific communications between you and the guest.

These evidentiary requirements would need to be investigated for, or in defense of, any claim, including through the use of the discovery process (e.g., interrogatories and depositions) if a lawsuit is filed.

Damages

What if someone is injured as a result of an intoxicated guest? If you are liable, the injured party will be entitled to damages assuming a legal defense does not apply. Under North Carolina law, these damages can include:

- Medical bills (past and future);
- Lost wages or other income;
- Diminished future earning capacity;
- Pain and suffering;
- Scarring or disfigurement;
- Loss of use of a body part; and,
- The permanency associated with any continuing injuries.

Again, note that when an innocent third-party is injured by a drunk driver negligently overserved at a social function, the injured party can pursue the full amount of damages against the liable host (and not just the drunk driver). Under North Carolina law, all negligent parties whose negligence contributed to the injuries at issue can be held liable for the full extent of the damages. (Of course, a plaintiff typically cannot double recover, so the plaintiff cannot collect 100% of their damages from each liable party. In these cases, there can be an offset for amounts recovered from another defendant.)

What Can You, as a Host, Do to Prevent Injury Claims?

There's always risk in whatever we do. No one would ever suggest you not host friends at your home or otherwise organize holiday parties. And, there is nothing wrong with responsibly serving adult beverages. The law simply requires that we all use reasonable care—i.e., that we act as carefully as a reasonable and prudent person would act in the same situation.

In the case of hosting social events, it's important to make sure invited guests are people you believe are going to act responsibly, and will not drink and drive. Consider offering to pay for a taxi, Uber, or secure another safe ride home for guests if you have any reason to believe they cannot drive safely.

And, make sure you are adequately insured. A sufficient homeowner's policy can protect against liability to a certain point, and an "umbrella" policy can provide additional protection—usually up to \$1,000,000.00 if not more. For substantial events outside your home, you might also consider event-specific insurance. Adequate insurance can ensure that, if an accident happens, your own assets are protected from any judgment. Otherwise, a judgment could mean that an injured party can attempt to collect against your personal assets—including, but not limited to, real estate, personal property, bank accounts, stocks, and bonds.

For social events hosted outside your home (i.e., a work holiday party) you also might consider delegating

some portion of these responsibilities. For instance, you can hire a vendor to cater the event, including serving alcohol and require the vendor to carry substantial insurance. For a large enough holiday gathering, there also are contractual options to attempt to shift responsibility to the vendor. While these strategies certainly can help protect you or your organization, note that some level of risk likely will remain.

What if You Are the Injured Party?

If you are an innocent third-party injured by an intoxicated individual, you likely have a valid legal claim against the intoxicated person. Depending on the facts, you may have valid claims against additional persons—including the host of a party or other social event through a "social host" liability legal theory. Given the various legal principles involved and the fact-specific nature of these claims, the best course of action typically is to consult an attorney who specializes in personal injury law.

Conclusion

The holidays are a wonderful time of year. Neighborhood holiday parties, gathering with friends, or work-related events provide a great opportunity to take a break, count our blessings, and enjoy each other's company. When serving alcohol, however, it is important to do so responsibly. It's the right thing to do—and, doing so can protect you from potential "social host" liability claims.

Unfortunately, injuries often still happen. If someone claims they were injured and that you are liable to them for their damages on the basis of social host liability, or if you or a family member are injured and you believe there is a valid legal claim, consider contacting an experienced personal injury attorney to assist with what can be a difficult, and legally complex, situation.

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