Liquor board may raise stakes for permits

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Applicants for local liquor licenses will have to carry at least $50,000 worth of liability insurance to qualify for licensing if the city-parish's Alcoholic Beverage Control Board has its way.

The board voted 4-2 on Thursday to recommend that the Metro Council amend the local wine, beer and liquor ordinance to require operators of establishments that sell alcoholic beverages to carry the insurance.

Board member Johnny Wellons recalled that the owner of a bar in which a woman was shot to death recently carried no insurance and that it might turn out to be impossible for her next of kin to recover any damages from the owner.

Wellons, an attorney, said he thought it should be mandatory to carry some amount of liability insurance in order to qualify for a city-parish liquor license.

Board member Winkie Berlin argued against the proposal, saying adding to the cost of doing business could drive out of business those establishments that are just barely making it and that if the city-parish is going to require liability insurance for liquor license holders it should require liability insurance for all businesses.

Board member Ted Myles, who owns a car wash, said it is extremely difficult and expensive for some businesses to obtain insurance and said there probably are not more than two insurance companies operating in Louisiana that will write policies for either car washes or taverns.

Board member Sammy Conigliore called his own insurance headaches from his days in the used car business and said he does not believe insurance companies offer business people any real opportunity to shop around for the best policy price.

"It looks like they get together," Conigliore said of the insurance companies. "For the same policy, the same deductible, the same coverage, you're not going to see a dime's worth of difference between them."

Wellons, Conigliore, the Rev. Joseph Newton and Louis DeJohn voted for the proposed requirement while Berlin and Myles voted against it. The board recommendation now goes to the Metro Council for possible enactment into law.

In other business, the board had been scheduled Thursday to rehear the case of the bar that was the scene of the fatal shooting to which Wellons referred, the Old Five Crown Social Club on Eddie Robinson Drive, but the board postponed the hearing until June 1 to provide adequate time for the bar owner's attorney to subpoena witnesses in the case.

In an unrelated matter, city-parish Revenue Manager George Marrett told board members Thursday that local government had collected $109,950 in previously overdue sales tax revenue with the assistance of the ABC Board.

Liquor license holders whose sales tax payments are more than three months overdue are routinely called before the board and given the choice of paying up or losing their licenses.