

AMENDMENTS TO LB452

Introduced by Murman, 38.

1           1. Strike the original section 1 and insert the following new  
2 section:

3           Section 1. Section 53-123.16, Revised Statutes Cumulative  
4 Supplement, 2022, is amended to read:

5           53-123.16 (1) Any person who operates a microdistillery shall  
6 obtain a license pursuant to the Nebraska Liquor Control Act. A license  
7 to operate a microdistillery shall permit the licensee to produce a  
8 maximum of one hundred thousand gallons of liquor per year in the  
9 aggregate from all physical locations comprising the licensed premises.  
10 For purposes of this section, licensed premises may include up to five  
11 separate physical locations. A microdistillery may also sell to licensed  
12 wholesalers for sale and distribution to licensed retailers. A  
13 microdistillery license issued pursuant to this section shall be the only  
14 license required by the Nebraska Liquor Control Act for the manufacture  
15 and retail sale of microdistilled product for consumption on or off the  
16 licensed premises, except that the sale of any beer, wine, or alcoholic  
17 liquor, other than microdistilled product manufactured by the  
18 microdistillery licensee, by the drink for consumption on the  
19 microdistillery premises shall require the appropriate retail license.  
20 Any license held by the operator of a microdistillery shall be subject to  
21 the act. A holder of a microdistillery license may obtain an annual  
22 catering license pursuant to section 53-124.12, a special designated  
23 license pursuant to section 53-124.11, an entertainment district license  
24 pursuant to section 53-123.17, or a promotional farmers market special  
25 designated license pursuant to section 53-124.16. The commission may,  
26 upon the conditions it determines, grant to any microdistillery licensed  
27 under this section a special license authorizing the microdistillery to

1 purchase and to import, from such persons as are entitled to sell the  
2 same, wines or spirits to be used solely as ingredients and for the sole  
3 purpose of blending with and flavoring microdistillery products as a part  
4 of the microdistillation process.

5 (2) A holder of a microdistillery license may directly sell for  
6 resale up to five thousand gallons per calendar year of microdistilled  
7 products produced at its licensed premises directly to retail licensees  
8 located in the State of Nebraska which hold the appropriate retail  
9 license if the holder of the microdistillery license:

10 (a) Only self-distributes its brands of microdistilled products in a  
11 territory in which the microdistillery licensee has not entered into a  
12 distribution agreement for the same brands with a licensed Nebraska  
13 wholesaler for the territory where such retail licensee is located;

14 (b) Self-distributes its microdistilled products utilizing only a  
15 common carrier or person employed by the microdistillery licensee; and

16 (c) Complies with all relevant statutes, rules, and regulations that  
17 apply to Nebraska wholesalers regarding distribution of microdistilled  
18 products.

19 (3) A holder of a microdistillery license may store and warehouse  
20 tax paid products produced on such licensee's licensed premises in a  
21 designated, secure, offsite storage facility if the holder of the  
22 microdistillery license receives authorization from the commission and  
23 notifies the commission of the location of the storage facility and  
24 maintains, at the microdistillery and at the storage facility, a separate  
25 perpetual inventory of the product stored at the storage facility.  
26 Consumption of alcoholic liquor at the storage facility is strictly  
27 prohibited.

28 (4) The commission may adopt and promulgate rules and regulations  
29 relating to the distribution rights of microdistillery licensees.