

AMENDMENTS TO LB1056

Introduced by General Affairs.

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

3 Section 1. Section 9-426, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 9-426 (1) A licensed organization may obtain from the department a
6 special permit to conduct one raffle and one lottery. The cost of the
7 special permit shall be ten dollars. The special permit shall exempt the
8 licensed organization from subsections (2) and (3) of section 9-427 and
9 from section 9-430. The organization shall comply with all other
10 requirements of the Nebraska Lottery and Raffle Act.

11 (2) The special permit shall be valid for one year ~~three calendar~~
12 ~~months~~ and shall be issued by the department upon the proper application
13 by the licensed organization. The special permit shall become invalid
14 upon termination, revocation, or cancellation of the organization's
15 license to conduct a lottery or raffle. The application shall be in such
16 form and contain such information as the department may prescribe. ~~No~~
17 ~~licensed organization may obtain more than one special permit for each~~
18 ~~twelve-month period commencing October 1 of each year or such other date~~
19 ~~as the department may prescribe by rule and regulation.~~

20 (3) No licensed organization conducting a raffle or lottery pursuant
21 to a special permit shall pay persons selling tickets or stubs for the
22 raffle or lottery, except that nothing in this subsection shall prohibit
23 the awarding of prizes to such persons based on ticket or stub sales.

24 Sec. 2. Section 9-429, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 9-429 Any licensed organization or any other organization or person
27 conducting a lottery or raffle activity required to be licensed pursuant

1 to the Nebraska Lottery and Raffle Act shall pay to the department a tax
2 of two percent of the gross proceeds of each lottery having gross
3 proceeds of more than one thousand dollars or raffle having gross
4 proceeds of more than five thousand dollars. Such tax shall be remitted
5 annually by September 30 each year ~~quarterly, within thirty days of the~~
6 ~~end of the quarter,~~ on forms approved and provided by the department. The
7 department shall remit the tax to the State Treasurer for credit to the
8 Charitable Gaming Operations Fund. All deficiencies of the tax imposed by
9 this section shall accrue interest and be subject to a penalty as
10 provided for sales and use taxes in the Nebraska Revenue Act of 1967.

11 Sec. 3. Section 9-431, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 9-431 Each licensed organization conducting a lottery or raffle
14 conducted pursuant to the Nebraska Lottery and Raffle Act shall have its
15 name and identification number clearly printed on each lottery or raffle
16 ticket or stub used in such lottery or raffle. No such ticket or stub
17 shall be sold unless such name and identification number is so printed
18 thereon. In addition, all lottery or raffle tickets or stubs shall bear a
19 number, which numbers shall be in sequence and clearly printed on the
20 ticket or stub.

21 Each ticket or stub shall have an equal chance of being chosen in
22 the drawing. Each ticket or stub shall be constructed of the same
23 material, shall have the same surface, and shall be substantially the
24 same shape, size, form and weight.

25 Each licensed organization conducting a lottery or raffle shall keep
26 a record of all locations where its tickets or stubs are sold. Tickets or
27 stubs may be sold online by the licensed organization on its web site and
28 may be purchased using a credit card or debit card online or at events.

29 Sec. 4. Section 53-123.11, Revised Statutes Supplement, 2019, is
30 amended to read:

31 53-123.11 (1) A farm winery license shall entitle the holder to:

1 (a) Sell wines produced at the farm winery onsite at wholesale and
2 retail and to sell wines produced at the farm winery at off-premises
3 sites holding the appropriate retail license;

4 (b) Sell wines produced at the farm winery at retail for consumption
5 on the premises as designated pursuant to section 53-123.12;

6 (c) Permit a customer to remove one unsealed bottle of wine for
7 consumption off the premises. The licensee or his or her agent shall (i)
8 securely reseal such bottle and place the bottle in a bag designed so
9 that it is visibly apparent that the resealed bottle of wine has not been
10 opened or tampered with and (ii) provide a dated receipt to the customer
11 and attach to such bag a copy of the dated receipt for the resealed
12 bottle of wine. If the resealed bottle of wine is transported in a motor
13 vehicle, it must be placed in the trunk of the motor vehicle or the area
14 behind the last upright seat of such motor vehicle if the area is not
15 normally occupied by the driver or a passenger and the motor vehicle is
16 not equipped with a trunk;

17 (d) Ship wines produced at the farm winery by common carrier and
18 sold at retail to recipients in and outside the State of Nebraska, if the
19 output of such farm winery for each calendar year as reported to the
20 commission by December 31 of each year does not exceed thirty thousand
21 gallons. In the event such amount exceeds thirty thousand gallons, the
22 farm winery shall be required to use a licensed wholesaler to distribute
23 its wines for the following calendar year, except that this requirement
24 shall not apply to wines produced and sold onsite at the farm winery
25 pursuant to subdivision (1)(a) of this section;

26 (e) Allow sampling and sale of the wine at the farm winery and at
27 four branch outlets in the state in reasonable amounts;

28 (f) Sell wines produced at the farm winery to other Nebraska farm
29 winery licensees, in bulk, bottled, labeled, or unlabeled, in accordance
30 with 27 C.F.R. 24.308, 27 C.F.R. 24.309, and 27 C.F.R. 24.314, as such
31 regulations existed on January 1, 2008;

1 (g) Purchase distilled spirits from licensed microdistilleries in
2 Nebraska, in bulk or bottled, made entirely from Nebraska-licensed farm
3 winery wine to be used in the production of fortified wine at the
4 purchasing licensed farm winery; and

5 (h) Store and warehouse products produced at the farm winery in a
6 designated, secure, offsite storage facility if the holder of the farm
7 winery license notifies the commission of the location of the facility
8 and maintains, at the farm winery and at the facility, a separate
9 perpetual inventory of the product stored at the facility. Consumption of
10 alcoholic liquor at the facility is strictly prohibited.

11 (2) No farm winery shall manufacture wine in excess of fifty
12 thousand gallons per year.

13 (3) A farm winery may manufacture and sell hard cider on its
14 licensed premises. A farm winery shall not otherwise distribute the hard
15 cider it manufactures except by sale to a wholesaler licensed under the
16 Nebraska Liquor Control Act.

17 (4) A holder of a farm winery license may obtain a special
18 designated license pursuant to section 53-124.11.

19 (5) A holder of a farm winery license may obtain an annual catering
20 license pursuant to section 53-124.12.

21 Sec. 5. Section 53-123.12, Revised Statutes Cumulative Supplement,
22 2018, is amended to read:

23 53-123.12 (1) Any person desiring to obtain a new license to operate
24 a farm winery shall:

25 (a) File an application with the commission in triplicate original
26 upon such forms as the commission from time to time prescribes;

27 (b) Pay the license fee to the commission under sections 53-124 and
28 53-124.01, which fee shall be returned to the applicant if the
29 application is denied; and

30 (c) Pay the nonrefundable application fee to the commission in the
31 sum of four hundred dollars.

1 (2) To renew a farm winery license, a farm winery licensee shall
2 file an application with the commission, pay the license fee under
3 sections 53-124 and 53-124.01, and pay the renewal fee of forty-five
4 dollars.

5 (3) License fees, application fees, and renewal fees may be paid to
6 the commission by certified or cashier's check of a bank within this
7 state, personal or business check, United States post office money order,
8 or cash in the full amount of such fees.

9 (4) For a new license, the commission shall then notify the
10 municipal clerk of the city or incorporated village where such license is
11 sought or, if the license is not sought within a city or incorporated
12 village, the county clerk of the county where such license is sought of
13 the receipt of the application and shall include with such notice one
14 copy of the application. No such license shall then be issued by the
15 commission until the expiration of at least forty-five days from the date
16 of receipt by mail or electronic delivery of such application from the
17 commission. Within thirty-five days from the date of receipt of such
18 application from the commission, the local governing bodies of nearby
19 cities or villages or the county may make and submit to the commission
20 recommendations relative to the granting of or refusal to grant such
21 license to the applicant.

22 (5)(a) A farm winery licensee may apply to the local governing body
23 for a temporary expansion of the licensed premises to an immediately
24 adjacent area owned or leased by the licensee or to an immediately
25 adjacent street, parking lot, or alley, not to exceed fifteen days per
26 calendar year. The temporary area shall comply with the Nebraska Liquor
27 Control Act for consumption on the premises and shall be subject to the
28 following conditions: (i) The temporary area shall be enclosed during the
29 temporary expansion by a temporary fence or other means approved by the
30 county, city, or village; (ii) the temporary area shall have easily
31 identifiable entrances and exits; and (iii) the licensee shall ensure

1 that the area meets all sanitation requirements for a licensed premises.
2 The local governing body shall electronically notify the commission
3 within five days after the authorization of any temporary expansion
4 pursuant to this subsection.

5 (b) The licensee shall file an application with the local governing
6 body which shall contain (i) the name of the applicant, (ii) the premises
7 for which a temporary expansion is requested, identified by street and
8 number if practicable and, if not, by some other appropriate description
9 which definitely locates the premises, (iii) the name of the owner or
10 lessee of the premises for which the temporary expansion is requested,
11 (iv) sufficient evidence that the licensee will carry on the activities
12 and business authorized by the license for himself, herself, or itself
13 and not as the agent of any other person, group, organization, or
14 corporation, for profit or not for profit, (v) a statement of the type of
15 activity to be carried on during the time period for which a temporary
16 expansion is requested, and (vi) sufficient evidence that the temporary
17 expansion will be supervised by persons or managers who are agents of and
18 directly responsible to the licensee.

19 (c) No temporary expansion provided for by this subsection shall be
20 granted without the approval of the local governing body. The local
21 governing body may establish criteria for approving or denying a
22 temporary expansion. The local governing body may designate an agent to
23 determine whether a temporary expansion is to be approved or denied. Such
24 agent shall follow criteria established by the local governing body in
25 making the determination. The determination of the agent shall be
26 considered the determination of the local governing body unless otherwise
27 provided by the local governing body.

28 (d) For purposes of this section, the local governing body shall be
29 that of the city or village within which the premises for which the
30 temporary expansion is requested are located or, if such premises are not
31 within the corporate limits of a city or village, then the local

1 governing body shall be that of the county within which the premises for
2 which the temporary expansion is requested are located.

3 (e) The decision of the local governing body shall be final. If the
4 applicant does not qualify for a temporary expansion, the temporary
5 expansion shall be denied by the local governing body.

6 (f) The city, village, or county clerk shall deliver confirmation of
7 the temporary expansion to the licensee upon receipt of any fee or tax
8 imposed by such city, village, or county.

9 Sec. 6. Section 53-129, Revised Statutes Cumulative Supplement,
10 2018, is amended to read:

11 53-129 (1) Except as otherwise provided in subsection (3) of this
12 section, retail Retail, bottle club, craft brewery, and microdistillery
13 licenses issued under the Nebraska Liquor Control Act apply only to that
14 part of the premises described in the application approved by the
15 commission and in the license issued on the application. For retail,
16 bottle club, and microdistillery licenses, only one location shall be
17 described in each license. For craft brewery licenses, up to five
18 separate physical locations may be described in each license.

19 (2) After such license has been granted for the particular premises,
20 the commission, with the approval of the local governing body and upon
21 proper showing, may endorse upon the license permission to add to, delete
22 from, or abandon the premises described in such license and, if
23 applicable, to move from the premises to other premises approved by the
24 local governing body. In it, ~~but in~~ order to obtain such approval, the
25 retail, bottle club, craft brewery, or microdistillery licensee shall
26 file with the local governing body a request in writing and a statement
27 under oath which shows that the premises, as added to or deleted from or
28 to which such move is to be made, comply in all respects with the
29 requirements of the act. No such addition, deletion, or move shall be
30 made by any such licensee until the license has been endorsed to that
31 effect in writing by the local governing body and by the commission and

1 the licensee furnishes proof of payment of the renewal fee prescribed in
2 subsection (4) of section 53-131.

3 (3)(a) A retail, bottle club, craft brewery, or microdistillery
4 licensee may apply to the local governing body for a temporary expansion
5 of its licensed premises to an immediately adjacent area owned or leased
6 by the licensee or to an immediately adjacent street, parking lot, or
7 alley, not to exceed fifteen days per calendar year. The temporary area
8 shall otherwise comply with all requirements of the Nebraska Liquor
9 Control Act.

10 (b) The licensee shall file an application with the local governing
11 body which shall contain (i) the name of the applicant, (ii) the premises
12 for which a temporary expansion is requested, identified by street and
13 number if practicable and, if not, by some other appropriate description
14 which definitely locates the premises, (iii) the name of the owner or
15 lessee of the premises for which the temporary expansion is requested,
16 (iv) sufficient evidence that the licensee will carry on the activities
17 and business authorized by the license for himself, herself, or itself
18 and not as the agent of any other person, group, organization, or
19 corporation, for profit or not for profit, (v) a statement of the type of
20 activity to be carried on during the time period for which a temporary
21 expansion is requested, and (vi) sufficient evidence that the temporary
22 expansion will be supervised by persons or managers who are agents of and
23 directly responsible to the licensee.

24 (c) No temporary expansion provided for by this subsection shall be
25 granted without the approval of the local governing body. The local
26 governing body may establish criteria for approving or denying a
27 temporary expansion. The local governing body may designate an agent to
28 determine whether a temporary expansion is to be approved or denied. Such
29 agent shall follow criteria established by the local governing body in
30 making the determination. The determination of the agent shall be
31 considered the determination of the local governing body unless otherwise

1 provided by the local governing body.

2 (d) For purposes of this section, the local governing body shall be
3 that of the city or village within which the premises for which the
4 temporary expansion is requested are located or, if such premises are not
5 within the corporate limits of a city or village, then the local
6 governing body shall be that of the county within which the premises for
7 which the temporary expansion is requested are located.

8 (e) The decision of the local governing body shall be final. If the
9 applicant does not qualify for a temporary expansion, the temporary
10 expansion shall be denied by the local governing body.

11 (f) The city, village, or county clerk shall deliver confirmation of
12 the temporary expansion to the licensee upon receipt of any fee or tax
13 imposed by such city, village, or county.

14 Sec. 7. Section 53-134, Revised Statutes Cumulative Supplement,
15 2018, is amended to read:

16 53-134 The local governing body of any city or village with respect
17 to licenses within its corporate limits and the local governing body of
18 any county with respect to licenses not within the corporate limits of
19 any city or village but within the county shall have the following
20 powers, functions, and duties with respect to retail, bottle club, craft
21 brewery, microdistillery, and entertainment district licenses:

22 (1) To cancel or revoke for cause retail, craft brewery,
23 microdistillery, or entertainment district licenses to sell or dispense
24 alcoholic liquor or bottle club licenses, issued to persons for premises
25 within its jurisdiction, subject to the right of appeal to the
26 commission;

27 (2) To enter or to authorize any law enforcement officer to enter at
28 any time upon any premises licensed under the Nebraska Liquor Control Act
29 to determine whether any provision of the act, any rule or regulation
30 adopted and promulgated pursuant to the act, or any ordinance,
31 resolution, rule, or regulation adopted by the local governing body has

1 been or is being violated and at such time examine the premises of such
2 licensee in connection with such determination. Any law enforcement
3 officer who determines that any provision of the act, any rule or
4 regulation adopted and promulgated pursuant to the act, or any ordinance,
5 resolution, rule, or regulation adopted by the local governing body has
6 been or is being violated shall report such violation in writing to the
7 executive director of the commission (a) within thirty days after
8 determining that such violation has occurred, (b) within thirty days
9 after the conclusion of an ongoing police investigation, or (c) within
10 thirty days after the verdict in a prosecution related to such an ongoing
11 police investigation if the prosecuting attorney determines that
12 reporting such violation prior to the verdict would jeopardize such
13 prosecution, whichever is later;

14 (3) To receive a signed complaint from any citizen within its
15 jurisdiction that any provision of the act, any rule or regulation
16 adopted and promulgated pursuant to the act, or any ordinance,
17 resolution, rule, or regulation relating to alcoholic liquor has been or
18 is being violated and to act upon such complaints in the manner provided
19 in the act;

20 (4) To receive retail license fees, bottle club license fees, craft
21 brewery license fees, and microdistillery license fees as provided in
22 sections 53-124 and 53-124.01 and entertainment district license fees as
23 provided in section 53-123.17 and pay the same, after the license has
24 been delivered to the applicant, to the city, village, or county
25 treasurer;

26 (5) To examine or cause to be examined any applicant or any retail
27 licensee, bottle club licensee, craft brewery licensee, microdistillery
28 licensee, or entertainment district licensee upon whom notice of
29 cancellation or revocation has been served as provided in the act, to
30 examine or cause to be examined the books and records of any applicant or
31 licensee except as otherwise provided for bottle club licensees in

1 section 53-123.08, and to hear testimony and to take proof for its
2 information in the performance of its duties. For purposes of obtaining
3 any of the information desired, the local governing body may authorize
4 its agent or attorney to act on its behalf;

5 (6) To cancel or revoke on its own motion any license if, upon the
6 same notice and hearing as provided in section 53-134.04, it determines
7 that the licensee has violated any of the provisions of the act or any
8 valid and subsisting ordinance, resolution, rule, or regulation duly
9 enacted, adopted, and promulgated relating to alcoholic liquor. Such
10 order of cancellation or revocation may be appealed to the commission
11 within thirty days after the date of the order by filing a notice of
12 appeal with the commission. The commission shall handle the appeal in the
13 manner provided for hearing on an application in section 53-133;~~and~~

14 (7) Upon receipt from the commission of the notice and copy of
15 application as provided in section 53-131, to fix a time and place for a
16 hearing at which the local governing body shall receive evidence, either
17 orally or by affidavit from the applicant and any other person, bearing
18 upon the propriety of the issuance of a license. Notice of the time and
19 place of such hearing shall be published in a legal newspaper in or of
20 general circulation in such city, village, or county one time not less
21 than seven and not more than fourteen days before the time of the
22 hearing. Such notice shall include, but not be limited to, a statement
23 that all persons desiring to give evidence before the local governing
24 body in support of or in protest against the issuance of such license may
25 do so at the time of the hearing. Such hearing shall be held not more
26 than forty-five days after the date of receipt of the notice from the
27 commission, and after such hearing the local governing body shall cause
28 to be recorded in the minute record of their proceedings a resolution
29 recommending either issuance or refusal of such license. The clerk of
30 such city, village, or county shall mail to the commission by first-class
31 mail, postage prepaid, a copy of the resolution which shall state the

1 cost of the published notice, except that failure to comply with this
2 provision shall not void any license issued by the commission. If the
3 commission refuses to issue such a license, the cost of publication of
4 notice shall be paid by the commission from the security for costs; ~~and -~~

5 (8) To review and authorize an application by a retail, bottle club,
6 craft brewery, farm winery, or microdistillery licensee for a temporary
7 expansion of its licensed premises within the jurisdiction of the local
8 governing body to an immediately adjacent area owned or leased by the
9 licensee or to an immediately adjacent street, parking lot, or alley, not
10 to exceed fifteen days per calendar year, as provided in sections
11 53-123.12 and 53-129.

12 Sec. 8. Section 82-312, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 82-312 The duties of the council shall be:

15 (1) To stimulate and encourage throughout the state the study and
16 presentation of the performing and fine arts and public interest and
17 participation therein;

18 (2) To make such surveys as may be deemed advisable of public and
19 private institutions within the state engaged in artistic and cultural
20 activities, including, but not limited to, music, theatre, dance,
21 painting, sculpture, architecture, and allied arts and crafts, and to
22 make recommendations concerning appropriate methods to encourage
23 participation in and appreciation of the arts to meet the legitimate
24 needs and aspirations of persons in all parts of the state;

25 (3) To take such steps as may be necessary and appropriate to
26 encourage public interest in the cultural heritage of our state and to
27 expand the state's cultural resources; ~~and~~

28 (4) To encourage and assist freedom of artistic expression essential
29 for the well-being of the arts; ~~and -~~

30 (5) To recommend to the Legislature a plan to divide the state into
31 creative districts and certify them based on geographically contiguous

1 area, artistic or cultural activities or facilities, promotion and
2 preservation of artistic or cultural sites or events, educational uses of
3 artistic or cultural activities or sites, and unique or niche areas,
4 activities, events, facilities, or sites.

5 Sec. 9. Section 82-313, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 82-313 (1) The Nebraska Arts Council may:

8 (a) Hold ~~(1) hold~~ public and private hearings; τ

9 (b) Enter ~~(2) enter~~ into contracts, within the limit of funds
10 available therefor, with individuals, organizations, and institutions for
11 services furthering the educational objectives of the council's
12 programs; τ

13 (c) Enter ~~(3) enter~~ into contracts, within the limit of funds
14 available therefor, with local and regional associations for cooperative
15 endeavors furthering the educational objectives of the council's
16 programs; τ

17 (d) Accept ~~(4) accept~~ gifts, contributions, and bequests of
18 unrestricted funds from individuals, foundations, corporations, and other
19 organizations or institutions for the purpose of furthering the
20 educational objectives of the council's programs; τ

21 (e) Distribute ~~(5) distribute~~ funds appropriated by the Legislature
22 to any organization which has been designated as the state affiliate of
23 the National Endowment for the Humanities for the period covered by the
24 appropriation; τ

25 (f) Make ~~(6) make~~ and sign any agreements and do and perform any
26 acts that may be necessary to carry out the purposes of sections 82-309
27 to 82-316; τ

28 (g) Enter ~~(7) enter~~ into contracts, make and sign any agreements,
29 and perform any acts that may be necessary to stabilize funding for the
30 arts and humanities and to carry out the intent of sections 82-330 to
31 82-333; τ

1 (h) Prepare a plan that would permit, to the extent that funds are
2 available, the establishment of a competitive grant program to award a
3 grant to any creative district that is certified pursuant to the plan
4 adopted by the Legislature under subdivision (5) of section 82-312 and
5 that meets the criteria for the competitive grant, including eligibility
6 criteria, application and appeal processes, conditions on receipt of a
7 grant, and consequences of failure to meet the conditions; and

8 (i) Adopt and ~~(8) adopt~~ and promulgate rules and regulations to
9 carry out its powers and duties.

10 (2) The council may request from any department, division, board,
11 bureau, commission, or agency of the state such assistance and data as
12 will enable it properly to carry out its powers and duties.

13 Sec. 10. Original sections 9-426, 9-429, 9-431, 82-312, and 82-313,
14 Reissue Revised Statutes of Nebraska, sections 53-123.12, 53-129, and
15 53-134, Revised Statutes Cumulative Supplement, 2018, and section
16 53-123.11, Revised Statutes Supplement, 2019, are repealed.