

AMENDMENTS TO LB274

Introduced by General Affairs.

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

3 Section 1. Section 53-101, Revised Statutes Cumulative Supplement,
4 2020, is amended to read:

5 53-101 Sections 53-101 to 53-1,122 and sections 3 to 6, 12, and 13
6 of this act shall be known and may be cited as the Nebraska Liquor
7 Control Act.

8 Sec. 2. Section 53-103, Revised Statutes Cumulative Supplement,
9 2020, is amended to read:

10 53-103 For purposes of the Nebraska Liquor Control Act, the
11 definitions found in sections 53-103.01 to 53-103.47 and section 3 and 4
12 of this act apply.

13 Sec. 3. Farmers market means any common facility or area where
14 producers or growers gather on a regular, recurring basis to sell fruits,
15 vegetables, meats, and other farm products directly to consumers.

16 Sec. 4. Ready-to-drink cocktail means a beverage or confection
17 containing spirits in an original package which contains twelve and one-
18 half percent or less alcohol by volume.

19 Sec. 5. (1) Notwithstanding any other provision of the Nebraska
20 Liquor Control Act, for the purpose of raising revenue, a tax is imposed
21 upon the privilege of engaging in business as a manufacturer or a
22 wholesaler of ready-to-drink cocktails at a rate of ninety-five cents per
23 gallon. The gallonage tax imposed by this section shall be imposed only
24 on alcoholic liquor upon which a federal excise tax is imposed.

25 (2) Manufacturers or wholesalers of ready-to-drink cocktails shall
26 be exempt from the payment of the gallonage tax imposed by this section
27 on such products upon satisfactory proof, including bills of lading

1 furnished to the commission by affidavit or otherwise as the commission
2 may require, that such ready-to-drink cocktails were manufactured in this
3 state but shipped out of this state for sale and consumption outside this
4 state.

5 (3) The gallonage tax imposed by this section shall be in addition
6 to all other occupation or privilege taxes imposed by this state or by
7 any municipal corporation or political subdivision thereof.

8 (4) The commission shall collect the gallonage tax on ready-to-drink
9 cocktails and shall account for and remit to the State Treasurer at least
10 once each week all money collected pursuant to this section. If any
11 spirits manufactured in or shipped into this state are sold to a licensed
12 manufacturer or wholesaler of this state to be used solely as an
13 ingredient in the manufacture of ready-to-drink cocktails for human
14 consumption, the tax imposed upon such manufacturer or wholesaler shall
15 be reduced by the amount of the taxes which have been paid as to such
16 spirits so used under the Nebraska Liquor Control Act. The net proceeds
17 of all revenue arising under this section shall be credited to the
18 General Fund.

19 Sec. 6. The commission may adopt and promulgate rules and
20 regulations pertaining to the production and sale of ready-to-drink
21 cocktails.

22 Sec. 7. Section 53-123, Revised Statutes Cumulative Supplement,
23 2020, is amended to read:

24 53-123 Licenses issued by the commission shall be of the following
25 types: (1) Manufacturer's license; (2) alcoholic liquor wholesale
26 license, except beer; (3) beer wholesale license; (4) retail license; (5)
27 railroad license; (6) airline license; (7) boat license; (8) nonbeverage
28 user's license; (9) farm winery license; (10) craft brewery license; (11)
29 shipping license; (12) special designated license; (13) catering license;
30 (14) microdistillery license; (15) entertainment district license; (16)
31 pedal-pub vehicle license; (17) bottle club license;—and (18) special

1 party bus license; and (19) promotional farmers market special designated
2 license.

3 Sec. 8. Section 53-123.04, Revised Statutes Cumulative Supplement,
4 2020, is amended to read:

5 53-123.04 (1) A retail license shall allow the licensee to sell and
6 offer for sale at retail either in the original package or otherwise, as
7 prescribed in the retail license, on the premises specified in the retail
8 license or the entertainment district license or on the premises where
9 catering is occurring, alcoholic liquor or beer for use or consumption
10 but not for resale in any form except as provided in section 53-175.

11 (2) Nothing in the Nebraska Liquor Control Act shall prohibit a
12 holder of a Class D license from allowing the sampling of tax-paid wine
13 for consumption on the premises by such licensee or his or her employees
14 in cooperation with a licensed wholesaler in the manner prescribed by the
15 commission.

16 (3)(a) A restaurant holding a license to sell alcoholic liquor at
17 retail for consumption on the licensed premises may permit a customer to
18 remove one unsealed bottle of wine for consumption off the premises if
19 the customer has purchased a full-course meal and consumed a portion of
20 the bottle of wine with such full-course meal on the licensed premises.
21 The licensee or his or her agent shall (i) securely reseal such bottle
22 and place the bottle in a bag designed so that it is visibly apparent
23 that the resealed bottle of wine has not been opened or tampered with and
24 (ii) provide a dated receipt to the customer and attach to such bag a
25 copy of the dated receipt for the resealed bottle of wine and the full-
26 course meal.

27 (b) If the resealed bottle of wine is transported in a motor
28 vehicle, it must be placed in the trunk of the motor vehicle or the area
29 behind the last upright seat of such motor vehicle if the area is not
30 normally occupied by the driver or a passenger and the motor vehicle is
31 not equipped with a trunk.

1 (c) For purposes of this subsection, full-course meal means a
2 diversified selection of food which is ordinarily consumed with the use
3 of tableware and cannot conveniently be consumed while standing or
4 walking.

5 (4) The holder of a Class C liquor license as described in
6 subdivision (6)(a)(iii) of section 53-124 may sell alcoholic liquor not
7 in the original package, such as a mixed drink or cocktail, to a person
8 twenty-one years of age or older for consumption off the premises if (a)
9 the alcoholic liquor is (i) not partially consumed and (ii) in a labeled
10 and sealed container with a tamper-evident lid, cap, or seal, as approved
11 by the commission, and (b) for alcoholic liquor transported in a motor
12 vehicle, the alcoholic liquor is placed in the trunk of the motor vehicle
13 or the area behind the last upright seat of such motor vehicle if the
14 area is not normally occupied by the driver or a passenger and the motor
15 vehicle is not equipped with a trunk.

16 (5) The holder of a Class I liquor license as described in
17 subdivision (6)(a)(v) of section 53-124 may sell alcoholic liquor not in
18 the original package, such as a mixed drink or cocktail, to a person
19 twenty-one years of age or older for consumption off the premises if (a)
20 the alcoholic liquor is (i) not partially consumed, (ii) in a labeled and
21 sealed container with a tamper-evident lid, cap, or seal, as approved by
22 the commission, and (iii) purchased along with food, and (b) for
23 alcoholic liquor transported in a motor vehicle, the alcoholic liquor is
24 placed in the trunk of the motor vehicle or the area behind the last
25 upright seat of such motor vehicle if the area is not normally occupied
26 by the driver or a passenger and the motor vehicle is not equipped with a
27 trunk.

28 Sec. 9. Section 53-123.11, Revised Statutes Cumulative Supplement,
29 2020, is amended to read:

30 53-123.11 (1) A farm winery license shall entitle the holder to:

31 (a) Sell wines produced at the farm winery onsite at wholesale and

1 retail and to sell wines produced at the farm winery at off-premises
2 sites holding the appropriate retail license;

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

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

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

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

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

31 (g) Purchase distilled spirits from licensed microdistilleries in

1 Nebraska, in bulk or bottled, made entirely from Nebraska-licensed farm
2 winery wine to be used in the production of fortified wine at the
3 purchasing licensed farm winery;~~and~~

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

10 (i) Sell alcoholic liquor authorized under a farm winery license not
11 in its original package, such as sangria or wine slushies, to a person
12 twenty-one years of age or older for consumption off the premises if (i)
13 the alcoholic liquor is (A) not partially consumed and (B) in a labeled
14 and sealed container with a tamper-evident lid, cap, or seal, as approved
15 by the commission, and (ii) for alcoholic liquor transported in a motor
16 vehicle, the alcoholic liquor is placed in the trunk of the motor vehicle
17 or the area behind the last upright seat of such motor vehicle if the
18 area is not normally occupied by the driver or a passenger and the motor
19 vehicle is not equipped with a trunk.

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

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

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

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

30 (6) A holder of a farm winery license may obtain a promotional
31 farmers market special designated license pursuant to section 12 of this

1 act.

2 Sec. 10. Section 53-123.14, Revised Statutes Cumulative Supplement,
3 2020, is amended to read:

4 53-123.14 Any person who operates a craft brewery shall obtain a
5 license pursuant to the Nebraska Liquor Control Act. A license to operate
6 a craft brewery shall permit the production of a maximum of twenty
7 thousand barrels of beer per year in the aggregate from all physical
8 locations comprising the licensed premises. A craft brewery may also sell
9 to beer wholesalers for sale and distribution to licensed retailers. A
10 craft brewery license issued pursuant to this section shall be the only
11 license required by the Nebraska Liquor Control Act for the manufacture
12 and retail sale of beer for consumption on or off the licensed premises,
13 except that the sale of any beer other than beer manufactured by the
14 craft brewery licensee, wine, or alcoholic liquor by the drink for
15 consumption on the licensed premises shall require the appropriate retail
16 license. Any license held by the operator of a craft brewery shall be
17 subject to the act. A holder of a craft brewery license may obtain an
18 annual catering license pursuant to section 53-124.12, a special
19 designated license pursuant to section 53-124.11, ~~or~~ an entertainment
20 district license pursuant to section 53-123.17, or a promotional farmers
21 market special designated license pursuant to section 12 of this act. For
22 purposes of this section, licensed premises may include up to five
23 separate physical locations.

24 Sec. 11. Section 53-123.16, Revised Statutes Cumulative Supplement,
25 2020, is amended to read:

26 53-123.16 Any person who operates a microdistillery shall obtain a
27 license pursuant to the Nebraska Liquor Control Act. A license to operate
28 a microdistillery shall permit the licensee to produce on the premises a
29 maximum of ten thousand gallons of liquor per year. A microdistillery may
30 also sell to licensed wholesalers for sale and distribution to licensed
31 retailers. A microdistillery license issued pursuant to this section

1 shall be the only license required by the Nebraska Liquor Control Act for
2 the manufacture and retail sale of microdistilled product for consumption
3 on or off the licensed premises, except that the sale of any beer, wine,
4 or alcoholic liquor, other than microdistilled product manufactured by
5 the microdistillery licensee, by the drink for consumption on the
6 microdistillery premises shall require the appropriate retail license.
7 Any license held by the operator of a microdistillery shall be subject to
8 the act. A holder of a microdistillery license may obtain an annual
9 catering license pursuant to section 53-124.12, a special designated
10 license pursuant to section 53-124.11, ~~or~~ an entertainment district
11 license pursuant to section 53-123.17, or a promotional farmers market
12 special designated license pursuant to section 12 of this act. The
13 commission may, upon the conditions it determines, grant to any
14 microdistillery licensed under this section a special license authorizing
15 the microdistillery to purchase and to import, from such persons as are
16 entitled to sell the same, wines or spirits to be used solely as
17 ingredients and for the sole purpose of blending with and flavoring
18 microdistillery products as a part of the microdistillation process.

19 Sec. 12. (1) The commission may issue a promotional farmers market
20 special designated license to a craft brewery, microdistillery, or farm
21 winery licensee to sell or dispense alcoholic liquor, which the holder is
22 licensed to produce, at a farmers market outside of the manufacturer's
23 designated premises under conditions specified in this section.

24 (2) A promotional farmers market special designated license issued
25 under this section shall not be used without approval of the local
26 governing body pursuant to section 13 of this act.

27 (3) The craft brewery, microdistillery, or farm winery licensee
28 seeking a promotional farmers market special designated license under
29 this section shall file an application on such forms as the commission
30 may prescribe. Such forms shall contain, along with other information as
31 required by the commission, (a) the name of the applicant, (b) the

1 premises for which the applicant is licensed, identified by street and
2 number if practicable and, if not, by some other appropriate description
3 which definitely locates the premises, (c) sufficient evidence that the
4 licensee will carry on the activities and business authorized by the
5 license on behalf of the licensee, and not as the agent of any other
6 person, group, organization, or corporation, for profit or not for
7 profit, (d) a statement of the type of activity to be carried on during
8 the time period for which a promotional farmers market special designated
9 license is requested, (e) sufficient evidence that the activity will be
10 supervised by persons or managers who are agents of and directly
11 responsible to the holder of the promotional farmers market special
12 designated license, and (f) information on a safety and security plan for
13 use of the promotional farmers market special designated license as
14 required by the commission.

15 (4) There shall be a fee of fifteen dollars for a promotional
16 farmers market special designated license payable to the commission and
17 submitted with the application. The applicant shall be exempt from the
18 provisions of the Nebraska Liquor Control Act requiring an application or
19 renewal fee and the provisions of the act requiring the expiration of
20 forty-five days from the time the application is received by the
21 commission prior to the issuance of a license, if granted by the
22 commission. The promotional farmers market special designated license
23 shall be issued for the same period and may be renewed in the same manner
24 as the craft brewery, microdistillery, or farm winery license.

25 (5) If the applicant meets the requirements of this section, a
26 promotional farmers market special designated license shall be granted
27 and issued by the commission for use by the holder of the promotional
28 farmers market special designated license. All statutory provisions and
29 rules and regulations of the commission that apply to a retail license
30 shall apply to the holder of a promotional farmers market special
31 designated license with the exception of such statutory provisions and

1 rules and regulations of the commission so designated by the commission
2 and stated upon the issued promotional farmers market special designated
3 license, except that the commission may not designate exemption from
4 sections 53-180 to 53-180.07. The decision of the commission shall be
5 final. If the applicant does not qualify for a promotional farmers market
6 special designated license, the application shall be denied by the
7 commission.

8 (6) A promotional farmers market special designated license issued
9 by the commission shall be mailed or delivered to the licensee. The
10 licensee shall comply with any rules and regulations adopted and
11 promulgated by the commission. Violation of any provision of this section
12 or section 13 of this act may be cause to revoke, cancel, or suspend the
13 promotional farmers market special designated license or the class of
14 retail license issued under section 53-124 held by such licensee.

15 Sec. 13. (1) The holder of a promotional farmers market special
16 designated license issued under section 12 of this act may apply to the
17 local governing body of a city, village, or county for a permit to use
18 the promotional farmers market special designated license to sell or
19 dispense alcoholic liquor, which the holder is licensed to produce, for
20 consumption at a farmers market located within the jurisdiction of the
21 local governing body.

22 (2) A permit may be issued to the licensee for the duration of an
23 annual farmers market without reapplying to the local governing body. The
24 local governing body may issue multiple permits to a licensee for each
25 separate farmers market location within the jurisdiction of the local
26 governing body.

27 (3) For purposes of this section, local governing body means the
28 governing body of the city or village within which the farmers market for
29 which the permit is requested is located or, if such farmers market is
30 not within the corporate limits of a city or village, local governing
31 body means the governing body of the county within which the farmers

1 market for which the permit is requested is located.

2 (4) No permit shall be granted under this section without the
3 approval of the local governing body and the submission of a safety and
4 security plan containing such information as the local governing body may
5 require for use of the promotional farmers market special designated
6 license. The local governing body may establish criteria for approving or
7 denying a permit. The local governing body may designate an agent to
8 determine whether a permit is to be approved or denied. Such agent shall
9 follow criteria established by the local governing body in making the
10 determination. The determination of the agent shall be considered the
11 determination of the local governing body unless otherwise provided by
12 the local governing body.

13 (5) The decision of the local governing body shall be final. If the
14 applicant does not qualify for a permit to use the promotional farmers
15 market special designated license to sell or dispense alcoholic liquor,
16 including beer, for consumption at a farmers market, the permit shall be
17 denied.

18 (6) The city, village, or county clerk shall deliver confirmation of
19 the permit to use the promotional farmers market special designated
20 license to sell or dispense alcoholic liquor, including beer, for
21 consumption at a farmers market to the licensee upon receipt of any fee
22 or tax imposed by such city, village, or county.

23 (7) The local governing body shall electronically notify the
24 commission within five days after the authorization of any permit under
25 this section for the holder of a promotional farmers market special
26 designated license.

27 Sec. 14. Section 53-124, Revised Statutes Cumulative Supplement,
28 2020, is amended to read:

29 53-124 (1) At the time application is made to the commission for a
30 license of any type, the applicant shall pay the fee provided in section
31 53-124.01 and, if the applicant is an individual, provide the applicant's

1 social security number. The commission shall issue the types of licenses
2 described in this section.

3 (2) There shall be an airline license, a boat license, a special
4 party bus license, a pedal-pub vehicle license, and a railroad license.
5 The commission shall charge one dollar for each duplicate of an airline
6 license, a special party bus license, a pedal-pub vehicle license, or a
7 railroad license.

8 (3)(a) There shall be a manufacturer's license for alcohol and
9 spirits, for beer, and for wine. The annual fee for a manufacturer's
10 license for beer shall be based on the barrel daily capacity as follows:

- 11 (i) 1 to 100 barrel daily capacity, or any part thereof, tier one;
- 12 (ii) 100 to 150 barrel daily capacity, tier two;
- 13 (iii) 150 to 200 barrel daily capacity, tier three;
- 14 (iv) 200 to 300 barrel daily capacity, tier four;
- 15 (v) 300 to 400 barrel daily capacity, tier five;
- 16 (vi) 400 to 500 barrel daily capacity, tier six;
- 17 (vii) 500 barrel daily capacity, or more, tier seven.

18 (b) For purposes of this subsection, daily capacity means the
19 average daily barrel production for the previous twelve months of
20 manufacturing operation. If no such basis for comparison exists, the
21 manufacturing licensee shall pay in advance for the first year's
22 operation a fee of five hundred dollars.

23 (4) There shall be five classes of nonbeverage users' licenses:
24 Class 1, Class 2, Class 3, Class 4, and Class 5.

25 (5) In lieu of a manufacturer's, a retailer's, or a wholesaler's
26 license, there shall be a license to operate issued for a craft brewery,
27 a farm winery, or a microdistillery.

28 (6)(a) There shall be six classes of retail licenses:

- 29 (i) Class A: Beer only, for consumption on the premises;
- 30 (ii) Class B: Beer only, for consumption off the premises, sales in
31 the original packages only;

1 (iii) Class C: Alcoholic liquor, for consumption on the premises and
2 off the premises, sales in original packages only except as provided in
3 subsection (4) of section 53-123.04. If a Class C license is held by a
4 nonprofit corporation, it shall be restricted to consumption on the
5 premises only. A Class C license may have a sampling designation
6 restricting consumption on the premises to sampling, but such designation
7 shall not affect sales for consumption off the premises under such
8 license;

9 (iv) Class D: Alcoholic liquor, including beer, for consumption off
10 the premises, sales in the original packages only, except as provided in
11 subdivision (6)(a)(vi) of this section and subsection (2) of section
12 53-123.04;

13 (v) Class I: Alcoholic liquor, for consumption on the premises
14 except as provided in subsection (5) of section 53-123.04; and

15 (vi) Class J: Alcoholic liquor, including beer, for consumption off
16 the premises, sales in the original packages only, for a retail licensee
17 whose annual gross revenue from the sale of alcohol does not exceed
18 twenty percent of the licensee's total annual gross revenue from all
19 retail sales.

20 (b) All applicable license fees shall be paid by the applicant or
21 licensee directly to the city or village treasurer in the case of
22 premises located inside the corporate limits of a city or village and
23 directly to the county treasurer in the case of premises located outside
24 the corporate limits of a city or village.

25 (7) There shall be four types of shipping licenses as described in
26 section 53-123.15: Manufacturers, vintage wines, manufacture direct
27 sales, and retail direct sales.

28 (8) There shall be two types of wholesale licenses: Alcoholic liquor
29 and beer only. The annual fee shall be paid for the first and each
30 additional wholesale place of business operated in this state by the same
31 licensee and wholesaling the same product.

1 (9) There shall be a bottle club license. All applicable license
2 fees shall be paid by the applicant or licensee directly to the city or
3 village treasurer in the case of premises located inside the corporate
4 limits of a city or village and directly to the county treasurer in the
5 case of premises located outside the corporate limits of a city or
6 village.

7 (10) The license year, unless otherwise provided in the Nebraska
8 Liquor Control Act, shall commence on May 1 of each year and shall end on
9 the following April 30, except that the license year for a Class C
10 license shall commence on November 1 of each year and shall end on the
11 following October 31. During the license year, no license shall be issued
12 for a sum less than the amount of the annual license fee as fixed in
13 section 53-124.01, regardless of the time when the application for such
14 license has been made, except that (a) when there is a purchase of an
15 existing licensed business and a new license of the same class is issued
16 or (b) upon the issuance of a new license for a location which has not
17 been previously licensed, the license fee and occupation taxes shall be
18 prorated on a quarterly basis as of the date of issuance.

19 Sec. 15. Section 53-124.13, Revised Statutes Cumulative Supplement,
20 2020, is amended to read:

21 53-124.13 (1) The holder of a catering license may deliver, sell, or
22 dispense alcoholic liquor, including beer, for consumption at premises
23 designated in a special designated license issued pursuant to section
24 53-124.11.

25 (2) The holder of the catering license shall file an application
26 seeking a special designated license for the event. The application shall
27 be filed at least twenty-one days prior to the event for which the
28 special designated license is requested unless the local governing body
29 has established an expedited process for such applications, in which case
30 the application shall be filed at least twelve days prior to the event.
31 In addition to the information required by subsection (3) of section

1 53-124.11, the applicant shall inform the commission of (a) the time of
2 the event, (b) the name of the person or organization requesting the
3 applicant's services, (c) the opening and closing dates of the event, and
4 (d) any other information the commission or local governing body deems
5 necessary. A holder of a catering license shall not cater an event unless
6 such licensee receives a special designated license for the event, except
7 that the holder of a catering license who also holds a promotional
8 farmers market special designated license under section 12 of this act
9 may cater a farmers market as prescribed in section 13 of this act.

10 (3) If the organization for which the holder of a catering license
11 is catering is a nonprofit organization exempted from the payment of
12 federal income taxes, such organization may share with such licensee a
13 part or all of the proceeds from the sale of any alcoholic liquor sold
14 and dispensed pursuant to this section.

15 (4) For purposes of this section, local governing body means the
16 governing body of the city or village in which the event will be held or,
17 if the event will not be held within the corporate limits of a city or
18 village, the governing body of the county in which such event will be
19 held.

20 (5) Only the holder of a special designated license or employees of
21 such licensee may dispense alcoholic liquor at the event which is being
22 catered. Violation of any provision of this section or section 53-124.12
23 or any rules or regulations adopted and promulgated pursuant to such
24 sections occurring during an event being catered by such licensee may be
25 cause to revoke, cancel, or suspend the class of retail license issued
26 under section 53-124 held by such licensee.

27 Sec. 16. Section 53-134, Revised Statutes Cumulative Supplement,
28 2020, is amended to read:

29 53-134 The local governing body of any city or village with respect
30 to licenses within its corporate limits and the local governing body of
31 any county with respect to licenses not within the corporate limits of

1 any city or village but within the county shall have the following
2 powers, functions, and duties with respect to retail, bottle club, craft
3 brewery, microdistillery, and entertainment district licenses:

4 (1) To cancel or revoke for cause retail, craft brewery,
5 microdistillery, or entertainment district licenses to sell or dispense
6 alcoholic liquor or bottle club licenses, issued to persons for premises
7 within its jurisdiction, subject to the right of appeal to the
8 commission;

9 (2) To enter or to authorize any law enforcement officer to enter at
10 any time upon any premises licensed under the Nebraska Liquor Control Act
11 to determine whether any provision of the act, any rule or regulation
12 adopted and promulgated pursuant to the act, or any ordinance,
13 resolution, rule, or regulation adopted by the local governing body has
14 been or is being violated and at such time examine the premises of such
15 licensee in connection with such determination. Any law enforcement
16 officer who determines that any provision of the act, any rule or
17 regulation adopted and promulgated pursuant to the act, or any ordinance,
18 resolution, rule, or regulation adopted by the local governing body has
19 been or is being violated shall report such violation in writing to the
20 executive director of the commission (a) within thirty days after
21 determining that such violation has occurred, (b) within thirty days
22 after the conclusion of an ongoing police investigation, or (c) within
23 thirty days after the verdict in a prosecution related to such an ongoing
24 police investigation if the prosecuting attorney determines that
25 reporting such violation prior to the verdict would jeopardize such
26 prosecution, whichever is later;

27 (3) To receive a signed complaint from any citizen within its
28 jurisdiction that any provision of the act, any rule or regulation
29 adopted and promulgated pursuant to the act, or any ordinance,
30 resolution, rule, or regulation relating to alcoholic liquor has been or
31 is being violated and to act upon such complaints in the manner provided

1 in the act;

2 (4) To receive retail license fees, bottle club license fees, craft
3 brewery license fees, and microdistillery license fees as provided in
4 sections 53-124 and 53-124.01 and entertainment district license fees as
5 provided in section 53-123.17 and pay the same, after the license has
6 been delivered to the applicant, to the city, village, or county
7 treasurer;

8 (5) To examine or cause to be examined any applicant or any retail
9 licensee, bottle club licensee, craft brewery licensee, microdistillery
10 licensee, or entertainment district licensee upon whom notice of
11 cancellation or revocation has been served as provided in the act, to
12 examine or cause to be examined the books and records of any applicant or
13 licensee except as otherwise provided for bottle club licensees in
14 section 53-123.08, and to hear testimony and to take proof for its
15 information in the performance of its duties. For purposes of obtaining
16 any of the information desired, the local governing body may authorize
17 its agent or attorney to act on its behalf;

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

27 (7) Upon receipt from the commission of the notice and copy of
28 application as provided in section 53-131, to fix a time and place for a
29 hearing at which the local governing body shall receive evidence, either
30 orally or by affidavit from the applicant and any other person, bearing
31 upon the propriety of the issuance of a license. Notice of the time and

1 place of such hearing shall be published in a legal newspaper in or of
2 general circulation in such city, village, or county one time not less
3 than seven and not more than fourteen days before the time of the
4 hearing. Such notice shall include, but not be limited to, a statement
5 that all persons desiring to give evidence before the local governing
6 body in support of or in protest against the issuance of such license may
7 do so at the time of the hearing. Such hearing shall be held not more
8 than forty-five days after the date of receipt of the notice from the
9 commission, and after such hearing the local governing body shall cause
10 to be recorded in the minute record of their proceedings a resolution
11 recommending either issuance or refusal of such license. The clerk of
12 such city, village, or county shall mail to the commission by first-class
13 mail, postage prepaid, a copy of the resolution which shall state the
14 cost of the published notice, except that failure to comply with this
15 provision shall not void any license issued by the commission. If the
16 commission refuses to issue such a license, the cost of publication of
17 notice shall be paid by the commission from the security for costs; ~~and~~

18 (8) To review and authorize an application by a retail, bottle club,
19 craft brewery, farm winery, or microdistillery licensee for a temporary
20 expansion of its licensed premises within the jurisdiction of the local
21 governing body to an immediately adjacent area owned or leased by the
22 licensee or to an immediately adjacent street, parking lot, or alley, not
23 to exceed fifty days for calendar year 2020 and, for each calendar year
24 thereafter, not to exceed fifteen days per calendar year, as provided in
25 sections 53-123.12 and 53-129; and -

26 (9) To review and authorize an application by a craft brewery, farm
27 winery, or microdistillery licensee that holds a promotional farmers
28 market special designated license for a permit to use such promotional
29 farmers market special designated license to sell or dispense alcoholic
30 liquor, which the holder is licensed to produce, at a farmers market
31 within the jurisdiction of the local governing body as provided in

1 section 13 of this act. The local governing body shall electronically
2 notify the commission within five days after authorization of any permit
3 pursuant to this subdivision.

4 Sec. 17. Original sections 53-101, 53-103, 53-123, 53-123.04,
5 53-123.11, 53-123.14, 53-123.16, 53-124, 53-124.13, and 53-134, Revised
6 Statutes Cumulative Supplement, 2020, are repealed.

7 Sec. 18. Since an emergency exists, this act takes effect when
8 passed and approved according to law.