

AMENDMENTS TO LB274

(Amendments to Standing Committee amendments, AM427)

Introduced by Cavanaugh, J., 9.

1           1. Strike sections 1, 8, 9, and 14 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, 11, 12, and  
6 14 of this act shall be known and may be cited as the Nebraska Liquor  
7 Control Act.

8           Sec. 8. Section 53-123.11, Revised Statutes Cumulative Supplement,  
9 2020, is amended to read:

10          53-123.11 (1) A farm winery license shall entitle the holder to:

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

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

16           (c) Permit a customer to remove one unsealed bottle of wine for  
17 consumption off the premises. The licensee or his or her agent shall (i)  
18 securely reseal such bottle and place the bottle in a bag designed so  
19 that it is visibly apparent that the resealed bottle of wine has not been  
20 opened or tampered with and (ii) provide a dated receipt to the customer  
21 and attach to such bag a copy of the dated receipt for the resealed  
22 bottle of wine. If the resealed bottle of wine is transported in a motor  
23 vehicle, it must be placed in the trunk of the motor vehicle or the area  
24 behind the last upright seat of such motor vehicle if the area is not  
25 normally occupied by the driver or a passenger and the motor vehicle is  
26 not equipped with a trunk;

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

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

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

16 (g) Purchase distilled spirits from licensed microdistilleries in  
17 Nebraska, in bulk or bottled, made entirely from Nebraska-licensed farm  
18 winery wine to be used in the production of fortified wine at the  
19 purchasing licensed farm winery;~~and~~

20 (h) Store and warehouse products produced at the farm winery in a  
21 designated, secure, offsite storage facility if the holder of the farm  
22 winery license notifies the commission of the location of the facility  
23 and maintains, at the farm winery and at the facility, a separate  
24 perpetual inventory of the product stored at the facility. Consumption of  
25 alcoholic liquor at the facility is strictly prohibited; and -

26 (i) Subject to section 14 of this act, sell alcoholic liquor  
27 authorized under a farm winery license not in its original package, such  
28 as sangria or wine slushies, to a person twenty-one years of age or older  
29 for consumption off the premises.

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

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

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

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

9 (6) A holder of a farm winery license may obtain a promotional  
10 farmers market special designated license pursuant to section 11 of this  
11 act.

12 Sec. 13. Section 53-124, Revised Statutes Cumulative Supplement,  
13 2020, is amended to read:

14 53-124 (1) At the time application is made to the commission for a  
15 license of any type, the applicant shall pay the fee provided in section  
16 53-124.01 and, if the applicant is an individual, provide the applicant's  
17 social security number. The commission shall issue the types of licenses  
18 described in this section.

19 (2) There shall be an airline license, a boat license, a special  
20 party bus license, a pedal-pub vehicle license, and a railroad license.  
21 The commission shall charge one dollar for each duplicate of an airline  
22 license, a special party bus license, a pedal-pub vehicle license, or a  
23 railroad license.

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

27 (i) 1 to 100 barrel daily capacity, or any part thereof, tier one;

28 (ii) 100 to 150 barrel daily capacity, tier two;

29 (iii) 150 to 200 barrel daily capacity, tier three;

30 (iv) 200 to 300 barrel daily capacity, tier four;

31 (v) 300 to 400 barrel daily capacity, tier five;

1 (vi) 400 to 500 barrel daily capacity, tier six;

2 (vii) 500 barrel daily capacity, or more, tier seven.

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

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

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

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

14 (i) Class A: Beer only, for consumption on the premises;

15 (ii) Class B: Beer only, for consumption off the premises, sales in  
16 the original packages only;

17 (iii) Class C: Alcoholic liquor, for consumption on the premises and  
18 off the premises, sales in original packages only except as provided in  
19 section 14 of this act. If a Class C license is held by a nonprofit  
20 corporation, it shall be restricted to consumption on the premises only.  
21 A Class C license may have a sampling designation restricting consumption  
22 on the premises to sampling, but such designation shall not affect sales  
23 for consumption off the premises under such license;

24 (iv) Class D: Alcoholic liquor, including beer, for consumption off  
25 the premises, sales in the original packages only, except as provided in  
26 subdivision (6)(a)(vi) of this section and subsection (2) of section  
27 53-123.04;

28 (v) Class I: Alcoholic liquor, for consumption on the premises and,  
29 subject to section 14 of this act, for consumption off the premises; and

30 (vi) Class J: Alcoholic liquor, including beer, for consumption off  
31 the premises, sales in the original packages only, for a retail licensee

1 whose annual gross revenue from the sale of alcohol does not exceed  
2 twenty percent of the licensee's total annual gross revenue from all  
3 retail sales.

4 (b) All applicable license fees shall be paid by the applicant or  
5 licensee directly to the city or village treasurer in the case of  
6 premises located inside the corporate limits of a city or village and  
7 directly to the county treasurer in the case of premises located outside  
8 the corporate limits of a city or village.

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

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

16 (9) There shall be a bottle club license. All applicable license  
17 fees shall be paid by the applicant or licensee directly to the city or  
18 village treasurer in the case of premises located inside the corporate  
19 limits of a city or village and directly to the county treasurer in the  
20 case of premises located outside the corporate limits of a city or  
21 village.

22 (10) The license year, unless otherwise provided in the Nebraska  
23 Liquor Control Act, shall commence on May 1 of each year and shall end on  
24 the following April 30, except that the license year for a Class C  
25 license shall commence on November 1 of each year and shall end on the  
26 following October 31. During the license year, no license shall be issued  
27 for a sum less than the amount of the annual license fee as fixed in  
28 section 53-124.01, regardless of the time when the application for such  
29 license has been made, except that (a) when there is a purchase of an  
30 existing licensed business and a new license of the same class is issued  
31 or (b) upon the issuance of a new license for a location which has not

1 been previously licensed, the license fee and occupation taxes shall be  
2 prorated on a quarterly basis as of the date of issuance.

3 Sec. 14. (1) The holder of a Class C license, a Class I license, or  
4 a farm winery license may obtain an off-premise endorsement for such  
5 license as prescribed in this section.

6 (2) A licensee desiring to obtain an off-premise endorsement for a  
7 license shall file with the commission an application upon such forms as  
8 the commission prescribes and a fee of fifty dollars payable to the  
9 commission. The commission shall issue an off-premise endorsement for a  
10 Class C or Class I license in accordance with section 53-131 in the same  
11 manner as the licensee's retail license. The commission shall issue an  
12 off-premise endorsement for a farm winery license in accordance with  
13 section 53-123.12 in the same manner as the farm winery license. An off-  
14 premise endorsement may be issued for the same period and may be renewed  
15 in the same manner as the Class C, Class I, or farm winery license.

16 (3) The holder of a Class C license as described in subdivision (6)  
17 (a)(iii) of section 53-124 may sell alcoholic liquor not in the original  
18 package, such as a mixed drink or cocktail, to a person twenty-one years  
19 of age or older for consumption off the premises if (a) the alcoholic  
20 liquor is (i) not partially consumed and (ii) in a labeled and sealed  
21 container with a tamper-evident lid, cap, or seal, as approved by the  
22 commission, and (b) for alcoholic liquor transported in a motor vehicle,  
23 the alcoholic liquor is placed in the trunk of the motor vehicle or the  
24 area behind the last upright seat of such motor vehicle if the area is  
25 not normally occupied by the driver or a passenger and the motor vehicle  
26 is not equipped with a trunk. Beginning July 1, 2022, the holder of a  
27 Class C license must obtain an off-premise endorsement to sell alcoholic  
28 liquor not in the original package for consumption off the premises as  
29 provided in this section.

30 (4) The holder of a Class I license as described in subdivision (6)  
31 (a)(v) of section 53-124 may sell alcoholic liquor not in the original

1 package, such as a mixed drink or cocktail, to a person twenty-one years  
2 of age or older for consumption off the premises if (a) the alcoholic  
3 liquor is (i) not partially consumed, (ii) in a labeled and sealed  
4 container with a tamper-evident lid, cap, or seal, as approved by the  
5 commission, and (iii) purchased along with food and (b) for alcoholic  
6 liquor transported in a motor vehicle, the alcoholic liquor is placed in  
7 the trunk of the motor vehicle or the area behind the last upright seat  
8 of such motor vehicle if the area is not normally occupied by the driver  
9 or a passenger and the motor vehicle is not equipped with a trunk.  
10 Beginning July 1, 2022, the holder of a class I license must obtain an  
11 off-premise endorsement to sell alcoholic liquor not in the original  
12 package for consumption off the premises as provided in this section.

13 (5) The holder of a farm winery license under section 53-123.11 may  
14 sell alcoholic liquor authorized under a farm winery license not in its  
15 original package, such as sangria or wine slushies, to a person twenty-  
16 one years of age or older for consumption off the premises if (a) the  
17 alcoholic liquor is (i) not partially consumed and (ii) in a labeled and  
18 sealed container with a tamper-evident lid, cap, or seal, as approved by  
19 the commission, and (b) for alcoholic liquor transported in a motor  
20 vehicle, the alcoholic liquor is placed in the trunk of the motor vehicle  
21 or the area behind the last upright seat of such motor vehicle if the  
22 area is not normally occupied by the driver or a passenger and the motor  
23 vehicle is not equipped with a trunk. Beginning July 1, 2022, the holder  
24 of a farm winery license must obtain an off-premise endorsement to sell  
25 alcoholic liquor authorized under a farm winery license not in its  
26 original package, such as sangria or wine slushies, for consumption off  
27 the premises as provided in this section.

28 (6) The commission may adopt and promulgate rules and regulations to  
29 carry out this section.

30 2. Renumber the remaining sections, correct internal references, and  
31 correct the repealer accordingly.