

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1128

Introduced by Dover, 19.

Read first time January 20, 2026

Committee: General Affairs

1 A BILL FOR AN ACT relating to the Nebraska Liquor Control Act; to amend
2 section 53-123.17, Revised Statutes Supplement, 2025; to change
3 provisions relating to entertainment district licenses and provide
4 for a class of consumption-only licenses; and to repeal the original
5 section.

6 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 53-123.17, Revised Statutes Supplement, 2025, is
2 amended to read:

3 53-123.17 (1)(a) (1) A local governing body may designate an
4 entertainment district in which a commons area may be used by retail,
5 craft brewery, and microdistillery licensees and holders of a
6 manufacturer's license which obtain an entertainment district license.
7 The local governing body may, at any time, revoke such designation if it
8 finds that the commons area threatens the health, safety, or welfare of
9 the public or has become a common nuisance.

10 (b) As part of such designation, a local governing body may
11 designate consumption-only areas of such district. A business within the
12 boundaries of such area may obtain a consumption-only class of
13 entertainment district license pursuant to subsection (6) of this
14 section.

15 (c) The local governing body shall file any such the designation or
16 the revocation of the designation with the commission.

17 (2) An entertainment district license allows the sale of alcoholic
18 liquor for consumption on the premises within the confines of a commons
19 area or within the premises of a consumption-only license holder as
20 provided in subsection (6) of this section. The consumption of alcoholic
21 liquor in the commons area or consumption-only area shall only occur
22 during the hours authorized for sale of alcoholic liquor for consumption
23 on the premises under section 53-179 and while food service is available
24 in the commons area or is available for sale by at least one holder of an
25 entertainment district license. Only the holder of an entertainment
26 district license or employees of such licensee may sell or dispense
27 alcoholic liquor in the commons area.

28 (3) An entertainment district licensee shall serve alcoholic liquor
29 to be consumed in the commons area or consumption-only area in containers
30 that prominently display the licensee's trade name or logo or some other
31 mark that is unique to the licensee under the licensee's retail license,

1 craft brewery license, microdistillery license, or manufacturer's
2 license. An entertainment district licensee may allow alcohol sold by
3 another entertainment district licensee to enter the licensed premises of
4 either licensee. No entertainment district licensee shall allow alcoholic
5 liquor to leave the commons area or the premises licensed under its
6 retail license, craft brewery license, microdistillery license, or
7 manufacturer's license.

8 (4) If the licensed premises of the holder of a license to sell
9 alcoholic liquor at retail issued under subsection (6) of section 53-124,
10 a craft brewery license, a microdistillery license, or a manufacturer's
11 license is adjacent to a commons area in an entertainment district
12 designated by a local governing body pursuant to this section, the holder
13 of the license may obtain an annual entertainment district license as
14 prescribed in this section. The entertainment district license shall be
15 issued for the same period and may be renewed in the same manner as the
16 retail license, craft brewery license, microdistillery license, or
17 manufacturer's license.

18 (5) In order to obtain an entertainment district license, a person
19 eligible under subsection (4) of this section shall:

20 (a) File an application with the commission upon such forms as the
21 commission prescribes; and

22 (b) Pay an additional license fee of three hundred dollars for the
23 privilege of serving alcohol in the entertainment district payable to the
24 clerk of the local governing body in the same manner as license fees
25 under subdivision (4) of section 53-134.

26 (6) A business that is located within the boundaries of an
27 entertainment district but that does not hold a retail, craft brewery,
28 microdistillery, or manufacturer's license under the Nebraska Liquor
29 Control Act may apply to the commission for a consumption-only class of
30 entertainment district license on forms prescribed by the commission.
31 Such application shall include a license fee of twenty-five dollars

1 payable to the commission. The commission shall grant such licenses so
2 long as the local governing body has (a) designated consumption-only
3 areas for such entertainment district and (b) approved the applicant's
4 consumption-only class of entertainment district license prior to
5 submission of the same to the commission. Such class of consumption-only
6 entertainment district license shall authorize the holder to allow
7 alcoholic beverages sold within the boundaries of an entertainment
8 district by other entertainment district licensees to be carried in and
9 out of such holder's business premises by patrons, so long as such
10 business (a) does not sell or serve such alcoholic liquor and (b)
11 otherwise complies with the Nebraska Liquor Control Act, especially those
12 provisions forbidding consumption of alcoholic liquor by minors.

13 (7) (6) When an application for an entertainment district license is
14 filed, the commission shall notify the clerk of the local governing body.
15 The commission shall include with such notice one copy of the application
16 by mail or electronic delivery. The local governing body and the
17 commission shall process the application in the same manner as provided
18 in section 53-132.

19 (8) (7) The local governing body may impose an occupation tax on the
20 business of an entertainment district licensee doing business within the
21 liquor license jurisdiction of the local governing body as provided in
22 subdivision (12)(b) (11)(b) of this section in accordance with section
23 53-132.

24 (9) (8) The local governing body with respect to entertainment
25 district licensees within its liquor license jurisdiction as provided in
26 subdivision (12)(b) (11)(b) of this section may cancel an entertainment
27 district license for cause for the remainder of the period for which such
28 entertainment district license is issued. Any person whose entertainment
29 district license is canceled may appeal to the commission in accordance
30 with section 53-134.

31 (10) (9) A local governing body may regulate by ordinance, not

1 inconsistent with the Nebraska Liquor Control Act, any area it designates
2 as an entertainment district.

3 (11) (10) Violation of any provision of this section or any rules or
4 regulations adopted and promulgated pursuant to this section by an
5 entertainment district licensee may be cause to revoke, cancel, or
6 suspend the retail license issued under subsection (6) of section 53-124,
7 craft brewery license, microdistillery license, or manufacturer's license
8 held by such licensee.

9 (12) (11) For purposes of this section:

10 (a)(i) Commons area means an area:

11 (A) Within an entertainment district designated by a local governing
12 body;

13 (B) Shared by authorized licensees with entertainment district
14 licenses, including consumption-only entertainment district licensees;

15 (C) Abutting the licensed premises of such licensees;

16 (D) With reasonable safety measures in place to protect pedestrians,
17 including signage, lighting, and reduced motor vehicle speeds when motor
18 vehicles will be in close proximity to pedestrians; and

19 (E) With a prohibition on the carrying of open alcoholic liquor
20 containers and the consumption of alcoholic liquor on any open street or
21 highway except when necessary to cross the same at a designated
22 crosswalk.

23 (ii) Commons area may include any area of a public or private right-
24 of-way if the area otherwise meets the requirements of this section; and

25 (b) Local governing body means the governing body of the city or
26 village in which the entertainment district licensee is located.

27 **Sec. 2.** Original section 53-123.17, Revised Statutes Supplement,
28 2025, is repealed.