AM614 LB376 LPB - 02/27/2023

AMENDMENTS TO LB376

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 2022, is amended to read:
- 5 53-101 Sections 53-101 to 53-1,122 and sections 3 to 7 of this act
- 6 shall be known and may be cited as the Nebraska Liquor Control Act.
- 7 Sec. 7. (1) A manufacturer, a wholesaler, or any agent of a
- 8 manufacturer or wholesaler may enter into a sponsorship or advertising
- 9 agreement with (a) the holder of a special designated license pursuant to
- 10 section 53-124.11 that is a municipal corporation, a fine arts museum
- 11 incorporated as a nonprofit corporation, a religious nonprofit
- 12 corporation exempted from payment of federal income taxes, a political
- 13 organization exempted from payment of federal income taxes, or any other
- 14 nonprofit corporation the purpose of which is fraternal, charitable, or
- 15 public service and which has been exempted from payment of federal income
- 16 taxes, (b) a political subdivision of the State of Nebraska, or (c) an
- 17 operator of property owned by a political subdivision of the State of
- 18 Nebraska, to sponsor and advertise for events held by such organization,
- 19 licensee, or political subdivision.
- 20 (2) The commission may adopt and promulgate rules and regulations to
- 21 <u>carry out this section.</u>
- Sec. 11. Section 53-168, Reissue Revised Statutes of Nebraska, is
- 23 amended to read:
- 24 53-168 (1) It shall be unlawful for any person having a retail
- 25 license to sell beer to accept credit for the purchase of beer from any
- 26 manufacturer or wholesaler of beer and for any person having a retail
- 27 license to sell alcoholic liquor or any officer, associate, member,

AM614 LB376 LPB - 02/27/2023

1 representative, or agent of such licensee to accept, receive, or borrow

- 2 money or anything else of value or to accept or to receive credit, other
- 3 than merchandising credit in the ordinary course of business for a period
- 4 not to exceed thirty days, directly or indirectly, from (a) any person,
- 5 partnership, limited liability company, or corporation engaged in
- 6 manufacturing or wholesaling such liquor, (b) any person connected with
- 7 or in any way representing such manufacturer or wholesaler, (c) any
- 8 member of the family of such manufacturer or wholesaler, (d) any
- 9 stockholders in any corporation engaged in manufacturing or wholesaling
- 10 such liquor, or (e) any officer, manager, agent, member, or
- 11 representative of such manufacturer or wholesaler.
- 12 (2) It shall be unlawful for any manufacturer or wholesaler to give
- 13 or lend money or otherwise loan or extend credit, except the
- 14 merchandising credit referred to in subsection (1) of this section,
- 15 directly or indirectly, to any such licensee or to the manager,
- 16 representative, agent, member, officer, or director of such licensee. It
- 17 shall be unlawful for any wholesaler to participate in any manner in a
- 18 merchandising and coupon plan of any manufacturer involving alcoholic
- 19 liquor and the redemption in cash. The redemption of any merchandising
- 20 and coupon plan involving cash shall be made by the manufacturer to the
- 21 consumer.
- 22 (3) If any holder of a license to sell alcoholic liquor at retail or
- 23 wholesale violates subsection (1) or (2) of this section, such license
- 24 shall be suspended or revoked by the commission in the manner provided by
- 25 the Nebraska Liquor Control Act.
- 26 (4) It shall not be a violation of subsection (1) or (2) of this
- 27 section for a manufacturer or wholesaler to sell or provide alcoholic
- 28 liquor exclusively or in minimum quantities in containers bearing a
- 29 private label or to sell or provide alcoholic liquor in containers
- 30 bearing a generic label to a wholesaler or retailer.
- 31 (5) It shall not be a violation of subsection (1) or (2) of this

AM614 4M614 LB376 LPB - 02/27/2023

- section for a wholesaler or retailer to accept or purchase from a 1
- 2 manufacturer or wholesaler alcoholic liquor exclusively or in minimum
- 3 quantities in containers bearing a private label or for a wholesaler or
- retailer to accept or purchase from a manufacturer or wholesaler 4
- 5 alcoholic liquor in containers bearing a generic label.
- 6 (6) It shall not be a violation of subsection (1) or (2) of this
- 7 section for a wholesaler or manufacturer or the agent of a wholesaler or
- manufacturer to enter into a sponsorship or advertising agreement with a 8
- 9 licensee, organization, or political subdivision of the State of Nebraska
- pursuant to section 7 of this act. 10
- 11 Sec. 12. Section 53-169, Revised Statutes Cumulative Supplement,
- 12 2022, is amended to read:
- 53-169 (1) Except as provided in subsection (2) or (3) of this 13
- 14 section, no manufacturer or wholesaler shall directly or indirectly: (a)
- 15 Pay for any license to sell alcoholic liquor at retail or advance,
- furnish, lend, or give money for payment of such license; (b) purchase or 16
- 17 become the owner of any note, mortgage, or other evidence of indebtedness
- of such licensee or any form of security therefor; (c) be interested in 18
- the ownership, conduct, or operation of the business of any licensee 19
- 20 authorized to sell alcoholic liquor at retail; or (d) be interested
- 21 directly or indirectly or as owner, part owner, lessee, or lessor thereof
- 22 in any premises upon which alcoholic liquor is sold at retail.
- 23 (2) This section does not apply to the holder of a farm winery
- 24 license. The holder of a craft brewery license shall have the privileges
- and duties listed in section 53-123.14 and the holder of a manufacturer's 25
- 26 license shall have the privileges and duties listed in section 53-123.01
- 27 with respect to the manufacture, distribution, and retail sale of beer,
- and except as provided in subsection (2) of section 53-123.14, the 28
- 29 Nebraska Liquor Control Act shall not be construed to permit the holder
- 30 of a craft brewery license or of a manufacturer's license issued pursuant
- to section 53-123.01 to engage in the wholesale distribution of beer. The 31

AM614 AM614 LB376 LPB - 02/27/2023 LPB - 02/27/2023

- 1 holder of a microdistillery license shall have the privileges and duties
- 2 listed in section 53-123.16 with respect to the manufacture of alcoholic
- 3 liquor, and the Nebraska Liquor Control Act shall not be construed to
- 4 permit the holder of a microdistillery license to engage in the wholesale
- 5 distribution of alcoholic liquor.
- 6 (3) It shall not be a violation of this section for a wholesaler or
- 7 <u>manufacturer or the agent of a wholesaler or manufacturer to enter into a</u>
- 8 sponsorship or advertising agreement with a licensee, organization, or
- 9 political subdivision of the State of Nebraska pursuant to section 7 of
- 10 this act.
- 11 Sec. 13. Original sections 53-103, 53-117.06, 53-123.11, and 53-168,
- 12 Reissue Revised Statutes of Nebraska, and sections 53-101, 53-124.11, and
- 13 53-169, Revised Statutes Cumulative Supplement, 2022, are repealed.