

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 376

FINAL READING

Introduced by Lowe, 37.

Read first time January 12, 2023

Committee: General Affairs

1 A BILL FOR AN ACT relating to the Nebraska Liquor Control Act; to amend
2 sections 53-103, 53-117.06, 53-123.11, and 53-168, Reissue Revised
3 Statutes of Nebraska, and sections 53-101, 53-123.16, 53-124.11,
4 53-169, and 53-171, Revised Statutes Cumulative Supplement, 2022; to
5 define terms; to require reports by certain licensees prior to the
6 sale or shipment of any alcoholic liquor into the state; to provide
7 for a fee; to authorize certain licensees to use channel pricing and
8 to enter into sponsorship or advertising agreements; to provide for
9 rules and regulations; to allow farm wineries to obtain additional
10 retail licenses; to allow microdistilleries to engage in direct
11 sales and store products at offsite facilities; to change provisions
12 related to special designated licenses; to harmonize provisions; to
13 repeal the original sections; and to declare an emergency.
14 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 53-101, Revised Statutes Cumulative Supplement,
2 2022, is amended to read:

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

5 Sec. 2. Section 53-103, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 53-103 For purposes of the Nebraska Liquor Control Act, the
8 definitions found in sections 53-103.01 to 53-103.49 and sections 3 and 4
9 of this act apply.

10 Sec. 3. Channel pricing means a pricing strategy that
11 differentiates the price charged for a product based upon the type of
12 license held by the retailer and the primary use of the premises on which
13 the retailer operates.

14 Sec. 4. (1) Primary source of supply in the United States means:

15 (a) The manufacturer, producer, or owner of any alcoholic liquor at
16 the time it becomes a marketable product in the United States;

17 (b) The bottler of any alcoholic liquor in the United States;

18 (c) The exclusive agent within the United States or any of the
19 states of any manufacturer, producer, owner, or bottler of any alcoholic
20 liquor outside the United States; or

21 (d) A licensed Nebraska craft brewery, farm winery, microdistillery,
22 or manufacturer.

23 (2) To be the primary source of supply in the United States, the
24 licensee causing such alcoholic liquor to be imported into Nebraska must
25 be the first source, such as the manufacturer or the source closest to
26 the manufacturer, in the channel of commerce from which the product can
27 be secured by Nebraska licensed wholesalers.

28 Sec. 5. (1)(a) Beginning July 1, 2024, prior to the sale or
29 shipment of any alcoholic liquor into the State of Nebraska, each
30 licensed manufacturer, licensed wholesaler, or holder of a shipping
31 license shall submit to the commission, along with any applicable fee set

1 by the commission not to exceed thirty dollars, a report on a form
2 prescribed and furnished by the commission, which shall include:

3 (i) The licensee's name and license number;

4 (ii) The designated Nebraska licensed wholesaler for such product,
5 if applicable;

6 (iii) The name of the primary source of supply in the United States;

7 (iv) The products to be imported, including the brand name, class or
8 type of product, and fanciful name if applicable;

9 (v) Evidence of compliance with federal label requirements pursuant
10 to the Federal Alcohol Administration Act, 27 U.S.C. chapter 8, and rules
11 and regulations adopted pursuant to such act, as such act and regulations
12 existed on January 1, 2023, or a sample of the actual label if federal
13 approval is not required; and

14 (vi) Any other information the commission may require related to
15 such sale or shipment.

16 (b) If the licensed manufacturer, licensed wholesaler, or holder of
17 a shipping license is not the product manufacturer, such licensee shall
18 also include with such form a separate letter from the product
19 manufacturer designating such licensee as the primary source of supply in
20 the United States or the sole source of supply in Nebraska. A separate
21 letter is required for each primary source.

22 (2) If the primary source of supply in the United States for such
23 alcoholic liquor changes, the new licensed manufacturer, licensed
24 wholesaler, or holder of a shipping license importing such alcoholic
25 liquor shall submit the information required pursuant to subsection (1)
26 of this section at least thirty days prior to the shipment of such
27 alcoholic liquor into this state. The licensed manufacturer, licensed
28 wholesaler, or holder of a shipping license shall also remit to the
29 commission any applicable fee set by the commission not to exceed thirty
30 dollars.

31 (3) Nothing in this section shall restrict or prohibit the

1 importation of alcoholic liquor to a Nebraska licensed wholesaler from an
2 affiliated wholesaler if (a) the report required by this section has
3 previously been submitted for the alcoholic liquor product being
4 imported, (b) the report designates the Nebraska licensed wholesaler for
5 such product, and (c) the product was obtained by the affiliated
6 wholesaler from the same primary source of supply identified on the
7 report.

8 (4) The commission shall remit any fees collected pursuant to this
9 section to the State Treasurer for credit to the Nebraska Liquor Control
10 Commission Rule and Regulation Cash Fund.

11 (5) The commission may adopt and promulgate rules and regulations to
12 carry out this section.

13 Sec. 6. (1) For purposes of this section, alcoholic product means a
14 particular brand of alcoholic liquor in a designated size container or a
15 mix of brands and containers when sold on a combined basis, as
16 established by the wholesaler.

17 (2) A wholesaler may employ channel pricing to sell such
18 wholesaler's alcoholic product to retail licensees at a different price
19 than the wholesaler sells alcoholic product to other retail licensees. If
20 a wholesaler employs channel pricing, such pricing shall be made equally
21 available to similarly situated retail licensees.

22 (3) Whether an establishment is similarly situated to another
23 licensee is to be determined by the type of license held by the retailer
24 and the primary use of the premises.

25 (4) A wholesaler may also provide discounts on the alcoholic product
26 to retailers that are otherwise similarly situated if those discounts are
27 based on the volume of the alcoholic product being purchased.

28 (5) A wholesaler may also provide discounts on the alcoholic product
29 to retailers that are otherwise similarly situated if those discounts are
30 based on the electronic ordering of the alcoholic product being
31 purchased.

1 Sec. 7. (1) A manufacturer, a wholesaler, or any agent of a
2 manufacturer or wholesaler may enter into a sponsorship or advertising
3 agreement with (a) the holder of a special designated license pursuant to
4 section 53-124.11 that is a municipal corporation, a fine arts museum
5 incorporated as a nonprofit corporation, a religious nonprofit
6 corporation exempted from payment of federal income taxes, a political
7 organization exempted from payment of federal income taxes, or any other
8 nonprofit corporation the purpose of which is fraternal, charitable, or
9 public service and which has been exempted from payment of federal income
10 taxes, (b) a political subdivision of the State of Nebraska, or (c) an
11 operator of property owned by a political subdivision of the State of
12 Nebraska, to sponsor and advertise for events held by such organization,
13 licensee, or political subdivision.

14 (2) The commission may adopt and promulgate rules and regulations to
15 carry out this section.

16 Sec. 8. Section 53-117.06, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 53-117.06 Any money collected by the commission pursuant to section
19 53-117.05 or 53-167.02 or section 5 of this act shall be credited to the
20 Nebraska Liquor Control Commission Rule and Regulation Cash Fund, which
21 fund is hereby created. The purpose of the fund shall be to cover any
22 administrative costs, including salary and benefits, incurred by the
23 commission in producing or distributing the material referred to in such
24 sections and to defray the costs associated with electronic regulatory
25 transactions, industry education events, enforcement training, and
26 equipment for regulatory work. Transfers may be made from the fund to the
27 General Fund at the direction of the Legislature. Any money in the
28 Nebraska Liquor Control Commission Rule and Regulation Cash Fund
29 available for investment shall be invested by the state investment
30 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
31 State Funds Investment Act.

1 Sec. 9. Section 53-123.11, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 53-123.11 (1) A farm winery license shall entitle the holder to:

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

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

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

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

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

31 (f) Sell wines produced at the farm winery to other Nebraska farm

1 winery licensees, in bulk, bottled, labeled, or unlabeled, in accordance
2 with 27 C.F.R. 24.308, 27 C.F.R. 24.309, and 27 C.F.R. 24.314, as such
3 regulations existed on January 1, 2008;

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

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

14 (i) Sell alcoholic liquor authorized under a farm winery license not
15 in its original package, such as sangria or wine slushies, to a person
16 twenty-one years of age or older for consumption off the premises if (i)
17 the alcoholic liquor is (A) not partially consumed and (B) in a labeled
18 and sealed container with a tamper-evident lid, cap, or seal, as approved
19 by the commission, and (ii) 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. A farm winery which sells alcoholic
24 liquor authorized under a farm winery license not in its original package
25 for consumption off the premises shall provide notice to the commission
26 during a farm winery licensee's initial licensure or at the time of the
27 annual renewal of such license regarding such sales.

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

30 (3) A farm winery may manufacture and sell hard cider on its
31 licensed premises. A farm winery shall not otherwise distribute the hard

1 cider it manufactures except by sale to a wholesaler licensed under the
2 Nebraska Liquor Control Act.

3 (4) A holder of a farm winery license may sell beer or other
4 alcoholic liquor not produced by the farm winery at retail for
5 consumption on the premises if the holder is also issued the appropriate
6 retail license for such sales at such location.

7 (5) (4) A holder of a farm winery license may obtain a special
8 designated license pursuant to section 53-124.11.

9 (6) (5) A holder of a farm winery license may obtain an annual
10 catering license pursuant to section 53-124.12.

11 (7) (6) A holder of a farm winery license may obtain a promotional
12 farmers market special designated license pursuant to section 53-124.16.

13 Sec. 10. Section 53-123.16, Revised Statutes Cumulative Supplement,
14 2022, is amended to read:

15 53-123.16 (1) Any person who operates a microdistillery shall
16 obtain a license pursuant to the Nebraska Liquor Control Act. A license
17 to operate a microdistillery shall permit the licensee to produce a
18 maximum of one hundred thousand gallons of liquor per year in the
19 aggregate from all physical locations comprising the licensed premises.
20 For purposes of this section, licensed premises may include up to five
21 separate physical locations. A microdistillery may also sell to licensed
22 wholesalers for sale and distribution to licensed retailers. A
23 microdistillery license issued pursuant to this section shall be the only
24 license required by the Nebraska Liquor Control Act for the manufacture
25 and retail sale of microdistilled product for consumption on or off the
26 licensed premises, except that the sale of any beer, wine, or alcoholic
27 liquor, other than microdistilled product manufactured by the
28 microdistillery licensee, by the drink for consumption on the
29 microdistillery premises shall require the appropriate retail license.
30 Any license held by the operator of a microdistillery shall be subject to
31 the act. A holder of a microdistillery license may obtain an annual

1 catering license pursuant to section 53-124.12, a special designated
2 license pursuant to section 53-124.11, an entertainment district license
3 pursuant to section 53-123.17, or a promotional farmers market special
4 designated license pursuant to section 53-124.16. The commission may,
5 upon the conditions it determines, grant to any microdistillery licensed
6 under this section a special license authorizing the microdistillery to
7 purchase and to import, from such persons as are entitled to sell the
8 same, wines or spirits to be used solely as ingredients and for the sole
9 purpose of blending with and flavoring microdistillery products as a part
10 of the microdistillation process.

11 (2) A holder of a microdistillery license may directly sell for
12 resale up to five hundred gallons per calendar year of microdistilled
13 products produced at its licensed premises directly to retail licensees
14 located in the State of Nebraska which hold the appropriate retail
15 license if the holder of the microdistillery license:

16 (a) Self-distributes its microdistilled products utilizing only
17 persons employed by the microdistillery licensee; and

18 (b) Complies with all relevant statutes, rules, and regulations that
19 apply to Nebraska wholesalers regarding distribution of microdistilled
20 products.

21 (3) A holder of a microdistillery license may store and warehouse
22 tax-paid products produced on such licensee's licensed premises in a
23 designated, secure, offsite storage facility if the holder of the
24 microdistillery license receives authorization from the commission and
25 notifies the commission of the location of the storage facility and
26 maintains, at the microdistillery and at the storage facility, a separate
27 perpetual inventory of the product stored at the storage facility.
28 Consumption of alcoholic liquor at the storage facility is strictly
29 prohibited.

30 (4) The commission may adopt and promulgate rules and regulations
31 relating to the distribution rights of microdistillery licensees.

1 Sec. 11. Section 53-124.11, Revised Statutes Cumulative Supplement,
2 2022, is amended to read:

3 53-124.11 (1) The commission may issue a special designated license
4 for sale or consumption of alcoholic liquor at a designated location to a
5 retail licensee, a craft brewery licensee, a microdistillery licensee, a
6 farm winery licensee, the holder of a manufacturer's license issued
7 pursuant to subsection (2) of section 53-123.01, a municipal corporation,
8 a fine arts museum incorporated as a nonprofit corporation, a religious
9 nonprofit corporation which has been exempted from the payment of federal
10 income taxes, a political organization which has been exempted from the
11 payment of federal income taxes, or any other nonprofit corporation the
12 purpose of which is fraternal, charitable, or public service and which
13 has been exempted from the payment of federal income taxes, under
14 conditions specified in this section. The applicant shall demonstrate
15 meeting the requirements of this subsection.

16 (2)(a) No retail licensee, craft brewery licensee, microdistillery
17 licensee, farm winery licensee, holder of a manufacturer's license issued
18 pursuant to subsection (2) of section 53-123.01, organization, or
19 corporation enumerated in subsection (1) of this section may be issued a
20 special designated license under this section for more than six calendar
21 days in any one calendar year, except that a nonprofit corporation, the
22 purpose of which is fraternal, charitable, or public service and which
23 has been exempted from the payment of federal income taxes, may be issued
24 a special designated license for up to twelve calendar days in any one
25 calendar year. Only one special designated license shall be required for
26 any application for two or more consecutive days.

27 (b) A municipal corporation, a fine arts museum incorporated as a
28 nonprofit corporation, a religious nonprofit corporation which has been
29 exempted from the payment of federal income taxes, a political
30 organization which has been exempted from the payment of federal income
31 taxes, or any other nonprofit corporation, the purpose of which is

1 fraternal, charitable, or public service and which has been exempted from
2 the payment of federal income taxes, may apply for special designated
3 licenses for the same location in a single application. The application
4 shall include all dates and times for which a special designated license
5 is being requested at such location.

6 (c) This subsection shall not apply to any holder of a catering
7 license.

8 (3) Except for any special designated license issued to a holder of
9 a catering license or to an organization or corporation as provided in
10 subdivision (2)(b) of this section, there shall be a fee of forty dollars
11 for each day identified in the special designated license. For a special
12 designated license issued to an organization or corporation as provided
13 in subdivision (2)(b) of this section, there shall be a fee of forty
14 dollars for the initial special designated license and ten dollars for
15 each additional day beyond the first at the same location in such
16 application. Such fee shall be submitted with the application for the
17 special designated license, collected by the commission, and remitted to
18 the State Treasurer for credit to the General Fund. The applicant shall
19 be exempt from the provisions of the Nebraska Liquor Control Act
20 requiring an application or renewal fee and the provisions of the act
21 requiring the expiration of forty-five days from the time the application
22 is received by the commission prior to the issuance of a license, if
23 granted by the commission. The retail licensees, craft brewery licensees,
24 microdistillery licensees, farm winery licensees, holders of
25 manufacturer's licenses issued pursuant to subsection (2) of section
26 53-123.01, municipal corporations, organizations, and nonprofit
27 corporations enumerated in subsection (1) of this section seeking a
28 special designated license shall file an application on such forms as the
29 commission may prescribe. Such forms shall contain, along with other
30 information as required by the commission, (a) the name of the applicant,
31 (b) the premises for which a special designated license is requested,

1 identified by street and number if practicable and, if not, by some other
2 appropriate description which definitely locates the premises, (c) the
3 name of the owner or lessee of the premises for which the special
4 designated license is requested, (d) sufficient evidence that the holder
5 of the special designated license, if issued, will carry on the
6 activities and business authorized by the license for himself, herself,
7 or itself and not as the agent of any other person, group, organization,
8 or corporation, for profit or not for profit, (e) a statement of the type
9 of activity to be carried on during the time period for which a special
10 designated license is requested, and (f) sufficient evidence that the
11 activity will be supervised by persons or managers who are agents of and
12 directly responsible to the holder of the special designated license.

13 (4) No special designated license provided for by this section shall
14 be issued by the commission without the approval of the local governing
15 body. The local governing body may establish criteria for approving or
16 denying a special designated license. The local governing body may
17 designate an agent to determine whether a special designated license is
18 to be approved or denied. Such agent shall follow criteria established by
19 the local governing body in making his or her determination. The
20 determination of the agent shall be considered the determination of the
21 local governing body unless otherwise provided by the local governing
22 body. For purposes of this section, the local governing body shall be the
23 city or village within which the premises for which the special
24 designated license is requested are located or, if such premises are not
25 within the corporate limits of a city or village, then the local
26 governing body shall be the county within which the premises for which
27 the special designated license is requested are located.

28 (5) If the applicant meets the requirements of this section, a
29 special designated license shall be granted and issued by the commission
30 for use by the holder of the special designated license. All statutory
31 provisions and rules and regulations of the commission that apply to a

1 retail licensee shall apply to the holder of a special designated license
2 with the exception of such statutory provisions and rules and regulations
3 of the commission so designated by the commission and stated upon the
4 issued special designated license, except that the commission may not
5 designate exemption of sections 53-180 to 53-180.07. The decision of the
6 commission shall be final. If the applicant does not qualify for a
7 special designated license, the application shall be denied by the
8 commission.

9 (6) A special designated license issued by the commission shall be
10 mailed or delivered electronically to the city, village, or county clerk
11 who shall deliver such license to the licensee upon receipt of any fee or
12 tax imposed by such city, village, or county.

13 Sec. 12. Section 53-168, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 53-168 (1) It shall be unlawful for any person having a retail
16 license to sell beer to accept credit for the purchase of beer from any
17 manufacturer or wholesaler of beer and for any person having a retail
18 license to sell alcoholic liquor or any officer, associate, member,
19 representative, or agent of such licensee to accept, receive, or borrow
20 money or anything else of value or to accept or to receive credit, other
21 than merchandising credit in the ordinary course of business for a period
22 not to exceed thirty days, directly or indirectly, from (a) any person,
23 partnership, limited liability company, or corporation engaged in
24 manufacturing or wholesaling such liquor, (b) any person connected with
25 or in any way representing such manufacturer or wholesaler, (c) any
26 member of the family of such manufacturer or wholesaler, (d) any
27 stockholders in any corporation engaged in manufacturing or wholesaling
28 such liquor, or (e) any officer, manager, agent, member, or
29 representative of such manufacturer or wholesaler.

30 (2) It shall be unlawful for any manufacturer or wholesaler to give
31 or lend money or otherwise loan or extend credit, except the

1 merchandising credit referred to in subsection (1) of this section,
2 directly or indirectly, to any such licensee or to the manager,
3 representative, agent, member, officer, or director of such licensee. It
4 shall be unlawful for any wholesaler to participate in any manner in a
5 merchandising and coupon plan of any manufacturer involving alcoholic
6 liquor and the redemption in cash. The redemption of any merchandising
7 and coupon plan involving cash shall be made by the manufacturer to the
8 consumer.

9 (3) If any holder of a license to sell alcoholic liquor at retail or
10 wholesale violates subsection (1) or (2) of this section, such license
11 shall be suspended or revoked by the commission in the manner provided by
12 the Nebraska Liquor Control Act.

13 (4) It shall not be a violation of subsection (1) or (2) of this
14 section for a manufacturer or wholesaler to sell or provide alcoholic
15 liquor exclusively or in minimum quantities in containers bearing a
16 private label or to sell or provide alcoholic liquor in containers
17 bearing a generic label to a wholesaler or retailer.

18 (5) It shall not be a violation of subsection (1) or (2) of this
19 section for a wholesaler or retailer to accept or purchase from a
20 manufacturer or wholesaler alcoholic liquor exclusively or in minimum
21 quantities in containers bearing a private label or for a wholesaler or
22 retailer to accept or purchase from a manufacturer or wholesaler
23 alcoholic liquor in containers bearing a generic label.

24 (6) It shall not be a violation of subsection (1) or (2) of this
25 section for a wholesaler or manufacturer or the agent of a wholesaler or
26 manufacturer to enter into a sponsorship or advertising agreement with a
27 licensee, organization, or political subdivision of the State of Nebraska
28 pursuant to section 7 of this act.

29 Sec. 13. Section 53-169, Revised Statutes Cumulative Supplement,
30 2022, is amended to read:

31 53-169 (1) Except as provided in subsection (2) of this section, no

1 manufacturer or wholesaler shall directly or indirectly: (a) Pay for any
2 license to sell alcoholic liquor at retail or advance, furnish, lend, or
3 give money for payment of such license; (b) purchase or become the owner
4 of any note, mortgage, or other evidence of indebtedness of such licensee
5 or any form of security therefor; (c) be interested in the ownership,
6 conduct, or operation of the business of any licensee authorized to sell
7 alcoholic liquor at retail; or (d) be interested directly or indirectly
8 or as owner, part owner, lessee, or lessor thereof in any premises upon
9 which alcoholic liquor is sold at retail.

10 (2) This section does not apply to the holder of a farm winery
11 license. The holder of a craft brewery license shall have the privileges
12 and duties listed in section 53-123.14 and the holder of a manufacturer's
13 license shall have the privileges and duties listed in section 53-123.01
14 with respect to the manufacture, distribution, and retail sale of beer,
15 and except as provided in subsection (2) of section 53-123.14, the
16 Nebraska Liquor Control Act shall not be construed to permit the holder
17 of a craft brewery license or of a manufacturer's license issued pursuant
18 to section 53-123.01 to engage in the wholesale distribution of beer. The
19 holder of a microdistillery license shall have the privileges and duties
20 listed in section 53-123.16 with respect to the manufacture of alcoholic
21 liquor, and except as provided in subsection (2) of section 53-123.16,
22 the Nebraska Liquor Control Act shall not be construed to permit the
23 holder of a microdistillery license to engage in the wholesale
24 distribution of alcoholic liquor.

25 (3) It shall not be a violation of this section for a wholesaler or
26 manufacturer or the agent of a wholesaler or manufacturer to enter into a
27 sponsorship or advertising agreement with a licensee, organization, or
28 political subdivision of the State of Nebraska pursuant to section 7 of
29 this act.

30 Sec. 14. Section 53-171, Revised Statutes Cumulative Supplement,
31 2022, is amended to read:

1 53-171 (1) No person licensed as a wholesaler of alcoholic liquor
2 shall be permitted to receive any retail license at the same time. No
3 person licensed as a manufacturer shall be permitted to receive any
4 retail license at the same time except as set forth in subsection (2) of
5 section 53-123.01 with respect to the manufacture, distribution, and
6 retail sale of beer, and the Nebraska Liquor Control Act shall not be
7 construed to permit the holder of a manufacturer's license issued
8 pursuant to such subsection to engage in the wholesale distribution of
9 alcoholic liquor. No person licensed as a retailer of alcoholic liquor
10 shall be permitted to receive any manufacturer's or wholesale license at
11 the same time.

12 (2) This section shall not apply to the holder of a farm winery
13 license. The holder of a craft brewery license shall have the privileges
14 and duties listed in section 53-123.14 with respect to the manufacture,
15 distribution, and retail sale of beer, and except as provided in
16 subsection (2) of section 53-123.14, the Nebraska Liquor Control Act
17 shall not be construed to permit the holder of a craft brewery license to
18 engage in the wholesale distribution of beer. The holder of a
19 microdistillery license shall have the privileges and duties listed in
20 section 53-123.16 with respect to the manufacture of alcoholic liquor,
21 and except as provided in subsection (2) of section 53-123.16, the
22 Nebraska Liquor Control Act shall not be construed to permit the holder
23 of a microdistillery license to engage in the wholesale distribution of
24 alcoholic liquor.

25 Sec. 15. Original sections 53-103, 53-117.06, 53-123.11, and
26 53-168, Reissue Revised Statutes of Nebraska, and sections 53-101,
27 53-123.16, 53-124.11, 53-169, and 53-171, Revised Statutes Cumulative
28 Supplement, 2022, are repealed.

29 Sec. 16. Since an emergency exists, this act takes effect when
30 passed and approved according to law.