

**ONE HUNDRED FOURTH LEGISLATURE - FIRST SESSION - 2015**  
**COMMITTEE STATEMENT**  
**LB118**

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**Hearing Date:** Monday January 26, 2015  
**Committee On:** General Affairs  
**Introducer:** Larson  
**One Liner:** Provide for licensure of cigar shops

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

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**Vote Results:**

<b>Aye:</b>	7	Senators Coash, Hansen, Hughes, Kolterman, Krist, Larson, Schilz
<b>Nay:</b>		
<b>Absent:</b>		
<b>Present Not Voting:</b>	1	Senator Riepe

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**Verbal Testimony:**

**Proponents:**

Jeff Doll  
Glynn Loope  
Bradley Boyam  
Anna Bellamy  
Scott Lautenbaugh  
Jenise Brown  
Charles Kline

**Representing:**

Safari Cigar Bar  
Cigar Rights of America  
Self  
Safari Cigar Bar  
Nebraska Premium Tobacco  
Self  
Havana Garage

**Opponents:**

David Holmquist  
Amber Parker

**Representing:**

American Cancer Society Cancer Action Network  
Self

**Neutral:**

Hobert Rupe

**Representing:**

Nebraska Liquor Control Commission

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**Summary of purpose and/or changes:**

History On April 22, 2009, Governor Heinemann approved LB 355, which authorized cigar bars under the Nebraska Liquor Control Act. On August 29, 2014, the Nebraska Supreme Court struck down as unconstitutional the law that had authorized cigar bars. LB 118 would once again authorize cigar bars, referred to in this bill as cigar shops with liquor licenses. A licensee would still have to meet the previous criteria such as having a walk-in humidor, a minimum of 10 percent of its gross revenue from tobacco products, tobacco-related products, and cigars, but not cigarettes, and could not sell food. Cigarette smoking would still be prohibited within the establishment. In Section 53-1,120.01 on page 4, beginning on line 8 and repeated in Section 71-5729 on page 5, beginning on line 16, LB 118 states a number of Legislative findings including that the exception for cigar shops with liquor licenses would not interfere with the Nebraska Clean Indoor Air Act's intent to protect the general public and employees from second-hand smoke. LB 118 states that since this would be such a narrow exception and such businesses

would be the vast minority among establishments that sell alcohol, the restriction on the general public and those seeking employment would be de minimis. The Legislative findings also state that there are differences between cigars and pipe tobacco, versus cigarettes, both in how and why the products are smoked.

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**Explanation of amendments:**

1. Inserts additional intent language on page 1, lines 6 - 13. This intent language clarifies in the Nebraska Clean Indoor Air Act that the intent is to allow limited exceptions for "public accommodations, research, tobacco retail outlets, and cigar shops."
2. Inserts on page 1, lines 19 - 21 a severability clause.
3. Strikes on page 1, lines 22 - 23 the requirement for triplicate forms.
3. Inserts on page 1, lines 23 - 25 language to incorporate the Liquor Commission's rules and regulations that were in place on August 1, 2014 until the Commission either amends or appeals such rules and regulations.
4. Inserts on p. 2, lines 1 - 14 clarifying intent language to include tobacco retail outlets.

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Tyson Larson, Chairperson