LEGISLATURE OF NEBRASKA ONE HUNDRED FIFTH LEGISLATURE SECOND SESSION

## **LEGISLATIVE BILL 734**

Introduced by Scheer, 19. Read first time January 03, 2018 Committee: General Affairs

- A BILL FOR AN ACT relating to the Nebraska Liquor Control Act; to amend
  section 53-124.11, Revised Statutes Cumulative Supplement, 2016; to
  prohibit certain exemptions relating to a special designated license
  as prescribed; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

Section 1. Section 53-124.11, Revised Statutes Cumulative
 Supplement, 2016, is amended to read:

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

16 (2) No retail licensee, craft brewery licensee, microdistillery licensee, farm winery licensee, holder of a manufacturer's license issued 17 pursuant to subsection (2) of section 53-123.01, organization, or 18 19 corporation enumerated in subsection (1) of this section may be issued a special designated license under this section for more than six calendar 20 days in any one calendar year. Only one special designated license shall 21 be required for any application for two or more consecutive days. This 22 subsection shall not apply to any holder of a catering license. 23

24 (3) Except for any special designated license issued to a holder of 25 a catering license, there shall be a fee of forty dollars for each day identified in the special designated license. Such fee shall be submitted 26 with the application for the special designated license, collected by the 27 commission, and remitted to the State Treasurer for credit to the General 28 Fund. The applicant shall be exempt from the provisions of the Nebraska 29 Liquor Control Act requiring an application or renewal fee and the 30 provisions of the act requiring the expiration of forty-five days from 31

-2-

1 the time the application is received by the commission prior to the 2 issuance of a license, if granted by the commission. The retail licensees, craft brewery licensees, microdistillery licensees, farm 3 winery licensees, holders of manufacturer's licenses issued pursuant to 4 5 subsection (2) of section 53-123.01, municipal corporations, organizations, and nonprofit corporations enumerated in subsection (1) of 6 7 this section seeking a special designated license shall file an application on such forms as the commission may prescribe. Such forms 8 9 shall contain, along with other information as required by the commission, (a) the name of the applicant, (b) the premises for which a 10 special designated license is requested, identified by street and number 11 if practicable and, if not, by some other appropriate description which 12 definitely locates the premises, (c) the name of the owner or lessee of 13 14 the premises for which the special designated license is requested, (d) sufficient evidence that the holder of the special designated license, if 15 16 issued, will carry on the activities and business authorized by the license for himself, herself, or itself and not as the agent of any other 17 person, group, organization, or corporation, for profit or not for 18 profit, (e) a statement of the type of activity to be carried on during 19 the time period for which a special designated license is requested, and 20 (f) sufficient evidence that the activity will be supervised by persons 21 or managers who are agents of and directly responsible to the holder of 22 the special designated license. 23

24 (4) No special designated license provided for by this section shall be issued by the commission without the approval of the local governing 25 body. The local governing body may establish criteria for approving or 26 denying a special designated license. The local governing body may 27 28 designate an agent to determine whether a special designated license is to be approved or denied. Such agent shall follow criteria established by 29 the local governing body in making his or her determination. The 30 31 determination of the agent shall be considered the determination of the

-3-

local governing body unless otherwise provided by the local governing body. For purposes of this section, the local governing body shall be the city or village within which the premises for which the special designated license is requested are located or, if such premises are not within the corporate limits of a city or village, then the local governing body shall be the county within which the premises for which the special designated license is requested are located.

8 (5) If the applicant meets the requirements of this section, a 9 special designated license shall be granted and issued by the commission for use by the holder of the special designated license. All statutory 10 provisions and rules and regulations of the commission that apply to a 11 retail licensee shall apply to the holder of a special designated license 12 13 with the exception of such statutory provisions and rules and regulations of the commission so designated by the commission and stated upon the 14 issued special designated license, except that the commission may not 15 designate exemption of sections 53-180 to 53-180.07. A special designated 16 license shall authorize the holder of a farm winery license issued 17 pursuant to section 53-123.10, a craft brewery license issued pursuant to 18 19 section 53-123.14, a microdistillery license issued pursuant to section 53-123.16, or a manufacturer's license issued pursuant to subsection (2) 20 of section 53-123.01 to sell only the product produced by such licensee. 21 The decision of the commission shall be final. If the applicant does not 22 23 qualify for a special designated license, the application shall be denied 24 by the commission.

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

29 Sec. 2. Original section 53-124.11, Revised Statutes Cumulative 30 Supplement, 2016, is repealed.

-4-