## LEGISLATIVE BILL 344

Approved by the Governor April 5, 1991

ACT relating to the Nebraska Liquor Control Act; to AN amend sections 20-113, 53-102, 53-108, 53-118, 53-123 to 53-123.03, 53-123.07, 53-123.09, 53-123.11, 53-123.14, 53-124.11 to 53-124.13, 53-125, 53-126, 53-130, 53-135, 53-135.01, 53-140, 53-142, 53-146, 53-150, 53-157, 53-160, 53-161, 53-165, 53-168, 53-168.05, 53-169, 53-169.01, 53-171, 53-176, 53-178.01, 53-179, 53-180.02, 53-180.07, 53-183, 53-184, 53-185, 53-186.01, 53-188, 53-192, 53-1,100, 53-1,104 to 53-1,106, 53-1,114, and 53-1,118, Reissue Revised Statutes of Nebraska, 1943, and sections 53-101, 53-101.01, 53-101.04, and sections 53-101, 53-101.01, 53-101.04, 53-103.04, 53-103.04, 53-123.13, 53-124, 53-128, 53-131, 53-132, 53-134, 53-145, 53-147, 53-159, 53-164.01, 53-172, 53-175, and 53-1,116, Revised Statutes Supplement, 1990; to define and redefine terms; to eliminate references to distributors, distributorships, inspectors, and jobbers in the act; to revise the powers and duties of the Nebraska Liquor Control Commission as prescribed; to provide requirements for employees of the commission; to transfer, change, and eliminate provisions relating to licenses, permits, taxes, sales of alcoholic liquor, and judicial review orders of the commission; to eliminate certain labeling requirements, a requirement for filing proof of publication, provisions relating to bonded warehouses, certain pricing requirements, provisions relating to transportation of alcoholic liquor by a common carrier, penalties, and obsolete provisions as prescribed; to harmonize provisions; and to repeal the original sections, and also sections 53-104, 53-119, 53-120, 53-138.02, 53-140.01, 53-144, 53-151 to 53-156, 53-158, 53-166, 53-168.01, 53-170.01 to 53-170.04, 53-173, 53-193, 53-194, 53-195, and 53-1,117,

Reissue Revised Statutes of Nebraska, 1943. Be it enacted by the people of the State of Nebraska,

Section 1. That section 20-113, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

20-113. Any incorporated city may enact ordinances, and any county may adopt resolutions, are substantially equivalent to <u>the Act Prohibiting</u> <u>Unjust Discrimination in Employment Because of Age, the</u> Nebraska Civil Rights Act of 1969, the Nebraska Fair Employment Practice Act, and sections 20-105 20-126 to 20-1437 48-1001 to 48-10097 48-1102 to 48-11257 and 48-1219 to 48-1227, or which are more comprehensive than such <u>acts and</u> sections in the protection of civil rights. No such ordinance or resolution shall place a duty or liability on any person, other than an employer, employment agency, or labor organization, for similar to those prohibited by section 48-1115. for acts ordinance or resolution may include authority for local agency to seek an award of damages or other equitable relief on behalf of the complainant by the filing of a petition in the district court in the county with appropriate jurisdiction. The local agency shall have within its authority jurisdiction substantially equivalent to or more comprehensive than the Equal Opportunity Commission or other enforcement agencies provided under such acts and sections 20-105 to 20-1437 48-1001 to 48-1009, 48-1102 to 48-1125, and 48-1219 to 48-1227, and shall have authority to order back pay and other equitable relief, or to enforce such orders or in the district court with appropriate relief jurisdiction. Certified copies of such ordinances or resolutions shall be transmitted to the commission. When the commission determines that any such city or county has enacted an ordinance or adopted a resolution that is substantially equivalent to <u>such acts and</u> sections 20-105 to 20-143, 48-1601 to 48-1609, 48-162 to 48-1125, and 48-1219 to 48-1227, or is more comprehensive than such <u>acts and</u> sections in the protection of civil rights, and has established an agency to administer such ordinance or resolution, the commission may thereafter refer all complaints arising in such city or county to the appropriate local agency.
All 7 PROVIDED7 that all complaints arising within a city shall be referred to the appropriate agency in such city when both the city and the county in which the city is located have established agencies pursuant to this section. When the commission refers a complaint to a

local agency, it shall take no further action on such complaint if the local agency proceeds promptly to handle such complaint pursuant to the local ordinance or resolution. If the commission determines that a local agency is not handling a complaint with reasonable promptness, or that the protection of the rights of the parties or the interests of justice requires require such action, the commission may regain jurisdiction of the complaint and proceed to handle it in the same manner as other complaints which are not referred to local agencies.

Any club which has been issued a license by the Nebraska Liquor Control Commission to sell, serve, or dispense alcoholic liquor shall have that license revoked if it shall discriminate discriminates because of race, color, religion, sex, or national origin in the sale, serving, or dispensing of alcoholic liquor to any person who is a guest of a member of such club. The procedure for revocation shall be as prescribed in sections 53-1,114 to 53-1,115 and 53-1,116 and section 39 of this act. Sec. 2.

That section 53-101, Revised Statutes

Supplement, 1990, be amended to read as follows:

53-101. Sections 53-101 to 53-1,121 sections 4, 9, 10, 12, 13, 33, 35, 38, 39, 42, 43, 45, 48, 49, and 52 of this act shall be known and may be cited as the Nebraska Liquor Control Act.

Revised Sec. 3. That section 53-101.01, Supplement, 1990, be amended to read as Statutes follows:

53-101.01. (1) It is hereby declared to be the policy of the Legislature to: (a) Regulate, restrict, license, or prohibit, as the case may be, the manufacture, distribution, sale, and traffic of alcoholic liquor and regulate the transportation or importation of alcoholic liquor into this state when such alcoholic liquor is intended for delivery or use within the state as permitted by the United States Constitution, the Constitution of Nebraska, and the laws of Nebraska; (b) promote the public interest by liberal construction of the Nebraska Liquor Control Act to remedy the abuses inherent in the traffic of alcoholic liquor; (c) generate revenue by imposing an excise tax upon alcoholic liquor; (d) encourage temperance and restrict the consumption of alcoholic liquor; and (e) promote the health, safety, and welfare of the people of the State of Nebraska by (i) sound, careful control and regulation of the manufacture, distribution, and sale of alcoholic liquor, (ii) empowering local governing bodies

to enact police power regulations by ordinance governing the conduct on the licensed premises, the licensed premises, and the activities occurring on the licensed premises of retail licensees, (iii) empowering local governing bodies to approve or deny retail and club licenses within their jurisdiction according to designated criteria, in accordance with the exercise local police powers, utilizing all reasonable means within their discretion to fulfill the purposes act, (iv) authorizing the commission to exercise the ministerial oversight and administration of the receipt, handling, delivery, and processing of all retail and bottle club licenses and applications for such licenses, authorizing the commission to regulate and control the manufacture, distribution, sale, and traffic of liquor consistent with the act, (vi) alcoholic authorizing local governing bodies and the commission to enforce the act, and (vii) authorizing the commission to approve and deny retail licenses pursuant to the act.

(2) The Legislature hereby declares that business of retailing alcoholic liquor is a business affected with the public health, safety, and welfare such that it must be regulated locally. The Legislature hereby acknowledges that there is general concern among the citizens of the State of Nebraska regarding: (a) The increasing number of individuals driving while under the influence of alcoholic liquor; (b) the widespread abuse of alcoholic liquor in the state; (c) the issuance of additional retail licenses in areas already adequately served by existing retail licensees; and (d) the inability of law enforcement alone to curb the abuse of alcoholic liquor. Reconciling the continued issuance of additional retail licenses in areas already adequately served with the other concerns listed in this section requires the State of Nebraska to declare a policy to regulate and control the sale of alcoholic liquor at retail by establishing criteria that local governing bodies shall consider in granting or denying the issuance of retail licenses in order to moderate the issuance of such licenses

(3) It is the declared policy of the State of Nebraska that it is necessary to regulate and control the manufacture, sale, and distribution of alcoholic liquor within the state for the purpose of fostering temperance in consumption and respect for and obedience to the law.

Sec. 4. That section 53-1,118, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-1-119. This set The Nebraska Liquor Control Act shall be liberally construed, to the end that the health, safety, and welfare of the people of the State of Nebraska shall be are protected, and temperance in the consumption of alcoholic liquers shall be liquor is fostered and promoted by sound and careful control and regulation of the manufacture, sale, and distribution of alcoholic liquers liquor.

Sec. 5. That section 53-103, Revised Statutes

Supplement, 1990, be amended to read as follows:

53-103. For purposes of the Nebraska Liquor Control Act, unless the context otherwise requires:

(1) This act shall be construed as referring

exclusively to such act;

(2) Alcohol shall mean the product of distillation of any fermented liquid, whether rectified or diluted, whatever the origin thereof, and shall include synthetic ethyl alcohol. Alcohol shall not include denatured alcohol or wood alcohol;

(3) Spirits shall mean any beverage which contains alcohol obtained by distillation, mixed with water or other substance in solution, and shall include brandy, rum, whiskey, gin, or other spirituous liquors and such liquors when rectified, blended, or otherwise mixed with alcohol or other substances;

(4) Wine shall mean any alcoholic beverage obtained by the fermentation of the natural contents of fruits or vegetables, containing sugar, including such beverages when fortified by the addition of alcohol or

spirits;

(5) Beer shall mean a beverage obtained by alcoholic fermentation of an infusion or concoction of barley or other grain, malt, and hops in water and shall include, but not be limited to, beer, ale, stout, lager

beer, porter, and near beer;

(6) Alcoholic liquor shall include alcohol, spirits, wine, beer, and any liquid or solid, patented or not, containing alcohol, spirits, wine, or beer and capable of being consumed as a beverage by a human being. Alcoholic liquor shall also include confections or candy with alcohol content of more than one-half of one percent alcohol. The act shall not apply to (a) alcohol used in the manufacture of denatured alcohol produced in accordance with acts of Congress and regulations adopted and promulgated pursuant to such acts, (b) flavoring extracts, syrups, medicinal, mechanical, scientific, culinary, or toilet preparations, or food products unfit for beverage purposes, but the act shall not be construed to exelude

er net apply to alcoholic liquor used in the manufacture, preparation, or compounding of such products or confections or candy that contains more than one-half of one percent alcohol, or (c) wine intended for use and used by any church or religious organization for sacramental purposes;

(7) Near beer shall mean beer containing less

than one-half of one percent of alcohol by volume;

(8) Original package shall mean any bottle, flask, jug, can, cask, barrel, keg, hogshead, or other receptacle or container used, corked or capped, sealed, and labeled by the manufacturer of alcoholic liquor to

contain and to convey any alcoholic liquor;

(9) Manufacturer shall mean every brewer, fermenter, distiller, rectifier, winemaker, blender, processor, bottler, or person who fills or refills an original package and others engaged in brewing, fermenting, distilling, rectifying, or bottling alcoholic liquers liquor, including a wholly owned affiliate or duly authorized agent for a manufacturer;

(10) Nonbeverage user shall mean every manufacturer of any of the products set forth and described in <u>subsection (4) of</u> section 53-160, when such product contains alcoholic liquor, and all laboratories, hospitals, and sanatoria using alcoholic liquor for

nonbeverage purposes;

(11) Manufacture shall mean to distill, rectify, ferment, brew, make, mix, concoct, process, blend, bottle, or fill an original package with any alcoholic liquor and shall include blending but shall not include the mixing or other preparation of drinks for serving by those persons authorized and permitted in the act to serve drinks for consumption on the premises

where sold;

(12) Bistributer, distributership, wholesaler, or jobber wholesaler shall mean the a person importing or causing to be imported into the state or purchasing or causing to be purchased within the state alcoholic liquers liquor for sale or resale to retailers licensed under the act, whether the business of the distributer, distributership, wholesaler, or jobber is conducted under the terms of a franchise or any other form of an agreement with a manufacturer or manufacturers, or who has caused alcoholic liquers liquor to be imported into the state or purchased in the state from a manufacturer or manufacturers and was licensed to conduct such a business by the commission on May 1, 1970, or has been so licensed since that date. The terms Wholesaler shall not include any retailer licensed to sell alcoholic

liquor for consumption off the premises who sells alcoholic liquor other than beer or wine to another retailer pursuant to section 53-175, except that any such retailer shall obtain the required federal wholesaler's basic permit and federal wholesale liquor dealer's special tax stamp. Wholesaler shall include a distributor, distributorship, and jobber;

(13) Person shall mean any natural person,

trustee, corporation, or partnership;

(14) Retailer shall mean a person who sells or offers for sale alcoholic liquers liquor for use or consumption and not for resale in any form except as provided in section 53-175;

(15) Sell at retail and sale at retail shall mean sales sale for use or consumption and not for resale in any form except as provided in section 53-175;

(16) Commission shall mean the Nebraska Liquor

Control Commission;

(17) Sale shall mean any transfer, exchange, or barter in any manner or by any means for a consideration and shall include all sales any sale made by any person, whether principal, proprietor, agent, servant, or employee;

(18) To sell shall mean to solicit or receive an order for, to keep or expose for sale, or to keep

with intent to sell;

- (19) Restaurant shall mean any public place (a) which is kept, used, maintained, advertised, and held out to the public as a place where meals are served and where meals are actually and regularly served, (b) which has no sleeping accommodations, and (c) which has adequate and sanitary kitchen and dining room equipment and capacity and a sufficient number and kind of employees to prepare, cook, and serve suitable food for its guests;
- (20) Club shall mean a corporation (a) which is organized under the laws of this state, not for pecuniary profit, solely for the promotion of some common object other than the sale or consumption of alcoholic liquers, liquor, (b) which is kept, used, and maintained by its members through the payment of annual dues, (c) which owns, hires, or leases a building or space in a building suitable and adequate for the reasonable and comfortable use and accommodation of its members and their guests, and (d) which has suitable and adequate kitchen and dining room space and equipment and a sufficient number of servants and employees for cooking, preparing, and serving food and meals for its members and their guests. Such club shall file with the

local governing body at the time of application for a license under the act two copies of a list of names and residences of its members and similarly shall file within ten days of the election of any additional member his or her name and address. The affairs and management of such club shall be conducted by a board of directors, executive committee, or similar body chosen by the members at their annual meeting, and no member, officer, agent, or employee of the club shall be paid or shall directly or indirectly receive, in the form of salary or other compensation, any profits from the distribution or sale of alcoholic liquor to the club or the members of the club or its guests introduced by members other than any salary fixed and voted at any annual meeting by the members or by the governing body of the club out of the general revenue of the club;

(21) Hotel shall mean any building or other (a) (a) which is kept, used, maintained, and held out to the public to be a place structure advertised, and held out to the public to be a place where food is actually served and consumed and sleeping accommodations are offered for adequate pay to travelers and guests, whether transient, permanent, or residential, (b) in which twenty-five or more rooms are used for the sleeping accommodations of such guests, and which has one or more public dining rooms where meals are served to such guests, such sleeping accommodations and dining rooms being conducted in the same buildings in connection therewith and such building or buildings or structure or structures being provided with adequate and sanitary kitchen and dining room

equipment and capacity;

(22) Nonprofit corporation shall mean any corporation organized under the laws of this state, not for profit, which has been exempted from the payment of

federal income taxes;

(23) Bottle club shall mean an operation, whether formally organized as a club having a regular membership list, dues, officers, and meetings or not, keeping and maintaining premises where persons who have made their own purchases of alcoholic liquers liquor congregate for the express purpose of consuming such alcoholic liquers liquor upon the payment of a fee or other consideration, including among other services the sale of food, ice, mixes, or other fluids for alcoholic drinks and the maintenance of space for the storage of alcoholic liquers liquor belonging to such persons and facilities for the dispensing of such liquers liquor through a locker system, card system, or pool system, which shall not be deemed or considered a sale of

alcoholic liquor. Such operation may be conducted by a club, an individual, a partnership, or  $\underline{a}$  corporation. accurate and current membership list shall maintained upon the premises which contains the names and residences of its members. Nothing in this section shall be deemed to prohibit the sale of alcoholic liquers liquor for consumption on the premises to any person who is not a current member of such bottle club;

(24) Minor shall mean any person, male or female, under twenty-one years of age, regardless of marital status;

(25) Brand shall mean alcoholic liquor liquors which are identified as the product of a specific

manufacturer:

(26) Franchise or agreement, when used reference to the relationship between a manufacturer and distributor wholesaler, shall include one or more of the following: (a) A commercial relationship of a definite duration or continuing indefinite duration which is not required to be in writing; (b) the a relationship by which the franchisee wholesaler is granted the right to offer and sell the franchiser's manufacturer's brands by the franchiser manufacturer; (c) the a relationship by which the franchise, as an independent business, constitutes a the franchisor's component of manufacturer's distribution system; (d) a relationship by which the operation of the franchisee's wholesaler business is substantially associated with the franchiser's manufacturer's brand, advertising, or other commercial symbol designating the franchiser manufacturer; and (e) a relationship by which the
operation of the framehisee's wholesaler's business is substantially reliant on the franchiser manufacturer for the continued supply of beer;

(27) Franchiser shall have the same meaning as

the term manufacturer,

(28) Franchisee shall have the same meaning as the terms distributor, distributorship, wholesaler, jobber,

(29) Territory or sales territory shall mean the franchisee's or distributor's wholesaler's area of sales responsibility for the brand or brands of the manufacturer;

(28) (30) Suspend shall mean to cause temporary interruption of all rights and privileges of a license;

(29) (21) Cancel shall mean to discontinue all rights and privileges of a license; (30) (32) Revoke shall mean to permanently

void and recall all rights and privileges of a license; (31) (33) Generic label shall mean a label which is not protected by a registered trademark, either in whole or in part, or to which no person has acquired a right pursuant to state or federal statutory or common law;

(32) (34) Private label shall mean a label which the purchasing distributor, wholesaler, retailer, or bottle club licensee has protected, in whole or in part, by a trademark registration or which purchasing distributor, wholesaler, retailer, or bottle club licensee has otherwise protected pursuant to state or federal statutory or common law;

(35) Farm winery shall mean any (33) enterprise which produces and sells wines produced from grapes, other fruit, or other suitable agricultural products of which at least seventy-five percent is grown in this state;

(34) (36) Campus, as it pertains to the southern boundary of the main campus of the University of Nebraska at Lincoln Nebraska-Lincoln, shall mean the south right-of-way line of R Street and abandoned R Street from 10th to 17th streets; and (35) (37) Brewpub shall mean any restaurant or

hotel which produces on its premises a maximum of five thousand barrels of beer per year for sale at retail for consumption on the licensed premises and which sells not more than ten percent of its annual production for consumption off the premises;

(36) Manager shall mean a person appointed corporation to oversee the daily operation of the business licensed in Nebraska. A manager shall meet all the requirements of the act as though he or she were the applicant, except for residency and citizenship; and

(37) Shipping license shall mean a license

granted pursuant to section 49 of this act.

Sec. 6. That section 53-108, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

The commission may, with the advice 53-108. and approval of the Governor, appoint or employ such inspectors, clerks, and other employees as may be necessary to carry out the Nebraska Liquor Control Act previsions of this act or to perform the duties and exercise the powers conferred by law upon commission.

Sec. 7. That section 53-110, Revised Statutes Supplement, 1990, be amended to read as follows:

commissioner, the executive director of the commission, or an inspector for employee of the commission who is not a citizen of the United States and who has not resided within the State of Nebraska successively for two years next preceding the date of his or her appointment. No person (1) convicted of, or who has pleaded guilty to, a felony or any violation of any federal or state law concerning the manufacture or sale of alcoholic liquor prior or subsequent to the passage of the Nebraska Liquor Control Act, (2) who has paid a fine or penalty in settlement of any prosecution against him or her for any violation of such laws, or (3) who forfeited his or her bond to appear in court to answer charges for any such violation shall be appointed commissioner. No commissioner, inspector, or other employee of the commission may, directly or indirectly, individually, or as a member of a partnership, or as a shareholder of a corporation, have any interest whatsoever in the manufacture, sale, or distribution of alcoholic liquor, receive any compensation or profit therefrom from such manufacture, sale, or distribution, or have any interest whatsoever in the purchases or sales made by the persons authorized by the act to purchase or to sell alcoholic liquor. This section shall not prevent any commissioner, the executive director, any inspector, or any other employee from purchasing and keeping in his or her possession for the use of himself, herself, or members of his or her family or guests any alcoholic liquor which may be purchased or kept by any person by virtue of pursuant to the act.

Sec. 8. That section 53-113, Revised Statutes

Supplement, 1990, be amended to read as follows:

53-113. The commissioners, the executive director of the commission, and all elerks, inspectors, and ether employees of the commission shall be reimbursed for all actual and necessary traveling expenses and disbursements incurred or made by them in the discharge of their official duties as provided in sections 81-1174 to 81-1177. The commission may also incur necessary expenses for office furniture and other incidental expenses. No commissioner, appeintee executive director, or employee of the commission shall or be allowed mileage or other traveling request expenses unless such sections are strictly complied with.

Sec. 9. That section 53-146, Reissue Revised Statutes of Nebraska, 1943, be amended to read follows:

53-146-Ιŧ shall be the duty of the The LB 344

commission and local governing bodies to shall cause frequent inspection to be made on the premises of all retail <u>licensees</u> and bottle club licensees, and if it is found that any such licensee is violating any provision of this act the Nebraska Liquor Control Act or the regulations of the commission promulgated hereunder under the act or is failing to observe in good faith the purposes of this the act, the license may be suspended, canceled, or revoked after the licensee is given an opportunity to be heard in his or her defense.

Sec. 10. That section 53-128, Revised Statutes Supplement, 1990, be amended to read as

follows:

53-128- Whenever any retail licensee has been convicted by any court of a violation of any of the previsions of the Nebraska Liquor Control Act, the licensee may, in addition to the penalties for such offense, incur a forfeiture of his or her license and all money that had been paid therefor. The local governing body may thereupon revoke his or her the license, or the commission may revoke his or her the license in an original proceeding brought before it for that purpose.

7 as the case may be. The local governing body or the commission, as the case may be, shall issue the final order revoking the license subject to review as provided in section 53-1,116. The local governing body shall notify the commission of the revocation within ten days of such action.

Sec. 11. That section 53-117, Revised Statutes Supplement, 1990, be amended to read as

follows:

53-117. The commission shall have the

following powers, functions, and duties:

(1) To approve, deny, issue, suspend, cancel, and revoke licenses to manufacturers, distributors wholesalers, retailers, nonbeverage users, railroads; including owners and lessees of sleeping, dining, and cafe cars, airlines, and boats in accordance with the Nebraska Liquor Control Act;

(2) To approve, deny, issue, suspend, cancel, and revoke retail licenses in accordance with the act;

(3) To receive applications for retail licenses and to exercise ministerial oversight and administration of the receipt, handling, delivery, and processing of all retail and bottle club licenses and applications for such licenses;

(4) (3) To fix by rules and regulations the standards of manufacture of alcoholic liquor not inconsistent with federal laws in order to insure the

-12-

use of proper ingredients and methods in the manufacture and distribution thereof and to adopt and promulgate rules and regulations; not inconsistent with federal laws; for the proper labeling of containers, barrels, casks, other bulk containers, or bottles of alcoholic liquor manufactured or sold in this state. It is intended by the grant of power to adopt and promulgate rules and regulations that the commission shall be clothed with broad discretionary powers to govern the traffic in alcoholic liquor and to enforce strictly all the provisions of the act in the interest of sanitation, purity of products, truthful representations, and honest dealings in such manner as generally will promote the public health and welfare. All such rules and regulations shall be absolutely binding upon all licensees and enforceable by the commission through the power of suspension or cancellation of licenses, except that all rules and regulations of the commission affecting a Class H license, a Glass 9 bottle club license, or a club possessing any form of retail license shall have equal application to all such licenses or shall be void:

(5) (4) To call upon other administrative departments of the state, county, and municipal governments, county sheriffs, city police departments, village marshals, peace officers, and prosecuting officers for such information and assistance as it the commission may deem necessary in the performance of its duties;

(6) (5) To recommend to local governing bodies rules and regulations or ordinances, not inconsistent with law, for the distribution and sale of alcoholic liquor throughout the state;

(7) (6) To inspect or cause to be inspected any premises where alcoholic liquor is manufactured, distributed, or sold and, when sold on an unlicensed premise premises or on any premises in violation of law, to bring an action to enjoin the use of the property for such purpose;

(8) (7) To conduct or cause to be conducted an audit to inspect any license helder's licensee's records

and books;

(9) (8) In the conduct of any hearing or audit authorized to be held by the commission (a) to examine or cause to be examined, under oath, any licensee and to examine or cause to be examined the books and records of such licensee, (b) to hear testimony and take proof material for its information in the discharge of its duties hereunder under the act, and (c) to administer or

cause to be administered oaths;

(10) (9) To investigate the administration of laws in relation to alcoholic liquor in this and other states and to recommend from time to time to the Covernor and through him or her to the Legislature of this state amendments to the act; and

(11) (10) To receive, account for, and turn ever remit to the State Treasurer state license fees and

taxes provided for in the act.

Sec. 12. That section 53-140, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-140- All proceedings for the suspension, cancellation, or revocation of licenses of manufacturers, distributors wholesalers, nonbeverage users, brewpubs, railroads, airlines, shippers, and boats shall be before the commission, and the proceedings shall be in accordance with rules and regulations adopted and promulgated by it not inconsistent with law. No such license shall be so suspended, canceled, or revoked except after a hearing by the commission with reasonable notice to the licensee and opportunity to appear and defend.

and opportunity to appear and defend.

Sec. 13. The license of any licensee who violates any of the provisions of the Nebraska Liquor Control Act shall be suspended, canceled, or revoked. If any licensee violates the regulations adopted and promulgated by the commission or any lawful ordinance of the local governing body, the commission may, after proper hearing, suspend, cancel, or revoke the license. If any licensee is convicted of a violation of the terms of the act, the court shall immediately notify the local governing body and the commission.

Sec. 14. That section 53-118, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-118. The commission shall adopt and promulgate rules and regulations to carry out the Nebraska Liquor Control Act. The rules and regulations established by the commission shall include, among such other things as the commission may determine, the fellewing provisions: (a) Fixing and determining the nature; form; and capacity of all containers used for alcoholic liquors; which rules and regulations shall provide for the sale of imported beer in such capacity of containers as are provided by the producer thereof; (b) determining the nature of and the representations to be shown upon the containers or the labels attached to the containers; PROVIDED; that the commission shall

LB 344

require that all original packages or the labels attached to all original packages of alcoholic liquors sold or effered for sale in this state shall set forth in plain and legible print in the English language the quantity of such liquors exclusive of the original package containing it; (e) prescribing the (1) Prescribing conditions as to the issuance of duplicate licenses in lieu of those lost or destroyed; (d) (2) determining for what which violations of the rules and regulations licenses shall be suspended, canceled, or revoked; (e) (3) establishing standards of purity, sanitation, honest advertising, and representation; and (f) including (4) covering any and all the other details which are necessary or convenient to the enforcement of the intent, purpose, and requirements of this the act.

Sec. 15. That section 53-122, Revised Statutes Supplement, 1990, be amended to read as follows:

53-122. (1) The commission may issue licenses for the sale of alcoholic liquor, except beer, by the drink subject to all the terms and conditions of the Nebraska Liquor Control Act in all cities and villages in this state, and entside of eities and villages as provided in subdivision (5)G- of section 53-124 except in those cases when it shall affirmatively appear appears that the issuance thereof will render null and void prior conveyances of land thereto to such city or yillage for public uses and purposes by purchase, gift, or devise, under the conditions and in the manner provided in this section.

(2) If a sufficient petition is signed by the electors registered voters of any such city or village of such number as equals twenty percent of the votes cast at the last general election held in such city or village which requests that the question of licensing the sale of alcoholic liquor, except beer, by the drink be submitted to the electors registered voters of such city or village at a special election to be called for that purpose and such petition is presented to the municipal clerk of such city or village, the municipal clerk shall cause to be published one time in a legal newspaper published in or of general circulation in such city or village a notice of a special election to be held not less than ten days nor more than twenty days from the date of such publication. The notice shall state the proposition to be submitted to the electors.

(3) The question of licensing the sale of such alcoholic liquor either by the drink or in the original

package, or both by the drink and in the original package, may also be submitted at any general municipal election, except as otherwise provided in section 53-121, in any city or village in this state subject to

the following conditions or procedure:

(a) Upon the filing with the municipal clerk of such city or village of a petition signed by electors registered voters of such city or village of such number as equals twenty percent of the votes cast at the last general election held in such city or village, such proposition or propositions shall be submitted;

(b) - Each sheet of each petition shall contain not more than thirty signatures of electors registered voters with their the personal signatures, and addresses of the signers, and the date of such signatures, all in their ewn the handwriting of the signers, and each - Each signature shall be the same as it appears upon the voter registration records;

(c) - At the top of each sheet shall be stated the proposition or propositions to be submitted and the date of the general municipal election at which

it is proposed to be submitted;

(d) - No signature on such petition shall be valid unless appended to the petition within the last ninety days prior to the date of filing the petition

with the municipal clerk of the city or village;

(e) - At the bottom of each sheet of such petition shall be the affidavit of the person who circulated the same petition, stating that the signatures to the petition were made in his or her presence, that he or she has reasonable cause to believe that they the signers are qualified electors registered voters of the particular city or village, and that they the signers are the persons they represent themselves to be; and

(f) - Such petition shall be filed thirty days prior to the day of the general municipal election at which the proposition is to be submitted, and during such thirty-day period no signature shall be withdrawn

and no signature shall be added.

(4) Any person who signs any proposal or petition contemplated under this section knowing that he or she is not a qualified electer registered voter in the place where such proposal or petition is made, who aids or abets any other person in doing any of the acts mentioned, or who bribes, gives, or pays any money or thing of value to any person directly or indirectly to induce him or her to sign such proposal or petition shall be guilty of a Class III misdemeanor.

(5) Upon the ballot either at the special election or at any general municipal election, the proposition or propositions shall be stated as follows: Shall the sale of alcoholic liquor, except

beer, by the drink be licensed in (here insert the name of the city or village)?

.... For license to sell by drink.

Against license to sell by drink. Shall the sale of alcoholic liquor, except beer, by the package be licensed in (here insert the name of the city or village)?
... For license to sell by the package.

... Against license to sell by the package. The provisions of the statutes of this state relating to election officers, voting places, election apparatus and blanks, preparation and form of ballots, information to voters, delivery of ballots, calling of elections, conduct of elections, manner of voting, counting of votes, records and certificates of elections, and recounts of votes, so far as applicable, shall apply to voting on the proposition or propositions under the Nebraska biquer Centrel Act  $\underline{act}$ , and a majority vote of those voting on the question shall be mandatory upon the commission.

An election may not be held in the same city or village under this section more often than once each

twenty-three months.

The provisions of subdivision (5)Hr or (9) of section 53-124 shall not be subject to this section-

(6) If the question is to be submitted at a statewide primary or general election, such the petitions shall be filed with the municipal clerk of the city or village not less than sixty days prior to the election. The provisions for the required number of signers and the form of petition shall be the same as for a special election. The eity clerk of the city or village shall verify the signatures on the petitions with the veters! voter registration records in the office of the county clerk or election commissioner. During the ten-day period while the petitions are being checked, no signatures shall be withdrawn and no signatures shall be added.

If the eity clerk of the city or village finds the petitions to be valid, he or she shall, not less than fifty days prior to the statewide primary or general election, give notice in writing to the county clerk or election commissioner that the question is to be submitted at the time of the statewide primary or general election. The election notices, issuing of the

official ballots on election day, issuing of the official absentee ballots, and the counting and canvassing of the same shall be conducted by the county clerk or election commissioner as provided in Chapter 32 and the official results certified to the etty clerk of the city or village.

(7) An election may not be held in the same city or village under this section more often than once every twenty-three months. The provisions of subdivision (5)(q) or (9) of section 53-124 shall not be subject to this section.

Sec. 16. That section 53-123, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-123. Licenses issued by the Nebraska hiquer Gentrel Gemmission commission shall be of the following elasses types: (1) Manufacturer's license; (2) alcoholic liquor distributor's wholesale license; (4) retailer's retail license; (5) railroad license; (6) airline license; (7) boat license; (8) nonbeverage user's license; (9) bottle club license; (10) farm winery license; and (11) brewpub license; (12) shipping license; (13) special designated license; and (14) catering license.

Sec. 17. That section 53-123.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-123.01. A manufacturer's license shall allow the manufacture, storage, and sale of alcoholic liquers liquor, including the wholesale distribution of beer, to licensees in this state and to such persons without outside the state as may be permitted by law, except that nothing in Chapter 53, article 1, the Nebraska Liquor Control Act shall prohibit a manufacturer of beer from distributing tax-paid samples of beer at the premises of a licensed manufacturer for consumption on the premises.

Sec. 18. That section 53-123.02, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-123.02. An alcoholic liquor distributor's wholesale license, (except beer, ) shall (1) allow the wholesale purchase, importation, and storage of alcoholic liquers liquor and sale of alcoholic liquers liquor and sale of alcoholic liquers liquor to licensees in this state and to such persons without outside the state as may be permitted by law, and (2) permit the purchase of such alcoholic liquer in barrels, casks, or other bulk

containers and the bettling of such alcoholic liquors before resale thereof, but all bettles or containers so filled shall be scaled, labeled, stamped, and etherwise made to comply with all provisions, rules, and regulations governing manufacturers in the preparation and bettling of alcoholic liquors and comply with all federal rules, regulations, and laws, and (3) allow the sampling of tax-paid alcoholic liquors liquor, (except beer, ) upon the premises of the licensed distributor wholesaler by a licensed retailer when approved by and in the manner prescribed by the commission. Such sampling shall be limited to such persons licensed as distributors wholesalers and retailers and their employees and agents.

Sec. 19. That section 53-123.03, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-123.03. A beer distributer's wholesale license shall (1) allow the wholesale purchase, importation, and storage of beer and sale, including delivery, of the brand or brands described in such license to licensees in this state in the sales territory prescribed in the license for each brand; and to such persons without outside the state as may be permitted by law; and shall (2) allow the licensee licensed wholesaler to do all things incident to the carrying on of the wholesale beer business, including the sampling of tax-paid beer upon the premises of the licensed wholesaler by a licensed retailer in the manner prescribed by the commission. The license shall designate the territory within which the licensee licensed wholesaler may sell the designated product of any brewer as agreed upon by the licensee and the brewer.

Sec. 20. That section 53-123.04, Revised Statutes Supplement, 1990, be amended to read as follows:

53-123.04. A retailer's retail license shall allow the licensee to sell and offer for sale at retail either in the original package or otherwise, as prescribed in such the license, in the premises specified in such the license, or in the premises where catering is occurring, alcoholic liquers liquor or beer for use or consumption but not for resale in any form except as provided in section 53-175, except that in all counties a holder of a bottle club license shall be authorized to sell alcoholic liquers liquor for consumption on the premises without complying with that part of subdivision (23) of section 53-103 pertaining to

membership and maintaining membership lists.

Sec. 21. That section 53-123.07, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-123.07. A nonbeverage user's license shall

the licensee to purchase alcoholic liquor from a licensed manufacturer or distributer, wholesaler without the imposition of any tax upon the business of such licensed manufacturer or distributer wholesaler as to such alcoholic liquor, to be used by such licensee licensed nonbeverage user solely for the nonbeverage

purposes set forth in subsection (4) of section 53-160. If , PROVIDED, if any such licensee licensed nonbeverage user is engaged in the business of manufacturing, compounding, or preparing pharmaceutical products or similar preparations or products containing alcohol to be sold in both intrastate and interstate commerce, such nonbeverage user's license shall allow the licensee to purchase at wholesale or otherwise from manufacturers or distributors wholesalers not licensed in the state and to import alcohol either in barrels, drums, casks, or other containers. If , AND PROVIDED FURTHER, if any such licensee licensed nonbeverage user is engaged in the business of manufacturing or preparing food products to be sold in both containing alcoholic liquor intrastate and interstate commerce, such nonbeverage user's license shall allow the licensee to purchase at wholesale from alcoholic liquor distributors wholesalers licensed within the state alcoholic liquor either in barrels, drums, casks, or other containers, and such alcoholic liquor distributors wholesalers may cause such alcoholic liquor to be shipped or delivered directly to such nonbeverage user from the source of supply, in which event all such shipments or deliveries shall be considered as received by such alcoholic liquor distributors wholesalers within this state and at their licensed premises, and purchased by such alcoholic liquor distributors wholesalers and for their account, and in compliance with sestions 53-151 to 53-153, and all such shipments or deliveries shall be recorded and reported by such alcoholic liquor distributors wholesalers as required by sections section 53-165. and All such licenses shall be divided 53-166+ classified and shall permit the purchase during the term for which such licenses shall be are issued of limited

and stated quantities of alcoholic liquor as follows: Class 1, not to exceed ...... 100 gallons Class 3, not to exceed ..... 5,000 gallons

Revised Statutes of Nebraska, 1943, be amended to read

53-123.09. (1) It shall be unlawful for any beer distributer wholesaler to deliver beer to any retail licensee located outside the geographic territory designated on the beer distributer's wholesaler's license.

(2) If any person shall violate the provisions ef violates subsection (1) of this section, such person's license shall be suspended or revoked by the commission in the manner provided by law for revocation or suspension for other violations of the laws of the state the Nebraska Liquor Control Act.

Sec. 23. That section 53-123.11, Reissue Revised Statutes of Nebraska, 1943, be amended to read

as follows:

53-123.11. (1) A farm winery license shall

entitle the holder to:

- (a) Sell wines produced at the farm winery onsite at wholesale and retail and at off-premises retail sites holding the appropriate retail license; and
- (b) Allow sampling of the wine at the farm winery and at one branch outlet in the state in reasonable amounts.
- (2) No farm winery shall manufacture wine in excess of fifty thousand gallons per year.
- Sec. 24. That section 53-123.13, Revised Statutes Supplement, 1990, be amended to read as follows:
- 53-123.13. (1) In the event the operator of a farm winery is unable to produce or purchase seventy-five percent of the grapes, fruit, or other suitable agricultural products used in the farm winery from within the state due to natural disaster which causes substantial loss to the Nebraska-grown crop, such operator may petition the commission to waive the seventy-five-percent requirement, prescribed in subdivision (35) (33) of section 53-103, for one year.
- (2) It shall be within the discretion of the commission to waive the seventy-five-percent requirement taking into consideration the availability of products used in farm wineries in this area and the ability of such operator to produce wine from products that are abundant within the state.

That section 53-123.14, Reissue Sec. 25.

Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-123.14. Any person who operates a brewpub shall obtain a license pursuant to the Nebraska Liquor Control Act. A license to operate a brewpub shall permit the holder to produce on the brewpub premises a maximum of five thousand barrels of beer per year for sale on draught for consumption on the premises. holder of a brewpub license may also sell not more than ten percent of his or her annual production for consumption off the premises. The license holder shall serve food on the premises and shall otherwise be qualified as a restaurant. The A brewpub license issued pursuant to this section shall be in lieu of any other the only license or licenses which may be required for the manufacture er and retail sale of beer for consumption on or off the licensed premises, including, but not limited to, a manufacturer's license and a retailer's license, except that the sale of any beer other than beer manufactured by the brewpub licensee, wine, or alcoholic liquor by the drink for consumption on the brewpub premises shall require the appropriate retailer's retail license. Any license held by the operator of a brewpub shall be subject to the Nebraska Liquer Centrel Act act.

Sec. 26. That section 53-124, Revised Statutes Supplement, 1990, be amended to read as

follows:

53-124. At the time application is made to the commission for a license of any elass type, the applicant shall pay the fee provided in this section. The fees for annual licenses finally issued by the commission shall be as follows:

or to operate a farm winery or brewpub:

A- Beer (a) Manufacture of beer, excluding beer produced by a brewpub:

(f) (vi) 400 to 500 barrel daily
capacity 700.00
(vii) 500 barrel daily capacity,
or more 800.00;
(b) Operation of a brewpub \$250.00;
(c) Manufacture of wines \$250.00;
(d) Operation of a farm winery \$250.00.
Br Operation of a brewpub 6250-007
Er Wines
Dr Operation of a farm winery ***** \$250-00-
The words daily capacity, as used in For purposes of
subdivision (2)(a) A- of this section, daily capacity
shall mean the average daily barrel production for the
previous twelve months of manufacturing operation. If

no such basis for comparison exists, the manufacturing licensee shall pay in advance for the first year's operation a fee of five hundred dollars; (3) Alcoholic liquor distributer's wholesale license, for the first and each additional wholesale distributing place of business operated in this state by

the same licensee and wholesaling or jobbing alcoholic liquor, except beer and wines produced from farm wineries ..... \$500.00; (4) Beer distributor's wholesale license, for

the first and each additional wholesale distributing place of business operated in this state by the same licensee and wholesaling or jobbing beer only...\$250.00;
(5) For a retailer's retail license:

(a) Class A: - Beer only except for brewpubs, within inside the corporate limits of cities and villages, for consumption on the premises, the sum of ten dollars in villages having a population of five hundred pepulation inhabitants or less; twenty-five dollars in villages or cities, as the case may be, a population of more than five hundred inhabitants and not more than twenty-five inhabitants; fifty dollars in cities having a population of more than twenty-five hundred inhabitants and less than ten thousand inhabitants; and one hundred dollars a population of ten thousand cities having inhabitants or more;

(b) Class B: Beer only except for brewpubs, for consumption off the premises, sales in the original packages only, the sum of twenty-five dollars;

(c) Class C: -Alcoholic liquor within inside the corporate limits of cities and villages, for consumption on the premises and off the premises, sales in original packages only, the sum of two hundred fifty dollars, except for farm winery or brewpub sales

outlets. If this a Class C license is held by a nonprofit corporation, it shall be restricted to

consumption on the premises only;

(d) Class D: - Alcoholic liquor, including beer, within inside the corporate limits of cities and villages, for consumption off the premises, sales in the original packages only, the sum of one hundred fifty dollars, except for farm winery or brewpub sales outlets;

(e) Class E: - Alcoholic liquor without outside the corporate limits of cities and villages in any county in which there is no incorporated city or village or in which the county seat is not located in an incorporated city or village, for consumption off the premises, sales in the original packages only, not less than one hundred fifty dollars for each license, except for farm winery or brewpub sales outlets;

(f) Class F: - Beer only except for brewpubs, without outside the corporate limits of cities and villages, for consumption on the premises, not less than twenty-five dollars for each license, the precise amount in each case to be such sum as shall equal equals the amount of license fee fixed in this section plus the occupation tax fixed by ordinance, if any, in the nearest incorporated city or village in the same county;

G. Alcoholic liquor without the corporate limits of cities or villages in existing privately owned recreation areas, on which are located hotels or motels to be licensed in which twenty-five or more rooms are used for the sleeping accommodations of guests and having one or more public dining rooms where meals are served and which are of sufficient size to serve at least one hundred patrons, which recreational areas shall have, after licensing, a principal business purpose or purposes other than the sale of alcoholic liquor and have at least one hundred sixty acres of real estate of the area under contiguous single ewnership or lease, for consumption on the premises and off the premises, sales in original packages only, the sum of two hundred fifty dellars. The commission shall first find that the proposed licensed premises are a part of an existing recreational area of substantial size and operation and that such area does, in fact, have a recreational purpose; subsequent to this finding the commission shall then determine that the issuance of the proposed license would be in the public interest;

(a) Class H: - Alcoholic liquor, including beer, issued to a nonprofit corporation, for consumption on the premises: 7 which license shall not be issued to

any corporation authorized by law to receive a license under subdivision (5)6+ of this section, except that this provision shall not apply when the nonprofit corporation shall be open for sale of alcoholic liquor, including beer, for consumption on the premises not more

than two days in any week+

(a) Within (i) Inside the corporate limits of cities and villages, for consumption on the premises; regardless of alcoholic content, the sum of twenty dollars in villages having a population of five hundred pepulation inhabitants or less; fifty dollars in villages or cities, as the case may be, having a population of more than five hundred inhabitants and not more than twenty-five hundred inhabitants; one hundred dollars in cities having a population of more than twenty-five hundred inhabitants and less than ten thousand inhabitants; and two hundred dollars in cities having a population of ten thousand inhabitants or more; and

(b) Without (ii) Outside the corporate limits of cities and villages, for consumption on the premises, not less than two hundred fifty dollars for each license, the precise amount in each case to be such sum as shall equal equals the amount of license fee herein fixed in this section plus the occupation tax fixed by ordinance, if any, in the nearest incorporated city or village in the same county. If the incorporated city or village does not have an occupation tax for nonprofit corporation licenses, then the licensee shall pay an amount equal to a Class class C license occupation tax

for such city or village.

A Class H license shall not be issued to any corporation authorized by law to receive a Class C license unless the nonprofit corporation is open for sale of alcoholic liquor, including beer, for consumption on the premises not more than two days in any week; The applicable fee shall be paid by the applicant or licensee, as the case may be, directly to the city or village treasurer in the case of class A, G, and H(a) licenses, directly to the city or village treasurer in the case of class B, I, and J licenses within the corporate limits of cities and villages, directly to the county treasurer in the case of class B and H(b) licenses outside of the corporate limits of cities and villages, directly to the counts treasurer in the case of class B and H(b) licenses outside of the corporate limits of cities and villages, directly to the commission in the case of class B and E licenses, and directly to the county treasurer in the case of class F and S licenses,

(h) Class I: - Alcoholic liquor, within inside the corporate limits of cities and villages, for

consumption on the premises, the sum of two hundred dollars, except for farm winery or brewpub sales outlets:

(i) Class J: - Beer and wine only except for brewpubs, within inside the corporate limits of cities and villages, for consumption on the premises of restaurants only, the sum of fifty dollars in villages having a population of five hundred pepulation inhabitants or less; seventy-five dollars in villages or cities, as the ease may be, having a population of more than five hundred inhabitants and not more than twenty-five hundred inhabitants; one hundred twenty-five dollars in cities having a population of more than twenty-five hundred inhabitants and less than ten thousand inhabitants; and two hundred twenty-five dollars in cities having a population of ten thousand inhabitants or more; and

(i) Class  $K_{\underline{:}}$  . Wine only, for consumption off the premises, sales in original packages only, the

sum of one hundred twenty-five dollars.

All applicable license fees shall be paid by the applicant or licensee directly to the city or village treasurer in the case of premises located inside the corporate limits of a city or village and directly to the county treasurer in the case of premises located outside the corporate limits of a city or village, except that the fee for a Class D license shall be paid directly to the commission;

(6) For a railroad license ...... \$100.00 and \$1.00 for each duplicate; {7} For a beating license \*\*\*\* \$50.00;

fifty dollars in any county having a population of less than five thousand five hundred inhabitants, and five hundred dollars in any county having a population of five thousand five hundred inhabitants or more. No such license shall be issued within the corporate limits of any city or village when a license as provided in subdivision (5)6- (5)(c) of this section has been issued in such city or village. The applicable fee shall be paid, by the applicant or licensee, directly to

the city or village treasurer in the case of a bottle club license within the corporate limits of a city or village, and directly to the county treasurer in the case of a bottle club license outside the limits of any city or village; and

(10) For an airline license ..... \$100.00

and \$1.00 for each duplicate; and -

(11) For a shipping license ..... \$200.00. The license year, unless otherwise provided in the Nebraska Liquor Control Act, shall commence on May 1 of each year and shall end on the following April 30, except for elass that the license year for a Class C tieenses which <u>license</u> shall commence on November 1 of each year and shall end on the following October 31. During the license year, no license shall be issued for a sum less than the amount of the annual license fee as fixed in this section, regardless of the time when the application for such license shall have has been made.

Sec. 27. That section 53-124.11, Reissue

Revised Statutes of Nebraska, 1943, be amended to

as follows:

The commission may issue a 53-124.11. (1)designated special permit license for sale or consumption of alcoholic liquers liquor at a designated location to a retail licensee, a municipal corporation, a fine arts museum incorporated as a nonprofit corporation, a religious nonprofit corporation which has been exempted from the payment of federal income taxes, a political organization which has been exempted from the payment of federal income taxes, or any other nonprofit corporation the purpose of which is fraternal, charitable, or public service and which has been exempted from the payment of federal income taxes, under conditions specified in this section. The applicant shall demonstrate meeting the requirements of this subsection.

(2) No retail licensee, organization, corporation enumerated in subsection (1) of this section may be previded issued a special designated permit license under this section for more than six calendar days in any one calendar year. Only one permit special designated license shall be required for any application for two or more consecutive days. This subsection shall not apply to any lieensee helding holder of a catering

permit license.

(3) Except for any special designated permit license issued to a licensee helding holder of a catering permit license, there shall be a fee twenty-five dollars for each day identified in the

1030

special designated permit <u>license</u>. Such fee shall be submitted with the application for the special designated permit and license, collected by commission, and deposited with remitted to the State Treasurer who shall for credit the fee to the General Fund. The applicant shall be exempt from the provisions the Nebraska Liquor Control Act requiring a registration fee and the provisions of the act requiring the that require an expiration of forty-five days from the time the application is received by the commission prior to the issuance of a permit license, if granted by the commission. The <u>retail</u> licensees, municipal corporations, organizations, and nonprofit corporations enumerated in subsection (1) of this section seeking a special designated permit <u>license</u> shall file an application on such forms as the commission may prescribe. Such forms shall contain, along with other information as required by the commission, (a) the name of the applicant, (b) the particular place premises for which a special designated permit license is requested, identified by street and number if practicable and, if not, by some other appropriate description which definitely locates the place premises, (c) the name of the owner or lessee of the premises for which the special designated permit license is requested, (d) sufficient evidence that the holder of the special designated permit license, if issued, will carry on the activities and business authorized by the special designated permit license for him, her, himself, herself, or itself and not as the agent of any other person, group, organization, or corporation, for profit or not for profit, (e) a statement of the type of activity to be carried on during the time period for which a permit special designated license is requested, and (f) sufficient evidence that the activity will be supervised by persons or management managers who are agents of and directly responsible to the permittee holder of the special designated license.

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

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

(5) If the applicant meets the requirements of this section, a special designated permit license shall be granted and issued by the commission for use by the permittee holder of the special designated license. All statutory provisions and rules and regulations of the commission that apply to a retail licensee shall apply to such permittee the holder of a special designated license with the exception of such statutory provisions and rules and regulations of the commission designated by the commission and stated upon the issued permit special designated license, except that the commission may not designate exemption of sections 53-180 to 53-180.07. The decision of the commission shall be final. If the applicant does not qualify for a designated permit license, the application shall be denied by the commission.

(6) A special designated permit <u>license</u> issued by the commission shall be mailed or delivered to the city, village, or county clerk, as the case may be, who shall deliver such permit license to the permittee licensee upon receipt of any fee or tax imposed by such

city, village, or county.
Sec. 28. That section 53-124.12, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-124.12. (1) The holder of a Class C, Class or Class I license issued under subdivision (5)6-7 (5)B-7 or (5)I- of section 53-124 may obtain an annual catering permit license as prescribed in this section. The catering permit license shall be issued for the same period and may be renewed in the same manner as the Class C, Class D, or Class I license. held by the permittee and may be renewed in the same manner as the license held by the permittee-

(2) Any person desiring to obtain a catering

permit license shall file with the commission:

(a) An application in triplicate original upon such forms as the commission shall from time to time preseribe prescribes; and

(b) A permit <u>license</u> fee of seventy-five dollars payable to the commission, which fee shall be returned to the applicant if the application is denied. Permit fees shall be paid by certified or eashier's check of a bank within this state, United States post office money order, or each in the full amount of such fees.

- (3) When an application for a catering permit license is filed, the commission shall notify, by registered or certified mail, marked return receipt requested with postage prepaid, the municipal clerk of the city or incorporated village in which such applicant is located or, if the applicant is not located within a city or incorporated village, the county clerk of the county in which such applicant is located of the receipt of the application. The commission shall enclose with such notice one copy of the application. Buring the period of forty-five days from the date of receiving application from the commission, the local governing body of such city, village, or county may make and submit to the commission recommendations relative to the granting or refusal to grant such permit to the applicant. If the local governing body recommends approving or denying the issuance of a permit, the recommendation shall be binding on the commissionthe local governing body does not make a recommendation, the commission may approve or deny the issuance of a permit: Catering permits shall be delivered to the permittee The local governing body and the commission shall process the application in the same manner as provided in subsection (4) of section 53-132. delivery of licenses.
- (4) If the local governing body does not make a recommendation to the commission, any decision of the commission to deny the issuance of a permit may be appealed to the district court of bancaster County by the applicant for a permit. If the local governing body recommends that the commission deny the issuance of a catering permit, the decision of the commission based upon the recommendation of the local governing body may be appealed to the district court of the county in which the local governing body is located. When applicable, section 53-1,116 shall govern all appeals.
- (5) The local governing body with respect to permittees catering licensees within its corporate limits may cancel a permit catering license for cause for the remainder of the period for which the permit such license is issued. Any person whose permit catering license is canceled may appeal to the district

court of the county in which the local governing body is located.

(6) (5) For purposes of this section, local governing body shall mean the governing body of the city or village in which the permittee catering licensee is located or, if the permittee such licensee is not located within a city or village, the governing body of the county in which the permittee such licensee is located.

(7) (6) The city, village, or county in which the permittee catering licensee is located may impose an occupation tax on the business of any person, firm, or corporation receiving a catering permit license pursuant to this section and doing business within such city, village, or county. Such tax may not exceed double the permit license fee to be paid under this section.

Sec. 29. That section 53-124.13, Reissue Revised Statutes of Nebraska, 1943, be amended to read

as follows:

53-124.13. (1) The holder of a catering permit license may deliver, sell, or dispense alcoholic liquers liquor, including beer, for consumption at a lecation premises designated in a special designated permit license issued pursuant to section 53-124.11.

- permit license issued pursuant to section 53-124.11.

  (2) At least twenty-one days prior to the event for which the permit special designated license is to be used, the holder of a catering permit the catering license shall file an application seeking a special designated permit license for the event. In addition to the information required by subsection (3) of section 53-124.11, the helder of a catering permit applicant shall inform the commission of (a) the time of the event, (b) the name of the person or organization requesting the permittee's applicant's services, (c) the opening and closing dates of the event, and (d) any other information the commission or local governing body deems necessary. A permittee holder of a catering license shall not cater an event unless such permittee license receives a special designated permit license for the event.
- (3) If the organization for whem which the permittee holder of a catering license is catering is a nonprofit organization exempted from the payment of federal income taxes, such organization may share with the permittee such licensee a part or all of the proceeds from the sale of any alcoholic liquers liquor sold and dispensed pursuant to this section.

(4) For purposes of this section, local governing body shall mean the governing body of the city

or village in which the event will be held or, if the event will not be held within the corporate limits of a city or village, the governing body of the county in

which such event will be held.

(5) Only the permittee holder of a special designated license or employees of the permittee such licensee may dispense alcoholic liquor at the event which is being catered. by the permittee- Violation of any provision of this section or section 53-124.12 or 53-124-13 or any rules or regulations adopted and promulgated pursuant to such sections occurring during an event being catered by the permittee such licensee may be cause to revoke, cancel, or suspend the retail license issued under section 53-124 held by the permittee such licensee.

permittee such licensee.

Sec. 30. That section 53-125, Reissue Revised Statutes of Nebraska, 1943, be amended to read as

follows:

53-125. No license of any kind shall be issued to (1) a person who is not a resident of the county in which the premises covered by the license are located, except in case of railroad, airline, or boat licenses, (2) a person who is not of good character and reputation in the community in which he or she resides, (3) a person who is not a citizen of the United States, (4) a person who has been convicted of or has pleaded guilty to a felony under the laws of the State of Nebraska this state, any other state, or of the United States, (5) a person who has been convicted of or has pleaded guilty to any Class I misdemeanor pursuant to Chapter 28, article 3, 4, 7, 8, 10, 11, or 12, or any similar offense under a prior criminal statute or in another state, except that any additional requirements imposed by this subdivision on May 18, 1983, shall not prevent any person holding a license on such date from retaining or renewing such license if the conviction or plea occurred prior to May 18, 1983, (6) a person whose license issued under this set the Nebraska Liquor Control Act has been revoked for cause, (7) a person who at the time of application for renewal of any license issued hereunder under the act would not be eligible for such license upon a first initial application, (8) a copartnership, unless one of the copartners is a resident of the county in which the premises covered by the license is are located and unless all the members of such copartnership shall are otherwise be qualified to obtain a license, (9) a corporation, if any officer, manager, or director of the corporation thereof, or any stockholder, owning in the aggregate more than

LB 344

twenty-five percent of the stock of such corporation, would be ineligible to receive a license hereunder under this section for any reason other than eitimemship and residence within the governmental subdivision the reasons stated in subdivisions (1) and (3) of this section, except that the provisions of this subdivision shall not apply to railroad licenses, (10) a person whose place of business is conducted by a manager or agent unless such manager or agent possesses the same qualifications required of the licensee, (11) a person who does not own the premises for which a license is sought or does not have a lease thereen on such premises for the full period for which the license is to be issued, but if, because of a change in the renewal period provided for in section 53-124, the lease is for less than the full period for which the license is to be issued, the license shall be issued and a new lease covering the remainder of the license period must be filed with the commission prior to expiration of the original lease or the license shall be canceled or revoked by the commission on ten days! written notice to the lieensee, (12) except as provided in this subdivision, an applicant whose spouse is ineligible under this section to receive and hold a liquor license. Such person applicant shall become eligible for a liquor license only if the commission finds from the evidence that the public interest will not be infringed upon if such license is granted. It shall be prima facie evidence that when a spouse is ineligible to receive a liquor license the applicant is also ineligible to receive a liquor license. Such prima facie evidence shall be overcome if the fellowing it is shown to the satisfaction of the commission (a) that the licensed business will be the sole property of the applicant and (b) it appears from the evidence that such licensed premises will be properly operated, (13) a person whose premises, for which seeking a license is sought, for premises which do not meet standards for fire safety as established by the State Fire Marshal, (14) a law enforcement officer, except that this subdivision shall not prohibit a law enforcement officer from holding membership in any nonprofit organization holding a liquor license or from participating in any manner the management or administration of a nonprofit organization, or (15) a person less than twenty-one years of age.

When a trustee is the licensee, the beneficiary or beneficiaries of the trust shall comply with the requirements of this section, but nothing in

this section shall prohibit any such beneficiary from being a minor or a person who is mentally incompetent.

Sec. 31. That section 53-126, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-126. No corporation, either organized under the laws of this state, or any other state, or any foreign country, shall be given issued any license provided for in this aet the Nebraska Liquor Control Act unless such corporation is duly registered with the Secretary of State to transact business in this state. If such corporation is owned by a corporation, the owning corporation shall also be duly registered with the Secretary of State to transact business in this state. Shall have first procured a certificate of authority from the commission to do business in this state, and shall have first appointed a sixten of the 53-126. No corporation, either organized state and shall have first appointed a citizen of the United States, and resident of Nebraska, as its agent, and shall have filed with the commission a duly authenticated copy of a duly executed power of attorney, authorising such agent to accept service of process from both the commission and the courts of this state, authorising such agent to exercise full authority of such corporation; and full authority; control; and responsibility for the conduct of all business and transactions of the corporation within the state relative to alcoholic liquors. Such agent must be satisfactory to and approved by the commission with respect to his or her character, and must be one who would be eligible personally for a license under this Such an agent shall at all times be maintained by such corporation-

Sec. 32. That section 53-130, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-130. New licenses to manufacturers, distributors wholesalers, railroads, airlines, boats, and nonbeverage users of alcoholic liquers liquor may be issued by the commission upon (1) written application in duplicate, to be filed in the manner and on such forms as the commission shall from time to time prescribe, prescribes and in which the applicant for a beer or alcoholic liquer distributor!s wholesale license sets shall set forth the sales territory in Nebraska in which it is authorized by a manufacturer or manufacturers to sell their brand or brands and the name of such brand or brands, (2) receipt of bond, as provided in section 53-138-62, (3) payment in advance of the state registration fee and the license fee, and (4) such

notice and hearing as the commission fixes by its own shall fix and a notice of such application order. A shall be served upon the manufacturer or manufacturers listed in any application for a beer or alcoholic liquer distributor's wholesale license and upon any existing distributor wholesaler licensed to sell the brand or brands in the described sales territory. A license so issued may be renewed without formal application upon payment of license and registration fees. The payment of such fees ; PROVIDED; that the payment thereof shall be an affirmative representation and certification by the licensee that all answers contained in an application, if submitted, would be the same in all material respects as the answers contained in the last previous application. The , AND PROVIDED FURTHER, that the commission may at any time require a licensee to submit an application.

Sec. 33. That section 53-159, Revised Statutes Supplement, 1990, be amended to read as follows:

53-159-Every manufacturer or importer shipper of beer shall, before commencing or continuing business, file with the commission a notice in writing, stating the name of the person, company, corporation, or firm, the names of the members of any such company or firm, the place of residence of such persons, a legal description of the premises on which the office of the manufacturer or distributor shipper is situated and his, her, or their the title to such premises, and the name of the owner thereof. Every such manufacturer or distributor of beer on filing such notice of his or her intention to commence or continue business shall certify that he or she will keep, or cause to be kept, books and records and make reports in the manner and for the purposes specified by rules and regulations of the commission, which books, records, and reports shall be open to inspection by the proper officers of the commission, and that he or she will in all respects faithfully comply with all of the requirements of the laws of the State of Nebraska and the rules and regulations of the commission relating to manufacture and distribution to licensed retail beer dealers in the State of Nebraska. Except as provided in section 53-123-147 the commission may require by rule and regulation that beer be kept, received, and withdrawn from bonded warehouses, as other alcoholic liquor is kept, received, and withdrawn, whenever it deems that the public interest demands-

Statutes Supplement, 1990, be amended to read as follows:

53-131. Any person desiring to obtain a new license to sell alcoholic liquor at retail or a brewpub license shall file with the commission:

(1) An application in triplicate original upon such forms as the commission shall from time to time

preseribe prescribes;

(2) The license fee if under subdivision (5) of section 53-124 such fee is payable to the commission, which fee shall be returned to the applicant if the application is not approved; and

(3) The state registration fee in the sum of

twenty-five dollars.

Lisense fees and registration fees shall be paid to the commission by certified or eashier's check of a bank within this state; personal or business check; United States post office money order; or each in the full amount of such fees. The commission shall notify, by registered or certified mail, marked return receipt requested with postage prepaid, the municipal clerk of the city or incorporated village in which such license is sought or, if the license is not sought within a city or incorporated village, the county clerk of the county in which such license is sought of the receipt of the application and shall enclose with the notice one copy of the application.

Sec. 35. That section 53-142, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-142- (1) Applications The application for a new licenses license shall be submitted upon such forms as the commission may prescribe. Such forms shall contain (a) the name and residence of the applicant and how long he or she has resided within the State of Nebraska, (b) the particular place premises for which a license is desired designating the same by street and number if practicable, or, if not, by such other apt description as definitely locates it the premises, (c) the name of the owner of the premises upon which the business licensed is to be carried on, (d) a statement that the applicant is a citizen of the United States, that the applicant and the spouse of the applicant are not less than twenty-one years of age, and that such applicant has never been convicted of or pleaded guilty to a felony or been adjudged guilty of violating the laws governing the sale of alcoholic liquers liquor or the law for the prevention of gambling in the State of Nebraska, except that a manager for a corporation

applying for a license under sections 53-125, 53-133, 53-135-01, 53-142, 53-164-01, and 53-176 shall qualify with all provisions of this subdivision as though the manager were the applicant, except that the provisions of this subdivision shall not apply to the spouse of a manager-applicant, (e) a statement that the applicant intends to carry on the business authorized by the for himself or herself and not as the agent of license any other persons, and that if licensed he or she will carry on such business for himself or herself and not as the agent for any other person, (f) a statement that the intends to superintend in person the applicant management of the business licensed, and that if so licensed he or she will superintend in person the management of the business, and (g) such other information as the commission may from time to time direct.

(2) The application shall be verified by the affidavit of the petitioner made before a notary public or other person duly authorized by law to administer oaths. If any false statement is made in any part of such application, the applicant or applicants shall be deemed guilty of perjury, and, upon conviction thereof, the license shall be revoked and the applicant subjected to the penalties provided by law for that crime.

Sec. 36. That section 53-132, Revised Statutes Supplement, 1990, be amended to read as

follows:

53-132. (1) The local governing body of the county, city, or village shall, after the hearing provided for in section 53-134, approve or deny the application er deny the license within forty-five days after receiving a copy of the application from the commission as provided in section 53-131. If the local governing body denies the application for the retail, er bottle club, or catering license within such period, such denial shall be final and shall be subject to review as provided in sections 25-1901 to 25-1908. The local governing body shall issue the final order of denial to the licensee applicant in writing and deliver or mail a copy to the commission within ten days of the date the application was denied. If the local governing body approves an application within such period, the local governing body shall within ten days of the date the application was approved notify the commission by mail or delivery of the action and the commission shall grant or deny the license as required according to the procedure provided in this section. The commission shall take no action until it receives the notice of

approval from the local governing body.

(2) If the local governing body takes any action other than issuing a final order approving or denying the application or denying the license within the forty-five-day period, the applicant may proceed under sections 25-2156 to 25-2169 to compel the performance required under section 53-134. If the local governing body does not issue a final order and notify the commission within fifty-five days after receiving the application, the commission shall stop processing

the application except to notify the applicant.

(3) If the local governing body approves the application within the forty-five-day period, a retail, tieense er bottle club, or catering license shall be issued to any qualified applicant if it is found by the commission that the applicant meets the requirements of the Nebraska Liquor Control Act other than the designated criteria enumerated in <u>subdivisions (2)(a)</u> through (2)(s) subsection (2) of section 53-134. hearing held before the commission pursuant to section 53-133 after May 26, 1989, shall be subject to the statutory provisions in existence on the date of such hearing. If prior to May 26, 1989, the local governing body has held a hearing on an application for a retail liquer license or bettle club license and made its recommendation and (a) the commission has waived a hearing but has not approved the application, (b) no hearing has been held before the commission, or (c) a hearing has been held before the commission and an application for a rehearing has been filed with the commission, the application or applications shall be returned by the commission to the local governing body for a further hearing and decision. The application shall be reviewed and acted upon by the local governing body as provided in this section-

(4) Retail, licenses er bottle club, and catering licenses licenses issued or renewed by the commission shall be mailed or delivered to the city, village, or county clerk, as the ease may be, who shall deliver the same to the licensee upon receipt from the licensee of proof of payment of (a) the license fee if by the terms of subdivision (5) of section 53-124 the same is payable to the treasurer of such city, village, or county, (b) any fee for publication of notice of hearing before the board or council of such city, village, or county upon the application for license, (c) his or her the fee for publication of notice of renewal as provided in section 53-135.01, and (d) occupation taxes, if any, imposed by such city, village, or county.

Notwithstanding any ordinance or charter power to the contrary, no city or village shall impose an occupation tax on the business of any person, firm, or corporation licensed under the act and doing business within the boundaries of such city or village in any sum which exceeds double the amount of the license fee required to be paid under the act to obtain such license.

(5) Each license shall designate the name of the licensee, the place of business licensed, and the

type of license issued.

Sec. 37. That section 53-134, Revised Statutes Supplement, 1990, be amended to read as

follows:

53-134. (1) The local governing body of any city or village with respect to licenses within its corporate limits and the local governing body of any county with respect to licenses not within the corporate limits of any city or village shall have the following powers, functions, and duties with respect to retail and bottle club licenses:

(a) To cancel, revoke, or suspend for cause retail or bottle club licenses to sell or dispense alcoholic liquor issued to persons for premises within its jurisdiction subject to review as provided in

section 53-1,116;

(b) To enter or to authorize any law enforcement officer to enter at any time upon any premises licensed under the Nebraska Liquor Control Act to determine whether any of the provisions of the act, any rules or regulations adopted and promulgated by the commission, or any rule, regulation, or ordinance of the local governing body have been or are being violated and at such time to examine the premises of such licensee in connection therewith;

(c) To receive a signed complaint from any citizen within its jurisdiction that any of the provisions of the act or any rules or regulations adopted and promulgated pursuant thereto have been or are being violated and to act upon such complaints in

the manner provided in this section;

(d) To receive retail or bottle club license fees as provided in subdivision (5) or (9) of section 53-124 and pay the same, after the applicant has been delivered his or her retail or bottle club license, to the city or village, or county treasurer; 7 as the case may be?

(e) To examine or cause to be examined any applicant or any retail or bottle club licensee coming before it as provided in the act, to examine or cause to

be examined the books and records of any such applicant or licensee, and to hear testimony and to take proof for its information in the performance of its duties. the purpose of obtaining any of the information desired, the local governing body may authorize its agent

attorney to act on its behalf; and

(f) To cancel, revoke, or suspend on its own motion any license if, upon the notice and hearing as provided in section 53-17114 39 of this act, it determines that the licensee has violated any of the provisions of the act or any valid and subsisting ordinance, rule, or regulation duly enacted, adopted, and promulgated relating to alcoholic liquor. Such order of cancellation, revocation, or suspension be subject to review as provided in section 53-1,116.

(2) Upon receipt from the commission of the notice and copy of application as provided in section 53-131, the local governing body shall fix a time and place at which a hearing will be had and at which such local governing body will receive evidence, either orally or by affidavit in writing, from the applicant and any other person bearing upon the propriety of the issuance of such license. Notice of the time and place of such hearing shall be published in a legal newspaper in or of general circulation in such city, village, or county, as the case may be, one time not less than seven nor more than fourteen days before the time of the hearing. Such notice shall include, but not be limited to, a statement that all persons desiring to give evidence before the local governing body in support of or protest against the issuance of such license may do so at the time of the hearing. Such hearing shall be held not more than forty-five days after the date of receipt of the notice from the commission. At the hearing, the local governing body shall only consider the requirements of the Nebraska Liquor Control Act the following criteria:

The adequacy of existing law enforcement (a)

resources and services in the area;

(b) The recommendation of the police

department or any other law enforcement agency;

(c) Existing motor vehicle and pedestrian traffic flow in the vicinity of the proposed licensed premises, potential traffic and parking problems, and the proximity and availability of onstreet and offstreet parking;

(d) Zoning restrictions and t governing body's zoning and land-use policies;

(e) Sanitation or sanitary conditions on or

about the proposed licensed premises;

(f) The existence of a citizen's protest and similar evidence in support of or in opposition to the application;

(g) The existing population and projected growth within the jurisdiction of the local governing

body and within the area to be served;

(h) The existing liquor licenses, the class of each such license, and the distance and times of travel between establishments issued such licenses;

(i) Whether the proposed license would be compatible with the neighborhood or community where the

proposed premises are located;

(j) Whether the type of business or activity proposed to be operated or presently operated in conjunction with the proposed license is and will be consistent with the public interest as declared in section 53-101.01;

(k) Whether the applicant can ensure that all alcoholic beverages, including beer and wine, will be handled by persons in accordance with section 53-102 52

of this act;

(1) Whether the applicant has taken every reasonable precaution to protect against the possibility of shoplifting of alcoholic liquor, which alcoholic liquor shall be displayed and kept in and sold from an area which is reasonably secured;

(m) Whether the applicant is fit, willing, and

(m) Whether the applicant is fit, willing, and able to properly provide the service proposed in conformance with all provisions and requirements of and rules and regulations adopted and promulgated pursuant

to the act;

(n) Whether the applicant has demonstrated that the type of management and control exercised over the licensed premises will be sufficient to ensure that the licensee can conform to all the provisions and requirements of and rules and regulations adopted and promulgated pursuant to the act;

(o) The background information of the applicant established by information contained in the public records of the commission and investigations

conducted by law enforcement agencies;

(p) Past evidence of discrimination involving the applicant as evidenced by findings of fact before any administrative board or agency of the local governing body, any other governmental board or agency of the local governing body, any other governmental unit, or any court of law;

(q) Whether the applicant or the applicant's

representatives suppressed any fact or provided any inaccurate information to the commission or local governing body or the employees of the commission or local governing body in regard to the license application or liquor investigations. The applicant shall be required to cooperate in providing a full disclosure to the investigating agents of the local governing body;

(r) Proximity of and impact on schools, hospitals, libraries, parks, and other public

institutions;

(s) Whether activities proposed to be conducted on the licensed premises or in adjacent related outdoor areas will create unreasonable noise or

disturbance; and

(t) Compliance with state laws, liquor rules and regulations, and municipal ordinances and regulations and whether or not the applicant has ever forfeited bond to appear in court to answer charges of having committed a felony or charges of having violated any law or ordinance enacted in the interest of good morals and decency or has been convicted of violating or has forfeited bond to appear in court and answer charges for violating any law or ordinance relating to alcoholic liquor.

It shall be the applicant's duty to produce evidence pertaining to the designated criteria prescribed in this subsection. The burden of proof and persuasion shall be on the party filing the application. When applicable for purposes of this section, applicant

shall be synonymous with licensee.

(3) After such hearing, the local governing body shall cause to be spread at large in the minute record of its proceedings a resolution approving or denying the issuance or the renewal of such license. No license shall be denied by the local governing body except after a hearing with reasonable notice to the applicant and opportunity to appear and present evidence. Any resolution denying or failing to renew an application or license rendered by a local governing body shall be in writing or stated in the record and shall be accompanied by findings. The findings shall consist of concise statements of the conclusions upon each contested issue. The applicant or licensee shall be notified of the decision in person or by mail. A copy of the decision and order and accompanying findings shall be delivered or mailed upon request to the applicant or licensee. The clerk of such city, village, or county shall thereupon mail or deliver to the

commission a copy of the resolution.

Sec. 38. That section 53-147, Revised Statutes Supplement, 1990, be amended to read as follows:

53-147. The governing bodies of cities and villages are hereby empowered to enact police power regulations by ordinance governing the conduct on the licensed premises, the licensed premises, and the activities occurring on the licensed premises of all retail or bottle club licensees carried on within their corporate limits.

Sec. 39. That section 53-1,114, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-1-114-Any five residents of the city or village shall have the right to file a complaint with the local governing body thereof of such city or village stating that any retail or bottle club licensee, subject to the jurisdiction of such local governing body, has been or is violating any provision of this act the Nebraska Liquor Control Act or the rules or regulations issued pursuant therete to the act. Such complaint shall be in writing in the form prescribed by the local governing body and shall be signed and sworn to by the The complaint shall state the parties complaining. particular provision, rule, or regulation believed to have been violated and the facts in detail upon which belief is based. If the local governing body is satisfied that the complaint substantially charges a violation and that from the facts alleged there is reasonable cause for such belief, it shall set the matter for hearing within ten days from the date of filing of the complaint and shall serve notice upon the licensee of the time and place of such hearing and of the particular charge in the complaint. The , PROVIDED, that the complaint must shall in all cases be disposed of by the local governing body within thirty days from the date the complaint was filed by resolution thereof, which resolution shall be deemed the final order for purposes of appeal to the commission as hereinafter provided in section 53-1,115.

Sec. 40. That section 53-135, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-135. A retail or bottle club license issued by the commission and outstanding may be automatically renewed by the commission without formal application upon payment of the state registration fee and license fee if payable to the commission. The

registration fee and license fee for license renewals may be paid by a personal or business cheek. The payment thereof shall be an affirmative representation and certification by the licensee that all answers contained in an application, if submitted, would be the same in all material respects as the answers contained in the last previous application. The commission may at any time require a licensee to submit an application, and the commission shall at any time require a licensee to submit an application if requested in writing to do so by the local governing body.

If a licensee files an application form in triplicate original upon seeking renewal of his or her license, the application shall be processed as set forth

in section 53-131.

Any licensed retail or bottle club establishment premises located in an area which is annexed to any governmental subdivision shall file a formal application for a license, and while such application is pending, the licensee shall be authorized to may continue all license privileges until the original license expires or is canceled or revoked. If such license expires within sixty days following the annexation date of such area, the license may be renewed by order of the commission for not more than one year.

Sec. 41. That section 53-135.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read

as follows:

53-135.01. The city, village, or county clerk, as the ease may be, shall cause to be published in a legal newspaper in or of general circulation in such city, village, or county, as the ease may be, one time between January 10 and January 30 of each year, individual notice of the right of automatic renewal of each retail liquor and beer license, except elass that notice of the right of automatic renewal of Class C licenses which shall be published between the dates of July 10 and July 30 of each year, for which prevision is made in subdivision (5) of section 53-124, within such city, village, or county, as the ease may be, in substantially the following form:

NOTICE OF RENEWAL OF RETAIL LIQUOR LICENSE

Notice is hereby given that pursuant to section 53-135.01 that a liquor license may be automatically renewed for one year from May 1, 19...., or November 1, 19...., for the following retail liquor licensee: 7 to wit:

(Name of Licensee) (Address of licensed

premises)

Notice is hereby given that written protests to the issuance of automatic renewal of license may be filed by any resident of the city (village or county) 7 as the case may be) on or before February 10, 19..., or August 10, 19..., in the office of the city (village or county) 7 as the case may be) clerk and 7 that in the event protests are filed by three or more such persons, hearing will be had to determine whether continuation of said the license should be allowed.

(Name)

City (village or county) 7 as the case may be)

Clerk

The sity, village, or county slerk, as the case may be, shall file or cause to be filed with the Nebraska biquor Control Commission proof of publication of said notices on or before February 10 or August 10 of each year.

Upon the conclusion of any hearing required by this section, the local governing body may request a licensee to submit an application as provided in section 53-135.

Sec. 42. That section 53-150, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-159- Any licensee may renew his, her, or its license at the expiration thereof in the manner set forth in section 53-135 ; PROVIDED; he is if the license is then qualified to receive a license and the premises for which such renewal license is sought are the same premises licensed under the license to be renewed and are suitable for such purpose. The ; AND PROVIDED FURTHER; that the renewal privilege herein provided for in this section shall not be construed as a vested right which shall in any case prevent the commission from decreasing the number of licenses to be issued within its jurisdiction.

issued within its jurisdiction.

Sec. 43. That section 53-101.04, Revised Statutes Supplement, 1990, be amended to read as follows:

53-101-04. Any retail licensee shall post in a conspicuous place a sign which clearly reads as follows: Warning: Drinking alcoholic beverages during pregnancy can cause birth defects. The commission shall prescribe the form of such warning sign and shall make such warning signs available to all retail licensees.

Sec. 44. That section 53-160, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-160. (1) For the purpose of raising revenue, a tax is imposed upon the privilege of engaging in business as a manufacturer or a distributor at wholesale wholesaler at a rate of twenty-three cents per gallon on all beer; seventy-five cents per gallon for wine containing not more than fourteen percent but not less than five-tenths of one percent of alcohol by volume and one dollar and thirty-five cents per gallon for wines and dilute alcoholic beverages other containing more than fourteen percent of alcohol by volume, except for wines produced in farm wineries; five cents per gallon for wine produced in farm wineries; and three dollars per gallon on alcohol and spirits manufactured and sold by such manufacturer or imported shipped for sale in this state by such distributor at whelesale wholesaler in the course of such business. The gallonage tax imposed by this section subsection shall be imposed only on alcoholic liquor upon which a federal excise tax is imposed.

(2) Manufacturers or distributers at wholesale wholesalers of alcoholic liquers liquor shall be exempt from the payment of such the gallonage tax imposed on such liquers alcoholic liquor upon satisfactory proof, including bills of lading furnished to the commission by affidavit or otherwise as the commission may require, that such liquers were alcoholic liquor was manufactured in this state but were shipped out of the state for sale and consumption outside the State of Nebraska this

state.

(3) Dry wines or fortified wines manufactured or imperted shipped into this state solely and exclusively for sacramental purposes and uses shall not be subject to the gallonage tax. previded in this section:

(4) The gallonage This tax shall not be imposed upon any alcoholic liquor, whether manufactured in or imported shipped into this state, when sold to a licensed nonbeverage user licensed by the state for use in the manufacture of any of the following when they such products are unfit for beverage purposes: Patent and proprietary medicines and medicinal, antiseptic, and toilet preparations; flavoring extracts, syrups, food products, and confections or candy; scientific, industrial, and chemical products, excepting except denatured alcohol; or products for scientific, chemical, experimental, or mechanical purposes.

(5) The gallonage tax shall not be imposed upon the privilege of engaging in any business in interstate commerce or otherwise, which business may

not, under the Constitution and statutes of the United States, be made the subject of taxation by this state.

(6) The gallonage tax imposed in this section shall be in addition to all other occupation or privilege taxes imposed by the State of Nebraska this state or by any municipal corporation or political subdivision thereof. Notwithstanding any ordinance or charter power to the contrary, no city or village shall impose an occupation tax on the business of any person, firm, or corporation licensed under the Nebraska Liquor Control Act and doing business within the boundaries of such city or village in any sum which exceeds double the amount of the license fee required to be paid under the act to obtain such license.

(7) The commission is hereby directed and authorized to shall collect the gallonage tax taxes imposed in this section and to shall account for and turn over remit to the State Treasurer at least once each week all money collected pursuant to this section. If any alcoholic liquor manufactured in or imported shipped into this state is sold to a licensed manufacturer or distributer wholesaler of this state to be used solely as an ingredient in the manufacture of any beverage for human consumption, the tax imposed upon such manufacturer or distributer wholesaler shall be reduced by the amount of the taxes which have been paid as to such alcoholic liquor so used under the act Nebraska Liquor Control Act. The net proceeds of all revenue arising under this section shall inure be credited to the General Fund.

Sec. 45. That section 53-145, Revised Statutes Supplement, 1990, be amended to read as follows:

53-145. The manufacture, distribution, sale, and purchase of near beer shall be subject to all provisions of the Nebraska Liquor Control Act, except taxation provisions, to which the manufacture, distribution, sale, and purchase of beer are subject.

Sec. 46. That section 53-161, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-161. The commission shall allow credit to any distributor wholesaler for tax paid under section 53-160 (1) for aleehelie liquer beer shipped out of this state for sale and consumption outside of the state; or (2) for aleehelie liquer beer returned to the manufacturer for credit, substitution, or replacement, and such credit shall be allowed whether such aleehelie liquer beer is a part of the original inventory of such

distributer wholesaler or returned to such distributer wholesaler by a licensee authorized to purchase alsohelie liquer beer from a distributer wholesaler.

Sec. 47. That section 53-164.01, Revised Statutes Supplement, 1990, be amended to read as follows:

53-164.01. Payment of the tax provided for in section 53-160 on alcoholic liquor shall be paid by the manufacturer or distributor wholesaler as provided in

this section: follows:

(1)(a) All such manufacturers or distributors wholesalers, except for farm winery producers, whether within or without inside or outside this state shall, on or before the twenty-fifth day of each calendar month commencing on the twenty-fifth day of the calendar month following the month in which the shipments are made, make submit a report under oath or affirmation to the commission upon forms to be furnished by the commission for the purpose of showing the exact total amount in gallons of alcoholic liquor, or fractional parts thereof, shipped by such manufacturer or distributor wholesaler, whether within or without the State of Nebraska inside or outside this state, during the preceding calendar month; 7

(b) All beer distributors wholesalers shall, on or before the twenty-fifth day of each calendar month following the month in which the shipments are made, make submit a report under oath or affirmation to the commission upon forms furnished by the commission for the purpose of showing the exact total amount in gallons of beer, or fractional parts thereof, shipped by all manufacturers, whether within or without the State of Nebraska inside or outside this state, during the preceding calendar month to such distributors

wholesaler;

(c) Farm winery producers shall, on or before the twenty-fifth day of each calendar month commencing on the twenty-fifth day of the calendar month following the month in which the wine is packaged or bottled for sale, make submit a report under oath or affirmation to the commission upon forms furnished by the commission for the purpose of showing the exact total amount in gallons of wine, or fractional parts thereof, packaged or bottled by such producer during the preceding calendar month; and - Such report

(d) Reports submitted pursuant to subdivision (a), (b), or (c) of this subdivision shall also contain a statement of the exact total amount in gallons, or fractional parts thereof, of alcoholic liquor, except

beer, shipped to helders of retailers! licenses licensed retailers inside this statesubmitted by each manufacturer, distributor, or farm winery producer, as required by this section, shall centain and such other information as the commission may require; -

(2) The distributor wholesaler or farm winery producer shall, at the time of the filing of the report, pay to the commission the amount of the tax due on alcoholic liquor, except beer, shipped to helders of retailers! licenses licensed retailers within this state at the rate fixed in accordance with section 53-160. The tax due on beer shall be paid by the distributer wholesaler on beer shipped from all manufacturers; -

(3) The Such tax imposed pursuant to section 53-160 shall be due on the date the report is due less a discount of one percent of such tax on alcoholic liquor. Such discount shall be deducted from the payment of such tax before remittance of the tax to the commission, shall be shown in such report to the commission as required in this section, and shall be a commission for the making submission of such report and for the timely payment of such tax, but if such tax is not paid within the time provided in this section, then such discount shall not be allowed and the discount shall not be deducted from the payment of such tax; -

(4) A penalty of ten percent of the amount of the tax shall be collected by the commission if the report is not filed by the twenty-fifth day of the calendar month or if the tax is not paid to the commission by the twenty-fifth day of the calendar month, and in addition therete interest on the tax shall be collected at the rate of one percent per month, or fraction of a month, from the date the tax became due

until paid; -

(5) No tax shall be levied or collected on alcoholic liquor manufactured within the State of Nebraska inside this state and shipped or transported outside the State of Nebraska this state for sale and consumption outside the State of Nebraska this state; -

(6) In order to insure the payment of all state taxes imposed by law on alcoholic liquor, together with all interest and penalties thereon, all persons required to make submit reports and payment of such tax shall, at the time of application for a license under section 53-124, first enter into a surety bond with corporate surety, both such bond form and surety to be approved by the commission. In lieu of such corporate surety bend, there may be filed a personal bend in such

form as the commission may prescribe and secured by the pledge of property having a net value over and above any encumbrance or encumbrances thereon at least double the amount of the bond required. Subject to the limitations specified in this section subdivision, the amount of such bond required of any taxpayer shall be fixed by the commission and may be increased or reduced by it the commission at any time. In fixing the amount, the commission shall require a bond in a total amount equal the amount of the taxpayer's estimated maximum monthly excise tax ascertained in such manner as the commission deems proper. Nothing contained in this section shall be construed to prevent or prohibit the commission from accepting and approving bonds which run for a term longer than the license period. In any event, the amount of such bond required of any one taxpayer shall not be less than one thousand dollars. These The bonds required by this section shall be filed with the commission; and -

No person shall order or receive alcoholic liquer in this state which has been shipped directly to him or her from outside this state by any person other than a holder of a permit for a license year issued by the commission: The commission may issue such permits to manufacturers which allow the permittee to ship alcoholic liquor to and only to holders of a distributor's license issued under this section, except that a licensed distributor may, without a permit and for the purposes of subdivision (2) of section 53-161, alcoholic liquor in this state which has been shipped from outside the state by a manufacturer in accordance with the Nebraska Liquer Centrel Act to the distributor, then transported by the distributor to another state for retail distribution, and then returned by the retailer to such distributor. A fee of two hundred dollars shall be charged by the commission for each permit issued. The application for such permit and the permit shall be in such form as the commission shall preseribe-The application shall contain all such provisions as the commission deems proper and necessary to effectuate the purpose of any section of the act and the rules and regulations of the commission that apply to manufacturers and shall include, but not be limited to, a provision that the permittee, in consideration of the issuance of a permit, agrees:

(1) To comply with and be bound by this section in the making and filing of returns, the payment of taxes, penalties, and interest, and the keeping of records:

(2) That he or she will permit and be subject to all of the powers granted by this section to the commission or its duly authorized employees or agents for inspection and examination of his or her premises and records and will pay his or her actual expenses, excluding salary, reasonably attributable to such inspections and examinations made by duly authorized employees of the commission if within the United States, and

- (3) That if any such permittee violates any of the provisions of his or her application, any section of the act, or the rules and regulations of the commission that apply to manufacturers, the commission may revoke or suspend such permit for such period of time as it may determine.
- (7) When a manufacturer or distributer shall sell wholesaler sells and deliver delivers alcoholic liquor upon which the tax has been paid to any instrumentality of the armed forces of the United States engaged in resale activities as provided in section 53-160.01, the manufacturer or distributer wholesaler shall be entitled to a credit in the amount of the tax paid upon such alcoholic liquor sold and delivered to such person or persons in the event no tax is due on such alcoholic liquor as provided in such section, 53-160-01, and the amount of the credit, if any, shall be deducted from the tax due on the following monthly report, as previded by this section to subsequent reports until liquidated.

Sec. 48. That section 53-157, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-157. It shall be unlawful for any person (1) to evade, or attempt to evade, the payment of tax on any such alcoholic liquor, in any manner whatever, and upon conviction thereof, in addition to the penalty prescribed for the violation of this set the Nebraska Liquor Control Act, such person shall forfeit and pay, as a part of costs in such action, double the amount of the tax so evaded or attempted to be evaded. 7 or (2) to remove from any bonded warehouse at any time ether than after sunrise and before sunset any such liquors, or any original package containing such liquors. Any person who shall violate any of the provisions of violates this section shall be guilty of a Class II misdemeanor. In proper cases, the trial court may order and direct the confiscation of the liquor involved in such transaction as part of the judgment of conviction.

Sec. 49. No person shall order or receive alcoholic liquor in this state which has been shipped directly to him or her from outside this state by any person other than a holder of a shipping license issued by the commission. The commission may issue a shipping license to a manufacturer. Such license shall allow the licensee to ship alcoholic liquor only to a licensed wholesaler, except that a licensed wholesaler may, without a shipping license and for the purposes of subdivision (2) of section 53-161, receive beer in this state which has been shipped from outside the state by a manufacturer in accordance with the Nebraska Liquor Control Act to the wholesaler, then transported by the wholesaler to another state for retail distribution, and then returned by the retailer to such wholesaler. application for a shipping license shall be in such form as the commission prescribes. The application shall contain all provisions the commission deems proper and necessary to effectuate the purpose of any section of the act and the rules and regulations of the commission that apply to manufacturers and shall include, but not be limited to, provisions that the applicant, in consideration of the issuance of such shipping license. agrees:

(1) To comply with and be bound by section 53-164.01 in making and filing reports, paying taxes,

penalties, and interest, and keeping records;
(2) To permit and be subject to all of the powers granted by section 53-164.01 to the commission or its duly authorized employees or agents for inspection and examination of the applicant's premises and records and to pay the actual expenses, excluding salary, reasonably attributable to such inspections and examinations made by duly authorized employees of the commission if within the United States; and

(3) That if the applicant violates any of the provisions of the application or the license, any section of the act, or any of the rules and regulations of the commission that apply to manufacturers, the commission may revoke or suspend such shipping license

for such period of time as it may determine.

Sec. 50. That section 53-165, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-165. (1) Every manufacturer distributor at wholesale wholesaler shall, between the first and fifteenth day of each calendar month, make return under oath to the commission of all alcoholic liquor manufactured and sold by him such manufacturer or

wholesaler in the course of such business during preceding calendar month. Such return shall be made upon forms prescribed and furnished by the commission and shall contain such other information as the

commission may reasonably require.

(2) Every manufacturer or shipper of beer on filing notice of intention to commence or continue business pursuant to section 33 of this act shall certify that such manufacturer or shipper will keep or cause to be kept books and records and make reports in the manner and for the purposes specified by rules and regulations of the commission, which books, records, and reports shall be open to inspection by the proper officers of the commission, and that such manufacturer or shipper will in all respects faithfully comply with all of the requirements of the laws of this state and the rules and regulations of the commission relating to the manufacture and shipping to licensed retail beer dealers in this state.

(3) Each manufacturer and wholesaler shall keep complete and accurate records of all sales of liquor, wine, or beer and complete and accurate records of all such alcoholic liquor produced, manufactured,

compounded, or imported.

Sec. 51. That section 53-168, Reissue Statutes of Nebraska, 1943, be amended to read

as follows:

53-168. (1) It shall be unlawful for having a retailer's retail license to sell beer person to accept credit for the purchase of beer from any manufacturer, distributor, or wholesaler of beer and for any person having a retailer's retail license to sell alcoholic liquor, or any officer, associate, member, representative, or agent of such licensee, to accept, receive, or borrow money or anything else of value or to accept or to receive credit, other than merchandising credit in the ordinary course of business for a period not to exceed thirty days, directly or indirectly, from (a) any person, partnership, or corporation engaged in the manufacturing, distributing, or wholesaling of such liquor, (b) any person connected with or in any way representing such manufacturer, distributor, or wholesaler, (c) any member of the family of such manufacturer, distributor, or wholesaler, (d) stockholders in any corporation engaged any manufacturing, distributing, or wholesaling of such liquor, or (e) any officer, manager, agent, or representative of such manufacturer, distributor, or wholesaler.

(2) It shall be unlawful for any manufacturer, wholesaler to give or lend money or distributor, or whole otherwise loan or extend credit, except merchandising credit referred to in subsection (1) of this section, directly or indirectly, to any such licensee or to the manager, representative, agent, officer, or director of such licensee. It shall unlawful for any distributor or wholesaler participate in any manner in a merchandising and coupon plan of any manufacturer involving alcoholic liquor and the redemption in cash. The redemption of any merchandising and coupon plan involving cash shall be made by the manufacturer to the consumer.

(3) If any recipient holder of a license to sell alcoholic liquers liquor at retail or wholesale shall violate any of the provisions of violates subsection (1) or (2) of this section, his or her such license shall be suspended or revoked by the commission the manner provided by law for revecation or suspension for other violations of the laws of the state

the Nebraska Liquor Control Act.

(4) It shall not be a violation of subsection (1) or (2) of this section for a manufacturer, distributer, or wholesaler to sell or provide alcoholic tiquers liquor exclusively or in minimum quantities in containers bearing a private label or to sell or provide alcoholic liquers liquor in containers bearing a generic label to a distributor, wholesaler, retailer, or bottle club licensee.

(5) It shall not be a violation of subsection (1) or (2) of this section for a distributor, wholesaler, retailer, or bottle club licensee to accept or purchase from a manufacturer, distributer, or wholesaler alcoholic liquers liquor exclusively or in minimum quantities in containers bearing a private label or for a distributor, wholesaler, retailer, or bottle club licensee to accept or purchase from a manufacturer, distributor, or wholesaler alcoholic liquers liquor in containers bearing a generic label.

52. That section 53-102, Reissue Sec. Revised Statutes of Nebraska, 1943, be amended to read

as follows:

53-192. No person shall manufacture, bottle, blend, sell, barter, transport, deliver, furnish, or possess any alcoholic liquor for beverage purposes, except as specifically provided in this act the Nebraska Liquor Control Act. Nothing herein contained in the act shall prevent (1) the possession of alcoholic liquor legally obtained as provided in the Nebraska Biquer LB 344

Centrel Act act for the personal use of the possessor, and his or her family, and guests; ner prevent (2) the making of wine, cider, or other alcoholic liquor by a person from fruits, vegetables, or grains, or the product thereof, by simple fermentation and without distillation, if it is made solely for the use of the maker, and his or her family, and guests; ner prevent (3) any duly licensed practicing physician or dentist from possessing or using alcoholic liquor in the strict practice of his or her profession, any hospital or other institution caring for the sick and diseased persons from possessing and using alcoholic liquor for the treatment of bona fide patients of such hospital or other institution, or any drug store employing licensed pharmacist from possessing or using alcoholic liquers liquor in the compounding of prescriptions of duly licensed physicians; nor prevent (4) the possession and dispensation of wine by an authorized representative of any church for the purpose of conducting any bona fide rite or religious ceremony conducted by such church; ner prevent (5) persons who are sixteen years old or older from carrying beer from grocery stores when they are accompanied by a person not a minor; prevent (6) persons who are sixteen years old or older from handling beer containers and beer in the course of their employment in grocery stores; nor prevent (7) persons who are sixteen years old or older from removing and disposing of alcoholic liquor containers for the convenience of the employer and customers in the course of their employment as waiters, waitresses, or busbeys servers or buspersons by any restaurant, club, hotel, or similar organization; nor prevent or (8) persons who are nineteen years old or older from serving or selling alcoholic liquor in the course of their employment.

Sec. 53. That section 53-168.05, Reissue Revised Statutes of Nebraska, 1943, be amended to read

as follows:

53-168.05. The Nebraska Liquer Centrel Germission commission may revoke or suspend the license of any manufacturer, wholesaler, distributer, or retailer found violating section 53-168-01 er 53-169, and all proceedings under such section sections 53-168-01 and 53-169 shall be governed by the provisions of Chapter 53 the Nebraska Liquor Control Act governing the suspension or revecations revocation of licenses and the appeals to the courts from any orders of the commission.

Sec. 54. That section 53-169, Reissue Revised Statutes of Nebraska, 1943, be amended to read

LB 344

as follows:

53-169. (1) No manufacturer, distributer, or wholesaler shall directly or indirectly: (a) 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 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 the ownership, conduct, or operation of the business of any licensee authorized to sell alcoholic liquor at retail; or (d) be interested directly or indirectly, or as owner, part owner, lessee, or lessor thereof, in any premises upon which alcoholic liquor is sold at retail.

(2) This section shall not apply to the holder

of a farm winery license or a brewpub license.

Sec. 55. That section 53-169.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-169.01. No manufacturer of alcoholic liquers liquor holding a manufacturer's license under section 53-123.017 and no manufacturer of alcoholic liquers liquor outside of this state manufacturing alcoholic liquers liquor, except beer, for distribution and sale within this state shall, directly indirectly, as owner or part owner, or through a subsidiary or affiliate, or by any officer, director, or employee thereof, or by stock ownership, interlocking directors, trusteeship, loan, mortgage, or lien on any personal or real property, or as guarantor, endorser, or surety, be interested in the ownership, conduct, operation, or management of any alcoholic liquor operation, or management of any alcoholic liquor distributor wholesaler holding an alcoholic liquor distributor's wholesale license, except beer, under section 53-123.02.

No ; ner shall any manufacturer of alcoholic liquor holding a manufacturer's license under liquers said section, ner any 53-123.01 and no manufacturer of alcoholic liquers liquor outside of this state manufacturing alcoholic liquers liquer, except beer, for distribution and sale within this state, shall be interested directly or indirectly, as lessor or lessee, as owner or part owner, or through a subsidiary or affiliate, or by any officer, director, or employee thereof, or by stock ownership, interlocking directors, or trusteeship in the premises upon which the place of business of an alcoholic liquor distributer wholesaler holding an alcoholic liquor distributer's wholesale license, except beer, under section 53-123.02

located, established, conducted, or operated in whole or in part unless such interest, PROVIDED, that nething herein contained shall be deemed to make unlawful, or to affect the eligibility or qualification for continuance and renewal of licenses under section 53-123-01, where the interest of a manufacturer of alcoholic liquors in a licensed alcoholic liquor distributor, as set out and defined above, was acquired or became effective prior to April 17, 1947.

Sec. 56. That section 53-171, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-171. No person, licensed as a manufacturer or distributor wholesaler of alcoholic liquors liquor shall be permitted to receive any retailer's retail license at the same time. No person licensed as a retailer of alcoholic liquors liquor shall be permitted to receive any manufacturer's or distributor's wholesale license at the same time. This section shall not apply to the holder of a farm winery license or a brewpub license.

Sec. 57. That section 53-172, Revised Statutes Supplement, 1990, be amended to read as follows:

53-172. No manufacturer or distributer wholesaler shall sell or deliver any original package containing alcoholic liquor, except beer and wine, manufactured or distributed by him or her, unless the package shall have has affixed thereto a clear and legible label containing the name and address of the the kind of alcoholic liquor contained manufacturer. therein in the package, and, in the case of alcoholic liquor other than beer, the date when manufactured. No original package of alcoholic liquor shall be delivered by any manufacturer or distributor wholesaler unless the package shall be is securely sealed so that the contents thereof cannot be removed without breaking the seal so placed thereon by such manufacturer, and no other licensee shall sell, have in his or her possession, or use any original package which does not comply with sections 53-172 to this section and section 53-174 or which does not bear evidence that such original package, when delivered to him or her, complied with this section.

Sec. 58. That section 53-175, Revised Statutes Supplement, 1990, be amended to read as follows:

53-175. It shall be unlawful for any person to purchase, receive, acquire, accept, or possess any

alcoholic liquers liquor acquired from any person other than one duly licensed to handle alcoholic liquers liquor under the Nebraska Liquor Control Act unless within the specific exemptions or exceptions provided in No licensed retailer of alcoholic liquers liquor shall purchase such liquor other than from a distributer licensed wholesaler who is duly licensed under the laws of the state and has his or her place of business within this state, except that a licensed retailer may purchase alcoholic liquor other than beer or wine from one or more retailers licensed to sell alcoholic liquor for consumption off the premises if the seller has the required federal wholesaler's basic permit and federal wholesale liquor dealer's special tax stamp and has filed proof of possession of the permit and tax stamp with the commission prior to engaging in any such sales for resale. Retailers making such sales and retailers making such purchases from retailers shall keep accurate records of such sales and purchases and shall report all such sales and purchases on a quarterly basis on forms and in such manner as prescribed by the commission. No licensed retailer shall purchase in the aggregate more than three hundred dollars of alcoholic liquor as allowed under this section in any calendar year. Nothing in this section shall be construed to prohibit the sale or exchange among collectors of commemorative bottles or uniquely designed decanters which contain alcoholic liquor.

Sec. 59. That section 53-176, Reissue Revised Statutes of Nebraska, 1943, be amended to read

as follows:

53-176. No manufacturer, distributer, or wholesaler shall sell or deliver any package containing alcoholic liquor manufactured or distributed by him er her such manufacturer or wholesaler for resale, unless the person to whom such package is sold or delivered is authorized to receive such package in accordance with the previetens of this act the Nebraska Liquor Control Act. The commission shall suspend, cancel, or revoke the license of any manufacturer, distributer, or wholesaler who violates the previetens of this section.

Sec. 60. That section 53-178.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read

as follows:

53-178.01. No licensee shall sell alcoholic liquor, including beer, to any person for consumption off the licensed premises while such person is in any manner within any motor vehicle. The previsions of this This section shall not apply to sales for consumption on

the licensed premises or sales to paraplegies handicapped persons in a motor vehicle displaying a current paraplegie handicapped license plate issued by the Department of Motor Vehicles.

That section 53-179, Reissue 61. Sec. Revised Statutes of Nebraska, 1943, be amended to read

as follows:

53-179. (1) No alcoholic liquers liquor, including beer, shall be sold at retail or dispensed on any day between the hours of 1 a.m. and 6 a.m. The local governing body of any city or village, with respect to area within inside the corporate limits of such city or village, or the county board, with respect to area outside the corporate limits of any city or village, may, by ordinance or resolution, require closing prior to 1 a.m. on any day.

Except as provided for and allowed by ordinance of a local governing body applicable to area within inside the corporate limits of a city or village, or by resolution of a county board applicable to area within inside such county and outside the corporate limits of any city or village, no alcoholic liquors liquor, including beer, shall be sold at retail or dispensed between the hours of 6 a.m. Sunday and 1 a.m. No ordinance or resolution allowed by this subsection shall permit alcoholic liquers liquor, other than beer and wine, to be sold at retail or dispensed for consumption off the premises between the hours of 6 Sunday and 1 a.m. Monday, or for consumption on the premises between the hours of 6 a.m. Sunday and 6 Sunday. This subsection shall not apply after 12 noon on Sunday to a licensee which is a nonprofit corporation and the holder of a Class C license or a Class H license issued pursuant to either subdivision

(5)6- er (5)H- (5) of section 53-124.
(3) It shall be unlawful on property licensed to sell alcoholic liquor at retail to allow alcoholic liquor in open containers to remain or be in possession or control of any person for purposes of consumption between the hours of  $1:15 \ a.m.$  and  $6 \ a.m.$  on any day. Where When any city or village provides by ordinance, or any county provides by resolution, for an earlier closing hour, the provisions of this subsection shall become effective fifteen minutes after such closing hour

instead of 1:15 a.m.

(4) Nothing in this section shall be construed to prohibit licensed premises from being open for other business on days and hours during which the sale or dispensing of alcoholic liquor is prohibited by this

section.

Sec. 62. That section 53-180.02, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-102 52 of this act, no minor may sell or dispense or have in his or her possession or physical control any alcoholic liquor in any tavern or in any other place including public streets, alleys, roads, highways, upon property owned by the State of Nebraska or any subdivision thereof, or inside any vehicle while in or on any other place including but not limited to the public streets, alleys, roads, highways, or upon property owned by the State of Nebraska or any subdivision thereof, except that a minor may possess or have physical control of alcoholic liquor in his or her permanent place of residence.

The governing bodies of counties, cities, and villages shall have the power to, and may by applicable resolution or ordinance, regulate, suppress, and control the transporting, knowingly possessing, or having under his or her control, beer or other alcoholic liquor in or transported by any motor vehicle, by persons under twenty-one years of age, and may provide penalties for

violations of such resolution or ordinance.

Sec. 63. That section 53-180.07, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-180.07. In any prosecution of, or any proceeding against, any licensee charged with having made a sale to a minor, proof of the following shall be an absolute defense to the charge:

(1)(a) The purchaser falsely represented in writing and supported with other documentary proof that he or she was of legal age to purchase alcoholic liquor;

(2) (b) The appearance of such purchaser was such that an ordinary and prudent person would believe that such appearance conformed to any documentary description of appearance presented by the purchaser; and

(3) (c) The sale was made in good faith, and in reliance upon the written representation, other documentary evidence, and the appearance of the purchaser, and in the belief the purchaser was of legal age to make such purchase; or

(4) (2) The sale was made with the knowledge of, and in cooperation with, a duly authorized law enforcement officer.

Sec. 64. That section 53-183, Reissue

Revised Statutes of Nebraska, 1943, be amended to read as follows:

No person shall sell or furnish 53-183. alcoholic liquor at retail to any person on credit. er on a passbook, er on an order on a store, er in exchange for any goods, wares, or merchandise, or in payment for any services rendered, ; and if any person shall extend extends credit for any such purpose, the debt thereby attempted to be created shall not be recoverable at law. Nothing in this section , PROVIDED, nething herein centained shall be construed to prevent any club holding a eless Class C liquer license from permitting checks or statements for alcoholic liquor to be signed by members or bona fide guests of members and charged to the account of such members or quests in accordance with the bylaws of such club, and , AND PROVIDED FURTHER, nothing herein centained in this section shall be construed to prevent any hotel or restaurant holding a retail alceholic liquer license from permitting checks or statements for liquor to be signed by regular guests residing at such hotel or eating at such restaurant and charged to the accounts of such quests.

Sec. 65. That section 53-184, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-184. No person, except a manufacturer, distributer or wholesaler, shall fill or refill, in whole or in part, any original package of alcoholic liquor with the same or any other kind or quality of alcoholic liquor. It, and it shall be unlawful for any person to have in his or her possession for sale at retail any bottles, casks, or other containers containing alcoholic liquor, except in original packages.

Sec. 66. That section 53-185, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-185. No manufacturer, distributer or wholesaler shall enter into any contract with any person licensed to sell at retail whereby such licensee agrees not to sell any alcoholic liquers liquer manufactured or distributed by any other manufacturer, distributer or wholesaler. Any 7 and any provision in any contract vielative ef which violates this section shall render the whele ef such entire contract void, and no action shall be brought thereon on such contract in any court.

Sec. 67. That section 53-186.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-186.01. (1) It shall be unlawful for any person owning, operating, managing, or conducting any dance hall, restaurant, cafe, or club or any place open to the general public to permit or allow any person to consume alcoholic liquor upon the premises, except as permitted by a license theretofore issued to for such premises pursuant to seetions 53-1007, 53-117, 53-123-047, 53-1247, 53-125, 53-138-03, 53-1607, 53-178-01, 53-1797, 53-1867, and 53-190 the Nebraska Liquor Control Act.

53-1867 and 53-199 the Nebraska Liquor Control Act.

(2) It shall be unlawful for any person to consume alcoholic liquor in any dance hall, restaurant, cafe, or club or any place open to the general public except as permitted by a license theretefore issued to for such premises pursuant to sections 53-103, 53-117, 53-123.04, 53-124, 53-125, 53-138.03, 53-160, 53-178.01,

53-179; 53-186; and 53-190 the act.

(3) This section shall not apply to a retail licensee while lawfully engaged in the catering of alcoholic beverages.

(4) Any person violating subsection (1) of this section shall be guilty of a misdemeaner and shall, upon conviction thereof, be subject to the penalties contained in section 53-1,100.

(5) Any person violating subsection (2) of this section shall be guilty of a misdemeaner and shall, upon conviction thereof, be subject to the penalties contained in section 53-180.05.

Sec. 68. That section 53-188, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-188. It No person shall not be lewful to operate a brewpub or sell alcoholic liquor at retail, and nor shall the commission shall not grant, or issue, or cause to be granted or issued; any license to operate a brewpub or to sell alcoholic liquor at retail, within the limits of any governmental subdivision of this state while the a prohibition against such sales; arising under sections 53-121 and 53-122 or otherwise as provided in the Nebraska Liquor Control Act, is in effect, and if any such license be granted or issued in violation thereof the same shall be void. This section shall not prohibit the issuance of a manufacturer's or distributer's wholesale license in accordance with law by the commission in such prohibited territory.

Sec. 69. That section 53-192, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-192. No person or common carrier shall haul or transport alcoholic liquers liquor, except beer,

whether by boat, airplane, automobile, truck, wagon, or other conveyance, in or into this state, for sale, or for storage and sale in this state, upon which the required labeling or gauging fee, tax, duty, or license has not been paid. 7 except for delivery to distillers, manufacturers; importers; blenders; rectifiers, wholesalers or jobbers maintaining a bonded warehouse within this state;

Sec. 70. That section 53-1,100, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-1,100. Any person (1) who manufactures, imports for distribution as a distributor at wholesale wholesaler, or distributes or sells alcoholic liquor at any place within the state without having first obtained valid license to do so under the provisions of this aet Nebraska Liquor Control Act, (2) who shall make makes any false statement or otherwise violates any of the provisions of this the act in obtaining any license hereunder under the act, (3) who, having obtained a license hereunder, shall violate under the act, violates any of the provisions of this the act with respect to the manufacture, possession, distribution, or sale of alcoholic liquor, or with respect to the maintenance of the licensed premises, or (4) who shall violates any other provision of this the act, for which a penalty is not otherwise provided, shall for a first offense be guilty of a Class IV misdemeanor and for a second or subsequent offense shall be guilty of a Class misdemeanor. Each day any person engages in business as a manufacturer, distributor wholesaler, or retailer violation of the previsions of this act shall constitute a separate offense. In any prosecution wherein in which a person is charged with an offense arising out of the failure to obtain a valid license as provided subdivision (1) of this section, evidence of the failure of the accused to produce such license upon demand shall constitute prima facie proof that a license has not been issued by the Nebraska biquer Centrel Commission commission to such person.

Sec. 71. That section 53-1,104, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-1,104. Any licensee who violates any of the provisions of the Nebraska Liquor Control Act shall be suspended, canceled, or revoked. If any licensee shall violate the regulations duly issued and promulgated by the commission or any lawful ordinance of the local governing body, the commission may, after

proper hearing, suspend, cancel, or revoke the licenseIn case any licensee is convicted of a violation of the
terms of this act, the court shall immediately notify
the local governing body and the commission accordingly.
(1) Any licensee who shall sell which sells or permit
permits the sale of any alcoholic liquers liquor not
authorized under the terms of his or her such license on
his or her the licensed premises or in connection with
his or her such licensee's business or otherwise, shall
be subject to suspension, cancellation, or revocation of

his, her, or its such license by the commission.

(2) When any order suspending a retail license to sell alcoholic liquor becomes final, the licensee may elect to pay a cash penalty in lieu of suspending sales of alcoholic liquor for the designated period. Such penalty shall be paid to the commission. For the first such suspension for any licensee, the penalty shall be fifty dollars per day. For a second or any subsequent suspension, the penalty shall be one hundred dollars per day. Such election shall be filed with the commission in writing one week before such suspension is ordered to commence and shall be accompanied by payment in full of the sum required by this section. If such election has not been received by the commission by the close of business one week before the day such suspension is ordered to commence, it shall be conclusively presumed that the licensee has elected to close for the period of the suspension and any election received later shall absolutely void and the payment made shall be returned to the licensee. The election shall be made on a form prescribed by the commission. All funds received under this section shall be remitted to the State Treasurer for credit to the temporary school fund.

Sec. 72. That section 53-1,105, Reissue Revised Statutes of Nebraska, 1943, be amended to read

as follows:

53-1,105. In any indictment, information, affidavit, or complaint, charging the violation of any of the provisions of this act the Nebraska Liquor Control Act, it shall be sufficient to charge that the accused unlawfully manufactured, sold, offered for sale, kept for sale, delivered, or otherwise unlawfully disposed of alcoholic liquers liquor without any further or more specific description of such liquor, 7 and proof of any kind of alcoholic liquers liquor unlawfully manufactured, sold, offered for sale, kept for sale, delivered, or otherwise unlawfully disposed of, as the case may be, shall be sufficient proof as to the character or kind of alcoholic liquor.

Sec. 73. That section 53-1,106, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-1,106. In any indictment, information. complaint, or affidavit charging the violation of any of the provisions of this act the Nebraska Liquor Control Act, it shall not be necessary to allege the quantity or kind of such alcoholic liquor or the kind thereof further than to allege that the same it was alcoholic liquor. In and, in case of sale, keeping for sale, delivering, it shall not be necessary to set out the name of the person to whom sale or delivery has been made. In 7 except, in any prosecution for a second offense, it shall not be necessary to state in the indictment, complaint, or affidavit the record of the former conviction, but it shall be sufficient briefly to on conviction. In any prosecution for an no indictment, information compared to the shall be a shal allege such conviction. offense, affidavit shall state or allege, nor shall any and no consideration shall be given to the record of a former filing of an indictment, information, complaint, or affidavit, or the record of a former conviction, which is four years old or older. Proof of sale, delivery, or unlawful disposition of alcoholic liquers liquor to any person, not authorized by this the act to purchase or receive the same, shall be sufficient to sustain the allegation of unlawful sale, delivery, or disposition.

, as the case may be-Sec. 74. That section 53-1,116, Revised Statutes Supplement, 1990, be amended to read as follows:

53-1,116. (1) Review of any final decision or order under the Nebraska Liquor Control Act shall be according to sections 25-1901 to 25-1908. The Administrative Procedure Act and sections 14-813 and 15-1201 to 15-1205 shall not apply to review under this section. For purposes of review, a final decision or order shall include any final action rendered after a hearing required by the Nebraska Liquor Control Act.

hearing required by the Nebraska Liquor Control Act. (2) The executive director of the commission or the clerk of the local governing body shall prepare and deliver a transcript of the proceedings and a transcript of the testimony and evidence before the commission or local governing body upon request of the party seeking review. The party seeking review shall pay the costs of producing the transcript. The transcript of the proceedings shall contain a copy of the final decision sought to be reviewed and, if applicable, a copy of the application submitted.

(3) The venue appropriate for review of a final decision or order shall be as follows:

(a) For review of a final decision of a local governing body, the district court in the county in which the local governing body is located; and

(b) For review of a final order of the commission, the district court of Lancaster County.

The venue provided in this section shall be jurisdictional, and no court shall review any action unless the action is brought in the appropriate venue.

unless the action is brought in the appropriate venue.
Sec. 75. That original sections 20-113,
53-102, 53-108, 53-118, 53-123 to 53-123.03, 53-123.07,
53-123.09, 53-123.11, 53-123.14, 53-124.11 to 53-124.13,
53-125, 53-126, 53-130, 53-135, 53-135.01, 53-140,
53-142, 53-146, 53-150, 53-157, 53-160, 53-161, 53-166,
53-168, 53-168.05, 53-169, 53-169.01, 53-171, 53-176,
53-178.01, 53-179, 53-180.02, 53-180.07, 53-183, 53-184,
53-185, 53-186.01, 53-188, 53-192, 53-1,100, 53-1,104 to
53-1,106, 53-1,114, and 53-1,118, Reissue Revised
Statutes of Nebraska, 1943, and sections 53-101,
53-101.01, 53-101.04, 53-103, 53-110, 53-113, 53-127,
53-122, 53-123.04, 53-123.13, 53-124, 53-128, 53-131,
53-132, 53-134, 53-145, 53-147, 53-159, 53-164.01,
53-10, 53-138.02, 53-140.01, 53-144, 53-151 to 53-170,
53-158, 53-166, 53-168.01, 53-170.01 to 53-170.04,
53-173, 53-193, 53-194, 53-195, and 53-1,117, Reissue
Revised Statutes of Nebraska, 1943, are repealed.