



Ninety-Eighth Legislature - First Session - 2003  
**Introducer's Statement of Intent**  
**LB 205**

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**Chairperson:** Ray Janssen  
**Committee:** General Affairs  
**Date of Hearing:** January 27, 2003

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

This bill makes three changes to the Nebraska Liquor Control Act.

LB 205 allows liquor and beer wholesalers to provide sampling in additional locations. The bill would allow retail license holders and their employees to sample beer, wine and spirits products in licensed retail establishments and bottle clubs which have a license for on sale or off sale consumption, or both. This change does not affect or include sampling or tasting by retailers to consumers.

Second, LB 205 adds new language to the act providing for how the debts for unpaid alcoholic liquor inventory is handled when a retailer sells their business. The bill sets up a procedure that will be followed when the holder of a retail liquor license proposes to sell their business, including their liquor inventory, and the seller still owes debts on the inventory that they will not pay. The bill requires notice to the wholesalers by the buyer. If the seller will not pay the debts on the inventory, the wholesaler may take possession of the goods prior to the sale, or the buyer may agree to assume the unpaid obligation. If the procedure is not followed, then the buyer is liable for the payment of the sellers debts on the unpaid inventory.

Finally, the bill deals with the situation where the Liquor Control Commission places a suspension order on a wholesale licensee. LB 205 would allow wholesalers to pay a cash penalty in lieu of suspending sales when the cash penalty is allowed by the commission. Retailers are currently allowed to pay a cash penalty and this would extend this choice to wholesalers.

**Principal Introducer:** \_\_\_\_\_  
**Senator Ramon E. Janssen**