

Hearing Date: January 29, 2007 **Committee On:** General Affairs

Introducer(s): (McDonald, 41)

Title: Change provisions relating to distribution of shippers' license fees

Roll Call Vote – Final Committee Action:

X Advanced to General File

Advanced to General File with Amendments

Indefinitely Postponed

Vote Results:

- 7 Yes McDonald, Karpisek, Dierks, Dubas, Erdman, Friend, Janssen
- 0 No
- 0 Present, not voting
- 1 Absent Preister

| Proponents: | Representing: |
|----------------------------|---|
| Senator Vickie D. McDonald | Introducer |
| Jim Ballard | Nebraska Winery & Grape Growers Association |
| David Hanna | Nebraska Winery & Grape Growers Association |
| Paul Read | University of Nebraska |
| Opponents: None | Representing: |
| Neutral: | Representing: |
| Hobert B. Rupe | Nebraska Liquor Control Commission |

Summary of purpose and/or changes:

LB 441 proposes that the shipping license fees that the Nebraska Liquor Control Commission collects from those who ship wine from another state directly to consumers in Nebraska be directed to the Nebraska Winery and Grape Producers Promotional Fund rather than to the General Fund. Nebraska permits this direct shipping of wine (§53-123.15(4)) if the out-of-state winery purchases an S1 license, which costs \$500 (§53-124(11)).

The Winery and Grape Producers Promotional Fund, which already exists, is the fund for the state's Grape and Winery Board. It is funded by a tax on farm winery production, and receives less than \$6000 annually.

This financial support would be used for research, marketing and industry promotion.

Details

Section 1 amends §53-123.15, relating to shipping fees, by adding that shipping fees collected by the Liquor Control Commission are to be credited to the Winery and Grape Producers Promotional Fund.

Section 2 amends §53-304, relating to funding for the Nebraska Grape and Winery Board, by making a reference to the new language.

Section 3 repeals the original sections.

Senator Vickie McDonald, Chairperson