

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 596**

Introduced by Hardin, 48.

Read first time January 17, 2023

Committee: General Affairs

- 1 A BILL FOR AN ACT relating to the Nebraska Liquor Control Act; to amend  
2 section 53-168, Reissue Revised Statutes of Nebraska, and sections  
3 53-101 and 53-169, Revised Statutes Cumulative Supplement, 2022; to  
4 authorize a manufacturer or wholesaler or an agent of a manufacturer  
5 or wholesaler to enter into a sponsorship or advertising agreement  
6 with certain licensees or organizations as prescribed; to harmonize  
7 provisions; and to repeal the original sections.  
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 53-101, Revised Statutes Cumulative Supplement,  
2 2022, is amended to read:

3 53-101 Sections 53-101 to 53-1,122 and section 2 of this act shall  
4 be known and may be cited as the Nebraska Liquor Control Act.

5 Sec. 2. (1) A manufacturer, a wholesaler, or any agent of a  
6 manufacturer or wholesaler, may enter into a sponsorship or advertising  
7 agreement with (a) the holder of a special designated license pursuant to  
8 section 53-124.11 that is a municipal corporation, a fine arts museum  
9 incorporated as a nonprofit, a religious nonprofit corporation exempted  
10 from payment of federal income taxes, a political organization exempted  
11 from payment of federal income taxes, or any other nonprofit corporation  
12 the purpose of which is fraternal, charitable, or public service and  
13 which has been exempted from payment of federal income taxes, (b) a  
14 political subdivision of the State of Nebraska, or (c) an operator of  
15 property owned by a political subdivision of the State of Nebraska to  
16 sponsor and advertise for events held by such organization, licensee, or  
17 political subdivision.

18 (2) The commission may adopt and promulgate rules and regulations to  
19 carry out this section.

20 Sec. 3. Section 53-168, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 53-168 (1) It shall be unlawful for any person having a retail  
23 license to sell beer to accept credit for the purchase of beer from any  
24 manufacturer or wholesaler of beer and for any person having a retail  
25 license to sell alcoholic liquor or any officer, associate, member,  
26 representative, or agent of such licensee to accept, receive, or borrow  
27 money or anything else of value or to accept or to receive credit, other  
28 than merchandising credit in the ordinary course of business for a period  
29 not to exceed thirty days, directly or indirectly, from (a) any person,  
30 partnership, limited liability company, or corporation engaged in  
31 manufacturing or wholesaling such liquor, (b) any person connected with

1 or in any way representing such manufacturer or wholesaler, (c) any  
2 member of the family of such manufacturer or wholesaler, (d) any  
3 stockholders in any corporation engaged in manufacturing or wholesaling  
4 such liquor, or (e) any officer, manager, agent, member, or  
5 representative of such manufacturer or wholesaler.

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

16 (3) If any holder of a license to sell alcoholic liquor at retail or  
17 wholesale violates subsection (1) or (2) of this section, such license  
18 shall be suspended or revoked by the commission in the manner provided by  
19 the Nebraska Liquor Control Act.

20 (4) It shall not be a violation of subsection (1) or (2) of this  
21 section for a manufacturer or wholesaler to sell or provide alcoholic  
22 liquor exclusively or in minimum quantities in containers bearing a  
23 private label or to sell or provide alcoholic liquor in containers  
24 bearing a generic label to a wholesaler or retailer.

25 (5) It shall not be a violation of subsection (1) or (2) of this  
26 section for a wholesaler or retailer to accept or purchase from a  
27 manufacturer or wholesaler alcoholic liquor exclusively or in minimum  
28 quantities in containers bearing a private label or for a wholesaler or  
29 retailer to accept or purchase from a manufacturer or wholesaler  
30 alcoholic liquor in containers bearing a generic label.

31 (6) It shall not be a violation of subsection (1) or (2) of this

1 section for a wholesaler or manufacturer or the agent of a wholesaler or  
2 manufacturer to enter into a sponsorship or advertising agreement with a  
3 licensee, organization, or political subdivision of the State of Nebraska  
4 pursuant to section 2 of this act.

5       Sec. 4. Section 53-169, Revised Statutes Cumulative Supplement,  
6 2022, is amended to read:

7       53-169 (1) Except as provided in subsection (2) or (3) of this  
8 section, no manufacturer or wholesaler shall directly or indirectly: (a)  
9 Pay for any license to sell alcoholic liquor at retail or advance,  
10 furnish, lend, or give money for payment of such license; (b) purchase or  
11 become the owner of any note, mortgage, or other evidence of indebtedness  
12 of such licensee or any form of security therefor; (c) be interested in  
13 the ownership, conduct, or operation of the business of any licensee  
14 authorized to sell alcoholic liquor at retail; or (d) be interested  
15 directly or indirectly or as owner, part owner, lessee, or lessor thereof  
16 in any premises upon which alcoholic liquor is sold at retail.

17       (2) This section does not apply to the holder of a farm winery  
18 license. The holder of a craft brewery license shall have the privileges  
19 and duties listed in section 53-123.14 and the holder of a manufacturer's  
20 license shall have the privileges and duties listed in section 53-123.01  
21 with respect to the manufacture, distribution, and retail sale of beer,  
22 and except as provided in subsection (2) of section 53-123.14, the  
23 Nebraska Liquor Control Act shall not be construed to permit the holder  
24 of a craft brewery license or of a manufacturer's license issued pursuant  
25 to section 53-123.01 to engage in the wholesale distribution of beer. The  
26 holder of a microdistillery license shall have the privileges and duties  
27 listed in section 53-123.16 with respect to the manufacture of alcoholic  
28 liquor, and the Nebraska Liquor Control Act shall not be construed to  
29 permit the holder of a microdistillery license to engage in the wholesale  
30 distribution of alcoholic liquor.

31       (3) It shall not be a violation of this section for a wholesaler or

1 manufacturer or the agent of a wholesaler or manufacturer to enter into a  
2 sponsorship or advertising agreement with a licensee, organization, or  
3 political subdivision of the State of Nebraska pursuant to section 2 of  
4 this act.

5       Sec. 5.   Original section 53-168, Reissue Revised Statutes of  
6 Nebraska, and sections 53-101 and 53-169, Revised Statutes Cumulative  
7 Supplement, 2022, are repealed.