

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 405

Introduced by General Affairs Committee: Holdcroft, 36, Chairperson;
Andersen, 49; Clouse, 37; DeKay, 40; Storm, 23.

Read first time January 17, 2025

Committee:

- 1 A BILL FOR AN ACT relating to the Nebraska Liquor Control Act; to amend
- 2 section 53-123.17, Reissue Revised Statutes of Nebraska; to remove
- 3 redundant language relating to entertainment district licenses; and
- 4 to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 53-123.17, Reissue Revised Statutes of Nebraska,
2 is amended to read:

3 53-123.17 (1) A local governing body may designate an entertainment
4 district in which a commons area may be used by retail, craft brewery,
5 and microdistillery licensees and holders of a manufacturer's license
6 which obtain an entertainment district license. The local governing body
7 may ~~, at any time,~~ revoke such designation if it finds that the commons
8 area threatens the health, safety, or welfare of the public or has become
9 a common nuisance. The local governing body shall file the designation or
10 the revocation of the designation with the commission.

11 (2) An entertainment district license allows the sale of alcoholic
12 liquor for consumption on the premises within the confines of a commons
13 area. The consumption of alcoholic liquor in the commons area shall only
14 occur during the hours authorized for sale of alcoholic liquor for
15 consumption on the premises under section 53-179 and while food service
16 is available in the commons area. Only the holder of an entertainment
17 district license or employees of such licensee may sell or dispense
18 alcoholic liquor in the commons area.

19 (3) An entertainment district licensee shall serve alcoholic liquor
20 to be consumed in the commons area in containers that prominently
21 displays the licensee's trade name or logo or some other mark that is
22 unique to the licensee under the licensee's retail license, craft brewery
23 license, microdistillery license, or manufacturer's license. An
24 entertainment district licensee may allow alcohol sold by another
25 entertainment district licensee to enter the licensed premises of either
26 licensee. No entertainment district licensee shall allow alcoholic liquor
27 to leave the commons area or the premises licensed under its retail
28 license, craft brewery license, microdistillery license, or
29 manufacturer's license.

30 (4) If the licensed premises of the holder of a license to sell
31 alcoholic liquor at retail issued under subsection (6) of section 53-124,

1 a craft brewery license, a microdistillery license, or a manufacturer's
2 license is adjacent to a commons area in an entertainment district
3 designated by a local governing body pursuant to this section, the holder
4 of the license may obtain an annual entertainment district license as
5 prescribed in this section. The entertainment district license shall be
6 issued for the same period and may be renewed in the same manner as the
7 retail license, craft brewery license, microdistillery license, or
8 manufacturer's license.

9 (5) In order to obtain an entertainment district license, a person
10 eligible under subsection (4) of this section shall:

11 (a) File an application with the commission upon such forms as the
12 commission prescribes; and

13 (b) Pay an additional license fee of three hundred dollars for the
14 privilege of serving alcohol in the entertainment district payable to the
15 clerk of the local governing body in the same manner as license fees
16 under subdivision (4) of section 53-134.

17 (6) When an application for an entertainment district license is
18 filed, the commission shall notify the clerk of the local governing body.
19 The commission shall include with such notice one copy of the application
20 by mail or electronic delivery. The local governing body and the
21 commission shall process the application in the same manner as provided
22 in section 53-132.

23 (7) The local governing body may impose an occupation tax on the
24 business of an entertainment district licensee doing business within the
25 liquor license jurisdiction of the local governing body as provided in
26 subdivision (11)(b) of this section in accordance with section 53-132.

27 (8) The local governing body with respect to entertainment district
28 licensees within its liquor license jurisdiction as provided in
29 subdivision (11)(b) of this section may cancel an entertainment district
30 license for cause for the remainder of the period for which such
31 entertainment district license is issued. Any person whose entertainment

1 district license is canceled may appeal to the commission in accordance
2 with section 53-134.

3 (9) A local governing body may regulate by ordinance, not
4 inconsistent with the Nebraska Liquor Control Act, any area it designates
5 as an entertainment district.

6 (10) Violation of any provision of this section or any rules or
7 regulations adopted and promulgated pursuant to this section by an
8 entertainment district licensee may be cause to revoke, cancel, or
9 suspend the retail license issued under subsection (6) of section 53-124,
10 craft brewery license, microdistillery license, or manufacturer's license
11 held by such licensee.

12 (11) For purposes of this section:

13 (a) Commons area means an area:

14 (i) Within an entertainment district designated by a local governing
15 body;

16 (ii) Shared by authorized licensees with entertainment district
17 licenses;

18 (iii) Abutting the licensed premises of such licensees;

19 (iv) Having limited pedestrian accessibility by use of a physical
20 barrier, either on a permanent or temporary basis; and

21 (v) Closed to vehicular traffic when used as a commons area.

22 Commons area may include any area of a public or private right-of-
23 way if the area otherwise meets the requirements of this section; and

24 (b) Local governing body means the governing body of the city or
25 village in which the entertainment district licensee is located.

26 **Sec. 2.** Original section 53-123.17, Reissue Revised Statutes of
27 Nebraska, is repealed.