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LB 393, 536

do, the production limit for farm wineries right now is 15,000 gallons a year. This would be changed to 30,000 gallons a year. Fifteen thousand was quite an arbitrary figure when that was chosen originally. And because of the growth of these wineries, the lower level could be a very real impediment to their production before very long. The amendment.. the committee amendment does two other things. And I will allow Senator Janssen to explain those to you. So thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Hudkins. You've heard the opening on LB 536. There are committee amendments, offered by the General Affairs Committee. Senator Janssen to open on those amendments.

SENATOR JANSSEN: Thank you, Senator Cudaback, members of the Legislature. The committee amendments make three changes. First, it strikes the branch outlet change from the bill. The bill would have allowed farm wineries to have more than one branch outlet for sampling. The second change is, it changes the funding mechanism for Nebraska Grape Winery Advisory Board. Currently, each Nebraska winery pays \$20 for every ton of grapes crushed. This changes the statute, so that each winery pays \$20 for each 160 gallons of juice produced or received. Finally, the amendment adds part of LB 393, which was also Senator Hudkins' bill, which changes the definition of a farm winery to require that 75 percent of the finished product is made with the agricultural product grown in the state. Currently, a farm winery is defined as an enterprise which produces and sells wine produced from grapes and other fruit or other suitable agricultural products, of which at least 75 percent is grown in the state. The Liquor Control Commission has interpreted the current language to mean that each agricultural product must individually meet the 75 percent requirement. The bill...it removes this per agricultural product requirement, and instead changes it to 75 percent of the finished product. Finished product is interpreted by the commission and intends to mean that the total finished wine production during the prior calendar year. Those are the changes that the committee chose to make. And I would ask for your support in the committee amendments. Thank you.