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01 Waiver of 75%/25% 60%/40%

- **01.01** The Commission may grant an exemption under 53-123.13 for a natural disaster only.
- **01.02** Agricultural product under 53-103(32) shall mean any grapes, fruit, berries or honey whether in whole cluster, whole berry, crushed, uncrushed or pressed to juice form, liquid or frozen, as long as the product has not been altered or added to in any way (other than skin removal). "Agricultural product" shall not mean any product that already contains alcohol, produced from outside this state.
- **01.03** The 75% 60% limitation will be calculated based on the number of gallons of finished wine produced from Agricultural Products grown in this state. The remaining 25% 40% will be based on the number of gallons of finished wine produced from Agricultural Products imported from outside the state. The licensee may import an agriculture product from outside the state of Nebraska during a calendar year in an amount needed to produce a quantity of finished wine not exceeding 25% 40% of the finished wine produced by the licensee from the same Nebraska-grown agricultural product during the prior calendar year.

02 Signs, Advertising

02.01 Any bottle(s) containing more than twenty-five forty percent of products from outside the state shall not be labeled to imply the product is a Nebraska product.

03 Record Keeping/Documentation

03.01 Production records/documentation shall be kept on each product to include the amounts and type of raw material used, source of raw materials and amount produced. These records shall be maintained for a period of not less than three years and open to audit/inspection by any agent or employee of the Nebraska Liquor Control Commission.

04 Branch Outlet/Sampling

04.01 A farm winery desiring the branch outlet allowed for sampling in 53-123.11(d) need not apply for a separate license but shall seek prior approval of the location from the Commission and the local governing body.

06 05 Place of Fermentation

06.01 The fermentation of Agricultural Products shall take place on the licensed premises. This does not include any natural fermentation of product being shipped into the farm winery under 001.03.

<u>06</u> Satellite Locations:

Craft Breweries, a holder of a Class L Craft Brewery liquor license under Neb. Rev. Stat. 53-123.14, and a holder of a manufacturing license under Neb. Rev. Stat. 53-123.01(2), a holder of a Class Z Micro Distillery license under Neb. Rev. Stat. 53-123.16, and a holder of a Class Y Farm Winery License under Neb. Rev. Stat. 53-123.11, may hold additional retail licensed locations as authorized by Neb. Rev. Stat. 53-123.14 and 53-123.01(2), hereinafter called Satellite Locations. A Satellite Location must be licensed for the sale of alcohol at retail and conform to all other requirements for a retail license. To qualify as a Satellite Location, it must be wholly owned in common by the holder of the Class L brewery license under Neb. Rev. Stat. 53-123.14, the holder of the manufacturing license under Neb. Rev. Stat. 53-123.01(2), the holder of a Class Z Micro Distillery license under Neb. Rev. Stat. 53-123.16, or a holder of a Class Y Farm Winery License under Neb. Rev. Stat 53-123.11.Such Class L brewery licensee under Neb. Rev. Stat. 53-123.14, manufacturing licensee under Neb. Rev. Stat. 53-123.01(2), Class Z Micro Distillery license under Neb. Rev. Stat. 53- 123.16, or Farm Winery License under Neb. Rev. Stat. 53-123.11 may transfer product produced at the licensed brewery to its Satellite Locations without the use of a Nebraska Wholesaler. However, proper documentation of all quantities of transfers shall be maintained by such Class L brewery licensee under Neb. Rev. Stat. 53-123.14, manufacturing licensee under Neb. Rev. Stat. 53-123.01(2), Class Z Micro Distillery license, under Neb. Rev. Stat. 53-123.16 or Farm Winery License under Neb. Rev. Stat. 53-123.11. Any sale to any licensed retailer other than a Satellite Location must be accomplished through a Nebraska Wholesaler.

07 Farm Winery/Craft Brewery/Micro Distillery Off – Site Storage Facility

07.01 A farm winery, <u>craft brewery</u>, and <u>micro distillery</u> licensee desiring an off-site storage facility shall seek prior approval from the Commission. The farm winery written request must include but not limited to the following:

- a) Address of the proposed facility;
- b) Dimensions of the facility;
- c) Security measures in place.

07.02 Off-site storage facility requirements:

- a) Copy of farm winery license;
- b) Perpetual inventory record of finished wine-products;
- c) No consumption or tasting allowed on or about the facility:
- d) No Alcoholic beverages other than products classified as wine can be stored in the facility. No alcoholic beverages other than those produced by licensee can be stored in the facility.

05-08 Distribution

05 8.01 Farm wineries, <u>Craft breweries</u>, <u>and Micro distilleries</u> may wholesale to licensed retailers on and off site.

05 8.02 Farm wineries, <u>Craft breweries</u>, and <u>Micro distilleries</u> may ship wines by common carrier to licensed wholesalers.

08.03 Farm Wineries

- a) Farm Wineries may self-distribute wine if the overall production for the farm winery is less than 50,000 gallons per year.
- b) Only distribute products produced onsite of the farm winery.
- c) May not grant credit for sale of self-distributed product in excess of 30 days.
- d) Dock sales are permitted.
- e) Farm wineries with annual production not exceeding 30,000 gallons in the prior calendar year may also ship wines by common carrier to licensed retailers, and to consumers.

08.04 Craft Breweries

- a) Craft breweries may not exceed 250 barrels of self-distributed product.
- b) No sales to retailers can be made to retailers in areas where the craft brewery has a territory agreement.
- c) <u>Deliveries must be made with vehicles owned or leased by the brewery.</u>
- d) Only employees employed by the single craft brewery may deliver beer.
- e) Only distributes beer manufactured at the craft brewery's licensed location.

- f) Collect payment for beer from retailers as laid out in the Acceptable Means of Payment rule.
- g) Payment for beer must be made upon delivery.
- h) Dock sales are permitted.

08.05 Micro Distilleries

- a) Micro distilleries may not exceed 500 gallons of self-distributed product.
- b) <u>Deliveries must be made by an employee employed by the microdistillery.</u>
- c) Only distributes products manufactured on the licensed premise.
- d) May not grant credit for sale of self-distributed product in excess of 30 days.
- e) Dock sales are permitted.