

*Nebraska Liquor Control Commission*  
**Nebraska Rules and Regulations**

**TABLE OF CONTENTS**

<b>CHAPTER 1</b>	<b>PRACTICE AND PROCEDURE</b>
001	Public Meetings
002	Contested Cases
003	Promulgation, Amendment or Repeal of Rules; Declaratory Rulings
004	Petition: Form
005	Failure to Comply With Order of Commission
006	Mandatory Meeting
007	Penalty in Abeyance
008	Penalty for Late Fees
009	Classification of Alcoholic Liquor
010	Closing Time Ordinances/Resolutions
<b>CHAPTER 2</b>	<b>REQUIREMENTS FOR LICENSEES</b>
001	General Requirements
002	Partnership When Business Operated on Percentage or Share Basis
003	Transfer of Stock of Terminated License
004	Temporary Operating Permits
005	License Application Requirements
006	Residency Requirements
008	Trade Name
009	Manager Application
010	Falsification of Application
011	Falsification of Information
012	Definitions
013	Special Designated Licenses
<b>CHAPTER 3</b>	<b>CORPORATIONS/PARTNERSHIPS</b>
001	Resident Manager for Corporation
002	Change of Ownership or Control-Corporations and Partnerships
<b>CHAPTER 4</b>	<b>STORAGE AND TRANSPORTATION OF ALCOHOLIC LIQUORS</b>
001	Storage of Liquor by Retail Licensee
002	Transportation of Liquor by Retail Licensees
<b>CHAPTER 5</b>	<b>LABELS AND CONTAINERS</b>

- 001 Labels
- 002 Containers

**CHAPTER 6 LICENSEE OPERATIONS**

- 001 Signs
- 002 Sampling/Tasting
- 003 Keg Registration Requirements
- 010 Alcoholic Beverage Products/Pass through Wholesale Licensed Premise
- 012 Dock Sales
- 015 Acceptable Forms of Payment
- 016 Trade Practice Policies
- 017 Employment of Minors
- 018 Credit: Wholesaler/Retailer
- 019 Illegal Conduct: All Licensees:
- 020 Cancellation/Denial of Licenses

**CHAPTER 7 PERMITTEE REPORTS/RECORD RETENTION**

- 001 Permittee Reports
- 002 Record Retention

**CHAPTER 8 STATE INSTITUTIONS**

- 001 Alcohol to State Institutions

**CHAPTER 13 FARM WINERIES**

- 001 Waiver of 75%/25%
- 002 Signs, Advertising
- 003 Record Keeping/Documentation
- 004 Branch Outlet/Sampling
- 005 Distribution
- 006 Place of Fermentation
- 007 Farm Winery Off-Site Storage Facility

**CHAPTER 14 MINIMUM STANDARDS FOR ALCOHOL SERVER TRAINING PROGRAMS**

- 001 Minimum Standards for Alcohol Server Training Programs
- 002 Management Training Program
- 003 Application to be a Certified Program
- 004 Term of Certification

**CHAPTER 15 REQUIREMENTS FOR CIGAR BAR CERTIFICATION**

- 001 Cigar Bar
- 002 Application for Cigar Bar Certification
- 003 Enforcement

**CHAPTER 16      REQUIREMENTS FOR WHOLESALERS AND SHIPPERS**

- 001 Mandatory ACH Rule

**CHAPTER 1-PRACTICE AND PROCEDURE  
TABLE OF CONTENTS**

<b>SUBJECT</b>	<b>STATUTORY AUTHORITY</b>	<b>CODE SECTION</b>
Amendment of Rules	84-910	003
Classification of Alcoholic Liquor	53-103.03	009
Closing Time Ordinances/Resolutions	53-179	010
Compliance with Orders	53-117	005
Contested Cases	84-913	002
Declaratory Rulings	84-912	003
Mandatory Meeting	84-910	006
Penalty in Abeyance	53-117	007
Penalty/Late Fees	53-117	008
Petition/Form	84-910	004
Promulgation of Rules	84-910	003
Public Meetings	84-1408-84-1413	001
Repeal of Rules	84-910	003

**CHAPTER 1 - PRACTICE AND PROCEDURE**

**001 PUBLIC MEETINGS**

**001.01** Public meetings of the Nebraska Liquor Control Commission shall be held at its headquarters office, located at 301 Centennial Mall South, Lincoln, Nebraska, as noticed by the Commission unless otherwise ordered by the Commission.

**001.02** Notice of the time and date of public meetings, along with an agenda of the subject matters to be considered at each public meeting shall be posted by the Executive Director of the Commission at headquarters office for the purpose of public notice, inspection and review at least three days prior to the each meeting of the Commission provided, at least two of the three days shall be days in which the headquarters office is open for general business, and provided further, when it is necessary to hold an emergency meeting without reasonable advance public notice the nature of the emergency shall be stated in the minutes and any formal action taken at such meeting shall pertain only to the emergency.

**001.03** Public presentation(s) before the Commission at a public meeting shall be allowed at the start of a scheduled meeting with the following provisions:

**001.03A** Any written materials presented to the Commission shall be done so by submitting four copies thereof to the Executive Director who shall distribute a copy to each Commissioner;

**001.03B** The Commission may limit the length of time for public presentations; and may limit the content of any public presentation to matters of policy rule and or regulation, and not matters regarding specific contested cases, current litigation or third party petitions.

**001.03C** In the interest of Commission review regarding any subject matter before it in a public meeting, the Commission may waive the provisions set out hereinabove established by this paragraph.

## **002 CONTESTED CASES**

**002.01** Notices of formal hearings conducted under the provisions of the Nebraska Liquor Control Act and the Rules and Regulations of the Nebraska Liquor Control Commission shall contain the following:

**002.01A** The date and time of the hearing;

**002.01B** The place of the hearing;

**002.01C** The nature of the proceeding; and

**002.01D** The issues involved, if they can be fully stated at the time. If the issues cannot be fully stated at the time of the notice, and amended notice containing the issues involved shall be issued as soon as the issues can be fully stated.

**002.02** Continuances agreed and consented to by all parties to a hearing shall be allowed for a period of the time not to exceed 30 days. Any continuances of a hearing beyond the 30 days shall be accepted or denied by the Commission.

**002.03** The Commission may order two or more proceedings, which are legally or factually related, to be heard and considered together on a consolidated record unless any party thereto makes a showing sufficient to satisfy the Commission that prejudice would result therefrom.

**002.04** The Commission may procure waiver of any notice required by this rule from all parties to a proceedings and hold the hearing as soon as necessary. In the event the Commission declares an emergency exists, the Commission may, upon written notice to the parties, waive any or all of the requirements of this rule and set a matter for hearing as soon as the Commission determines that it is required by the public interest.

**002.05** In all proceedings wherein the Commission has authority to subpoena witnesses, a subpoena requiring the attendance of a witness will be issued by the Commission on written application of any party, or on the order of the Commission. Subpoenas for the production of accounts, books, documents, electronic records, and associated data storage devices and media, video tapes or digital video storage devices, or

papers are required and the facts expected to be proved thereby. All parties directed to produce accounts, books, documents, or papers shall furnish and deliver the same at the time and to the place specified in the subpoena. A subpoena issued pursuant to this rule shall be served in a manner permitted by law which shall include service by certified mail, return receipt requested. In the case of disobedience to a subpoena, the Commission may invoke the aid of any court of this state in requiring the attendance and testimony of the witnesses and the production of accounts, books, documents, or papers. Any charges for service of a subpoena are to be paid prior to the date set for hearing by the parties at whose instance the subpoena is issued.

**002.06** Any witness who is summoned and who responds thereto is entitled to the same fees and expenses as is paid for like service in the District Court for the county wherein such hearing is held. Mileage for officers and fees for service of documents served by Order of the Commission, when served by law enforcement officers, shall be equal to those established by law in similar cases for charges in the District Court of said county.

**002.07** The taking of depositions and proceedings before the Commission shall be in the manner prescribed by law for taking depositions in civil actions in the District Courts for the State of Nebraska.

**002.08** Formal hearings held before the Commission shall conform to the requirements of Chapter 84, Section 914, R.R.S., Nebraska, as amended, unless otherwise provided for by this rule.

**002.09** The Commission, when it deems it necessary in the enforcement of the laws of Nebraska and Rules and Regulations of the Commission, may cite a licensee before it for a formal hearing. The citations shall be in writing and definitely state the charges or complaints the licensee is called upon to answer. The charges or complaint that the licensee is called upon to answer may be amended at the time of the hearing provided the amended charges or complaint is agreed to by the licensee called upon to answer. The Commission may authorize certain law enforcement officers to issue citations to licensees.

**002.10** If it is found by the Commission that any licensee is violating any provisions of the Nebraska Liquor Control Act or the Rules and Regulations of the Commission promulgated thereunder, or is failing to observe in good faith the purposes of said act, the license of such licensee may be suspended, cancelled or revoked by the Commission.

**002.11** The licensee may appear in person and by counsel, and produce such witnesses and evidence as the licensee deems necessary in the protection of the licensee's interest.

**002.12** Upon the suspension, cancellation or revocation of any license, the local governing body shall be notified of such suspension, cancellation or revocation and

said licensee shall be prohibited from operation under such license during such period of time.

**002.13** All orders or decisions of the Commission and rehearing's or appeals of such orders or decisions of the Commission shall conform to the requirements of Chapter 53, Section 1,116, R.R.S., Nebraska, as amended. All orders and decisions of the Commission assessing penalties, fixing the time of hearings or rehearings, or pertaining to motions filed with respect to the same, shall become effective as such when recorded in the records of the Commission.

**002.14** The Commission may employ a hearing officer who shall assist the Commission with the review of any issue or matter which the Commission deems proper in order to carry out the provisions of the Nebraska Liquor Control Act and who shall perform such other duties as the Commission may prescribe, provided, any issue or matter reviewed by a hearing officer involving a contested case shall conform to the requirements of 237-LCC1-002, and provided further, if a hearing is conducted by a hearing officer, the hearing officer shall submit a report of the findings made by such hearing officer along with a recommendation of order or decision to the Commission within 20 days of the date of such hearing, and a copy of the report and recommendation of the hearing officer shall be forwarded to all parties requesting the same, and provided further, any recommendation of order or decision made to the Commission by a hearing officer will not be considered an order or decision of the Commission unless accepted and affirmed by the Commission, and the Commission may further reverse, adopt, modify, supplement, amend or reject the recommendation of order or decision by the hearing officer, in whole or in part, and provided further, upon its motion or motion by any party to a hearing held before a hearing officer, the Commission shall allow a rehearing before the Commission of any issue or matter reviewed by a hearing officer. The written motion by an outside party shall be in writing and must be made within 20 days of the date of the Commission's decision and shall include the reasons why a rehearing should take place.

**002.15** Any hearing conducted by a hearing officer shall require the department to prepare an official record of the hearing, including all testimony recorded mechanically or stenographically, and all exhibits introduced. The department is not required to transcribe such record except pursuant to an appeal, except that, upon written request and receipt of a reasonable fee for transcribing such record, the department may transcribe the record or allow for its transcription by the persons requesting.

**003 PROMULGATION, AMENDMENT OR REPEAL OF RULES:  
DECLARATORY RULINGS**

**003.01** Any interested person may petition the Commission requesting the promulgation, amendment or repeal of any rule of the Nebraska Liquor Control Commission. The form for such petition or procedure for the submission, consideration or disposition of such petition shall be as set forth and provided for by 237-LCC1-004.

**003.02** Any interested person may petition the Commission to issue a declaratory ruling with respect to the applicability to any person, property or state of facts or any rule or statute enforceable by the Commission. The form for such petition or procedure for the submission, consideration or disposition of such petition shall be set forth and provided for by 237-LCC1-004. A declaratory ruling, if issued after argument and stated to be binding upon the petitioner or the Commission by the Nebraska Liquor Control Commission shall remain binding unless it is altered or set aside by a court.

**003.03** Submission of petitions as allowed for by 237-LCC1-004 shall be made to the Nebraska Liquor Control Commission in duplicate. The Commission shall offer consideration of any petition submitted as set forth hereinabove within a reasonable amount of time at a public meeting or by hearing before the Commission. After consideration of any petition received by the Commission as set forth hereinabove, the Commission shall dispose of the same by proper order of the Commission.

**004 PETITION: FORM:**

**BEFORE THE NEBRASKA LIQUOR CONTROL COMMISSION  
STATE OF NEBRASKA**

In the matter of:	Petition For:
_____ )	_____
_____ )	_____
_____ )	_____
	(Specify request for promulgation or repeal of rule or for declaratory ruling on)

(Give name & address of petitioner) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Specify statute or rule)

**COMES NOW PETITIONER** and requests the Nebraska Liquor Control Commission for  
a(n) (promulgation, amendment or repeal of rule \_\_\_\_\_) or declaratory ruling with respect  
to the applicability of the aforementioned (specify statute or rule).

The following are statements of facts that shall apply:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



---

---

---

Petitioner states that the aforementioned (request for promulgation, amendment or repeal of rule) or (declaratory ruling) is needed for the following reason(s):

---

---

---

---

---

---

---

---

(Show how an appropriate action of the Commission would be in the best interest of the State of Nebraska or would terminate controversy or uncertainty) Petitioner alleges that the following named persons are the only persons who have or claim any interest, or would be affected by the disposition of this petition:

(Name)	(Address)	(City)	(State)
--------	-----------	--------	---------

---

---

---

---

---

---

---

---

WHEREFORE, petitioner prays that the Nebraska Liquor Control Commission take the following action:

---

---

---

---

---

---

---

---

(Date)

(Signature of Petitioner)

**005.01** Willful failure or refusal by a licensee to comply with a specific written order of the Commission, which has been made by the Commission, in the enforcement of the laws of Nebraska or rules of the Commission, shall be grounds for suspension, cancellation or revocation of said license after formal public hearing.

## **006 MANDATORY MEETING**

**006.01** The Commission may order any licensee to appear before it to discuss in an informal matter any issue involving that licensee which is of concern to the Commission. Failure to comply with an order requiring a licensee to appear before the Commission may result in an action for failure to comply with an order of the Commission.

## **007 PENALTY IN ABEYANCE**

**007.01** It is the intent of the Nebraska Liquor Control Commission to provide assistance to liquor licensees in obtaining guidance for good management skills and styles, to facilitate operating their businesses within the guidelines established by the Nebraska State Statutes and Liquor Control Commission's rules.

**007.02** The "Penalty In Abeyance" allows the Liquor Control Commission to delay a penalty for a violation (in abeyance) for a period of time. This period of time allows the Commission to scrutinize the management, premises, and training of employees of the licensee. The Commission may determine, through this process, that a lesser penalty is warranted for the violation.

**007.03** During the period the penalty is held in abeyance, the licensee may be required to follow certain guidelines. Some corrective actions may be required to improve management styles, including employee training. This period of time will allow the Commission to exercise its "broad powers" to improve professional liquor dispensing in licensed establishments in Nebraska.

**007.04** Should the Commission elect to require a licensee or employees to receive server training during the period of abeyance, the course shall be one approved by the education review committee as appointed by the Commission.

**007.05** Should the Commission require the licensee to report to a designee during the period of abeyance, the designee may be an employee of the Liquor Control Commission, an officer of the Nebraska State Patrol or other enforcement agency, or other local authority selected by the Commission.

**007.06** The "penalty in abeyance" process would follow these steps:

**007.06A** On the day of hearing:

**007.06A1** Liquor Control Commission finds licensee guilty of violation.

**007.06A2** Penalty is placed in abeyance for a period of 12 months (or other appropriate time period).

**007.06A3** "Preconditions of sanction" are explained and written copy furnished to licensee.

**007.06A4** Entry is made on licensee's record that there is a penalty in abeyance.

**007.06B** Upon successful completion of period of abeyance:

**007.06B1** Preconditions have been successfully met.

**007.06B2** Placed on Commission's hearing agenda for final disposition.

**007.06B3** Commission would establish penalty (i.e., letter of reprimand, minimal suspension, etc.).

**007.06B4** Entry is made on licensee's record of final sanction.

**007.06C** Upon unsuccessful completion of period of abeyance:

**007.06C1** Should a violation of the established precondition occur:

**007.06C1A** The license would be set for a show cause hearing to show why abeyance should not be terminated and immediate sanctions imposed.

**007.06C2** Should a violation of statute, rule, etc. occur during period of abeyance:

**007.06C2A** Hearing is held on 2nd offense.

**007.06C2B** Finding of guilt for new offense (If found not guilty, abeyance continues).

**007.06C2C** Appeal period of new offense is exhausted.

**007.06C2D** Show cause hearing is placed on agenda to show cause why abeyance should not be terminated and immediate sanctions imposed.

**007.06C2E** Sanction for first violation is imposed.

**007.06C2F** Entry is placed on licensee's record of final sanction.

**008 PENALTY FOR LATE FEES**

**008.01** Every licensee shall pay all fees required under the Liquor Control Act in a timely manner. The failure to pay a requisite fee by the date prescribed by law and regulation may result in the suspension, cancellation or revocation of the license held, after a formal hearing before the Commission.

**009 CLASSIFICATION OF ALCOHOLIC LIQUOR**

**009.01** For the purpose of the classification of flavored malt beverages, the Nebraska Liquor Control Commission shall utilize the same classification as adopted by the Alcohol and Tobacco Trade and Tax Bureau ("TTB") found at 27 CFR Parts 7 and 25 ("Flavored Malt Beverage and Related Regulatory Amendments") which went into effect January 3, 2006. If anyone believes that the determination made by the Commission is in error they may request a declaratory ruling under Chapter 1 003.02.

**010 CLOSING TIME ORDINANCES/RESOLUTIONS**

**010.01** In the event of a 2am closing time, clerks shall notify the Commission in writing and attach a copy of the ordinance or resolution.

**CHAPTER 2-REQUIREMENTS FOR LICENSEES  
TABLE OF CONTENTS**

<b>SUBJECT</b>	<b>STATUTORY AUTHORITY</b>	<b>CODE SECTION</b>
Definitions	53-117	011
Falsification of Application	53-131.01	09
Falsification of Information	53-131.01	010
General Requirements	53-101.05	01
License Application Requirements	53-131.01	05
Manager Application	53-131.01	08
Partnerships	53-1,100	02
Residency Requirements	53-131.01	06
Special Designated Licenses	53-124.11	012
Temporary Operating Permits	53-117 53-118	004
	53-149	04
Trade Name	53-117	07

## **01 GENERAL REQUIREMENTS**

**01.01** The licensee shall, at all times, be responsible for the licensed premises and for the control, sale and dispensing of alcoholic liquors permitted by the license. Only the licensee may receive the proceeds resulting from the sale or dispensing of alcoholic liquor except (a) a manager may receive a percentage of gross or net sales as employment compensation, (b) a landlord may receive a percentage of gross sales as rent, (c) the franchisor may receive a percentage of gross sales as a franchise fee and (d) except whereas otherwise provided by the provisions of the Nebraska Liquor Control Act.

**01.02** In cases wherein the Commission has fixed certain requirements and prescribed certain conditions upon which a license is granted or is permitted to continue in full force and effect by order of the Commission, whether such requirements or conditions are imposed at a formal hearing, by a written notice or in a written stipulation, such requirements or conditions shall be deemed a part of the license issued by the Commission as though actually endorsed thereon; and any violation or breach of any such requirements or conditions is prohibited.

**02 PARTNERSHIP WHEN BUSINESS OPERATED ON PERCENTAGE OR SHARE BASIS**

**02.01** Any license covering premises financed or operated on a percentage or share of the business basis will be considered a partnership between the parties involved insofar as the rights and duties of the licensee of record under his license are concerned.

**03 TRANSFER OF STOCK OF TERMINATED LICENSE**

**03.01** When a licensee has discontinued business under his license and his license has been terminated, he may apply in writing to the Commission for permission to transfer his stock of alcoholic liquors to another qualified licensee. He shall furnish the Commission with an inventory of the liquors contemplated in such transfer.

**03.02** The licensee who desires to purchase such stock of liquor shall also apply in writing to the Commission for permission to make such purchase and he shall report to the Commission in writing the quantity, brands, and types of such liquor purchased and the address to which it was actually delivered after the purchase.

**04 TEMPORARY OPERATING PERMITS**

**04.01** Someone other than a licensee may operate a business holding a liquor license if all of the following criteria are met:

**004.01A** A formal application for a new license must be on file with the Commission.

**004.01B** A request for a temporary operating permit must be filed with the application.

**004.01C** Temporary operating permits may not exceed 90 days in total duration.

**04.01 D** If the sale of the business fails to occur, the previous licensee can be reinstated during the pendency of the temporary operating permit upon request of the previous license holder.

**04.02** Any violations occurring during the pendency of a temporary operating permit will be adjudicated in the following manner:

**004.02A** Any violations occurring during the temporary operating permit will be used and conferred upon a license if issued. Any violation may be used to determine the fitness of the applicant to receive the requested license.

## **05 LICENSE APPLICATION REQUIREMENTS**

**05.01** A person applying for a license of any kind, except those issued under Neb. Rev. Stat. 53-124.11, shall file with their license application (1) birth certificate, or naturalization papers, permanent resident card, or employment authorization card proving the ability to legally work in the State of Nebraska, and (2) the required fingerprints card(s) and fee(s). Fingerprints filed with the Nebraska Liquor Control Commission within the past two years of the filing of the application shall meet this requirement.

**005.01A** For corporations, fingerprints are required of the Chief Executive Officer, the manager, or any stockholder owning in the aggregate more than twenty-five percent of the stock of such corporation. For nonprofit corporations and governmental subdivision, this shall only mean the manager. [No citizenship or residency requirements per Sec. 53-125(9)]

**005.01B** Fingerprints of spouses, including those ineligible to hold a license, will not be required upon receipt of a signed affidavit of no interest, upon the form provided by the Nebraska Liquor Control Commission.

**005.01C** For corporations owning shares in the applicant's corporation, the Chief Executive officer and/or President and any shareholder owning in the aggregate more than twenty-five percent of the stock of the corporation shall file an affidavit on a form supplied by the Commission stating that they are eligible to hold a license under the Nebraska Liquor Control Act.

**05.02** Any proposed change from a profit to a nonprofit or from a nonprofit to a for profit license shall require the filing of a new application.

**05.03** Any change from an individual license to a partnership, when adding a spouse, or when an individual or partnership incorporates, with no additional partners, or from a corporation to an individual, shall not require the filing of a new application, but may be done by the filing of an affidavit with the Nebraska Liquor Control Commission.

## **06 RESIDENCY REQUIREMENTS**

**06.01** Any licensee, required to be a state resident must be a registered voter in Nebraska must, if a vehicle is owned, have at least one such owned vehicle registered in Nebraska.

**06.02** Additionally, all licensees are required to do any two of the following:

**006.02A** Own or rent property in Nebraska;

**006.02B** Have a mailing address in Nebraska;

**006.02C** Actually reside in Nebraska;

**006.02D** Use a Nebraska address on tax returns.

**07 TRADE NAME**

**07.01** The Liquor Control Commission shall be notified in writing of any change in an operating trade name (DBA). Notification shall be made by licensee within thirty (30) days of change.

**08 MANAGER APPLICATION**

**08.01** Upon departure, death or termination of a manager, a licensed corporation shall file an application with the Liquor Control Commission for a new manager within sixty (60) days. Should the corporation be unable to establish a manager within sixty (60) days, the corporation may apply for a hardship.

**08.01A** Corporation Manager Hardship. The Manager Hardship, if approved will allow for continuous operation of the license without a manager in place for a period of time determined by the Commission staff at the time of hardship application.

**09 FALSIFICATION OF APPLICATION**

**9.01** No applicant for a liquor license, or partner, principal, agent or employee of any applicant for a liquor license shall provide false or misleading information to the Nebraska Liquor Control Commission, its executive director, ~~or~~ employees, or agents as defined in Neb. Rev. Stat. 53-117(3). Any violation of this provision may result in denial of application for a liquor license or, in the event that a license has already been issued, suspension, cancellation or revocation of such license.

**10 FALSIFICATION OF INFORMATION**

**10.01** No licensee or partner, principal, agent or employee of any licensee shall provide false or misleading information to the Nebraska Liquor Control Commission, its executive director, ~~or~~ employees, or agents as defined in Neb. Rev. Stat. 53-117(3). Any violation of this provision may result in suspension, cancellation or revocation of such license.

**11 DEFINITIONS**



**11.01** "School" shall mean a building which is used as a place for the instruction of pupils in elementary or high school grades, and which is owned, leased, or otherwise under the jurisdiction and control of a public school district or the administrative body of a private, denominational or parochial school accredited by the State Board of Education, provided, that a satellite location that is not adjacent to the school's primary location and which serves not more than 25% of the number of students enrolled at such school shall not be considered a "school" for purposes of Neb. Rev. Stat. Rec. 53-177. A student attending a satellite location and the school's primary location shall be counted as served by the satellite location.

**11.02** "College" shall mean a technical community college, a state college, or a private college approved by the Nebraska Coordinating Commission for Postsecondary Education.

**11.03** "University" shall mean two or more colleges under a central administration, offering baccalaureate and/or graduate degree program.

**11.04** "Campus" shall mean any buildings owned, leased, or otherwise under the jurisdiction and control of the administration of a college or university, which are used as a place for the education of students or for student living quarters, and the grounds surrounding such buildings, provided that a satellite location that is not adjacent to a university or college's primary location and which serves not more than 25% of the number of students enrolled at such university or college shall not be considered a "campus" for purposes of Neb. Rev. Stat. Sec 53-177. A student attending a satellite location and the university or college's primary location shall be counted as served by the satellite location.

**11.05** "Church" shall mean a building where people regularly assemble for worship and for the administration of such offices and is held out to the public as a house of worship and used predominately for the honor of religion and includes, but is not limited to, a building such as a mosque, synagogue or a temple.

**11.06** "Guest" shall mean a patron of a club, as defined in Sec. 53-103(20), who comes to the club at the invitation of a member and who uses the club's services or facilities while accompanied by that member. Nothing herein shall prevent clubs from entering into reciprocity agreements to enable a member of one club to use the services or facilities of another club.

**11.07** Outdoor area shall mean an outdoor area included in licensed premises, which is used for the service and consumption of alcoholic liquors and which is contained by a permanent fence, wall or other barrier approved by the Commission and shall be in compliance with all building and fire, or other applicable local ordinances.

**11.08** “Seasonal license” shall mean any license used for a specified period of time within the current year for the sale or service of alcoholic liquors. Such specified period of time shall be supplied to the Commission.

## **12 SPECIAL DESIGNATED LICENSES**

**12.01** Except as provided for in 012.04 all applications for a special designated license, with local governing body approval, and proper fees, must be received by the Commission at least seven working days prior to the event. Such notice is to appropriate state agencies. If local governing body approval is received and proper fees are paid, the Commission may issue with internal Administrative Approval under the seven working days.

**12.02** In connection with each event, the applicant must estimate the size of the crowd and confirm that alcohol will not be served to minors and intoxicated persons.

**12.03** Each of the following conditions, unless waived or modified as herein provided, shall apply to all Special Designated Liquor Licenses issued to organizations that do not hold a valid retail or caterer's liquor license.

**012.03A** Events attended by more than 150 people that includes minors unaccompanied by a parent (excluding minors acting as service personnel and minors attending as program or entertainment participants) shall conduct age checking at the entrance to the licensed area and all adults shall be identified with wrist bands that are destroyed by removal.

**012.03B** At events attended by more than 150 people which do not involve a sit down meal served to all attendees simultaneously there shall be a minimum of one security person for attendees up to 200 and one more security person for each 200 additional. Security personnel whether paid or volunteer shall have no duties other than maintaining order and enforcing all liquor laws and license conditions including prohibiting minors and intoxicated attendees from consuming or possessing alcohol. All security personnel shall be dressed in distinctive clothing with visual markings identifying them as security personnel.

**012.03C** The individual designated on the license as the event supervisor shall be in the licensed area at all times alcohol is being served and the immediate post clean up period. If the event supervisor is to be absent from the licensed premise during any part of the designated period, the event supervisor must designate a person to be in charge in his/her absence.

**012.03D** All workers performing duties for the sponsoring organization at the licensed event whether paid or volunteers shall refrain from consuming alcohol while on duty during the event and any immediate post event clean up period.

**012.03E** If minors are in attendance at events of more than 150 people (excluding minors attending as service personnel and minors attending as program or entertainment participants) alcoholic drinks shall be served in distinctively different containers than those in which non-alcoholic drinks are served.

**12.03F** Any condition may be waived or modified by the Liquor Control Commission upon a showing by the applicant that such condition is not necessary for the promotion of the health, safety and welfare of the people of the state.

**12.04** Applications for Special Designated Liquor Licenses by non-licensees requesting a waiver or modification of conditions along with the reasons and justification for such waiver or modification must be received by the Liquor Control Commission at the time of application. When no waiver or modification is required, the Commission must receive Special Designated Liquor License applications at least 7 working days prior to the licensed event.

**12.05** All Special Designated Liquor Licenses issued to organizations that do not hold a valid retail or caterer's liquor license will list all the applicable conditions that are a part of that license.

**12.06** It is the declared policy of the Commission that Special Designated Licenses should not be used to avoid the oversight and accountability imposed upon a regular retail license. Therefore, applications for Special Designated Licenses may be denied if the proposed location could otherwise be granted a regular license and if such regular license best serves the purposes of the Liquor Control Act. To help accomplish this policy any location that has received twelve (12) Special Designated Licenses in one calendar year shall have any further applications set for hearing to make a determination whether additional licenses are justified prior to the issuance of the requested Special Designated License.

**CHAPTER 3-CORPORATIONS/PARTNERSHIPS  
TABLE OF CONTENTS**

<b>SUBJECT</b>	<b>STATUTORY AUTHORITY</b>	<b>CODE SECTION</b>
Change of Ownership/Control	53-125	002
Resident Manager/Corporations	53-126	001

**CHAPTER 3 - CORPORATIONS/PARTNERSHIPS**

## **001 RESIDENT MANAGER FOR CORPORATION**

**001.01** In the case of a corporation making application for a retail or wholesale license under the Nebraska Liquor Control Act, a resident manager qualified under the laws of Nebraska shall be appointed as by law provided.

**001.02** Any person desiring to obtain status as a manager for a corporate license currently in effect and issued by the Nebraska Liquor Control Commission shall file with the Commission:

**001.02A** An application triplicate original upon such forms that the Commission may from time to time prescribe;

**001.02B** A duly executed "Power of Attorney" if the same is to be the person making the application for manager (See 53-126).

## **002 CHANGE OF OWNERSHIP OR CONTROL - CORPORATIONS AND PARTNERSHIPS**

**002.01** General Partnership: When a licensee operating as a general partnership acquires a new partner, the licensee must at once make that fact known to the Commission. The Commission may require such information and documentation as it deems necessary from the new partner to enable the State Patrol to complete a background check of the new partner, and/or the Commission may require the partnership to submit an application for a new license. One of the general partners must be named as agent. If the general partner is a corporation, one individual must be named as agent (or person in charge) with the filing of a manager's application.

**002.02** When one general partner sells part or all of his interest in a licensed business to another existing general partner, or when an existing general partner or general partners acquires by any lawful means an interest held by another general partner or general partners, that fact must be made known to the Commission by a sworn affidavit, however, an application for a new license need not be made.

**002.03** Limited Partnership: When any business is operated as a limited partnership and one or more of the limited partnerships are sold to another, whether that limited partner is an existing partner or not, the existence of the change in the limited partnership must be made known to the Commission by affidavit within ten days, however, an application for a new license need not be made.

**002.04** Corporations: All direct or indirect interests in a license held in whole or part by a corporation must be disclosed to the Commission in the application for a liquor license. When any corporation applying for a license has outstanding shares issued to a corporation and/or holding company, that fact must be disclosed in the application. Each corporation listed on the application must disclose any corporation and/or holding company which hold shares in it. For each corporation and/or holding company

disclosed, a disclosure shall be made of each shareholder owning in the aggregate more than 25% of the corporation. Any applicant who has a corporation as a shareholder shall file an organizational chart which lists all shareholders which are either a corporation and/or any shareholder which owns in the aggregate more than 25% of the stock of the corporation.

**002.05** Corporations: Any transfer of the outstanding and issued stock of a corporation holding a license which results in any person holding in the aggregate more than twenty-five percent of all of the outstanding and issued stock of such corporation shall be communicated to the Commission within ten days in writing by certified or registered mail, along with an affidavit of said stockholder in the form prescribed by the Commission, concerning whether or not he is qualified to meet the standards established by law for those to whom such a license may be issued as an individual, other than citizenship or residence; in the event such stockholder fails to qualify as hereinbefore set out as a licensee under the Nebraska Liquor Control Act said corporation shall be notified in writing by certified or registered mail, and shall within twenty days of the notification surrender for cancellation said corporate license or show cause why the same should not be surrendered for cancellation or file with the Commission an application for a new liquor license in the manner prescribed by law and regulation.

**002.06** The sale of the majority of the corporate outstanding and issued stock or the transfer of the control of the majority of such outstanding and issued stock by a power of attorney or proxy filed with said corporation or held by any person or exercised at any stockholders meeting of a corporation holding a wholesale or retail license under the Nebraska Liquor Control Act shall constitute a change of ownership of said corporation. The corporation shall notify the Commission at once of such a change of ownership. The Commission may require such information and documentation as it deems necessary from the new owner(s) to enable the State Patrol to complete a background check of those new owner(s) and/or the Commission may require the corporation to submit an application for a new license. When all or part of the outstanding and issued stock of a corporation is held by any number of stockholders, and one or more existing stockholder acquires by sale or transfer any part of or all the outstanding and issued stock held by another existing stockholder, that fact must be made known to the Commission within 10 days of such transfer, by a sworn affidavit stating the number of shares having been transferred and whether or not the transferee is qualified to meet the standards established by law for those to whom such a license may be issued as an individual, other than citizenship or residence, but an application for a new license need not be made.

**002.07** Any time any person or persons acquire for the first time a beneficial interest in the form of ownership of outstanding and issued stock in any licensed corporation in an amount equal to more than five percent of the outstanding and issued corporate stock that person must inform the Commission by affidavit of the other liquor license in which a beneficial interest is possessed, if any, within ten days by registered mail. Provided, however, any corporate licensee listed on the New York Stock Exchange, or any

corporate licensee having one hundred or more shareholders need only so inform the Commission of any such beneficial interest of persons comprising the ten largest stockholders of that corporation.

**CHAPTER 4 – STORAGE AND TRANSPORTATION OF ALCOHOLIC LIQUORS  
TABLE OF CONTENTS**

<b>SUBJECT</b>	<b>STATUTORY AUTHORITY</b>	<b>CODE SECTION</b>
Storage Off Premise	53-131 53-101.05	001
Transportation Off Premise	53-131 53-101.05	002

**CHAPTER 4 - STORAGE AND TRANSPORTATION OF ALCOHOLIC LIQUORS**

**001 STORAGE OF LIQUOR BY RETAIL LICENSEE**

**001.01** All liquors shall be stored and maintained in the licensed premises of the licensee in a safe manner, and no such liquors shall be stored in any other place than the licensed premises except after application submitted in writing to the Commission by said licensee and receipt by said licensee of written authority from the Commission.

**001.02** Officers of the Nebraska State Patrol or agents of the Commission may grant temporary permission for storage of any liquors off the licensed premises, upon notification to the Commission staff of such temporary permission as soon as practical. An application submitted in writing for storage off the licensed premises shall be submitted to the Commission by said licensee as soon as possible.

**002 TRANSPORTATION OF LIQUOR BY RETAIL LICENSEES**

**002.01** A retail licensee shall not permit the transportation of alcoholic liquor from his licensed premises for storage purposes in any manner, for any purpose, or to any location other than has been expressly authorized in writing by the Commission.

**CHAPTER 5-LABELS AND CONTAINERS  
TABLE OF CONTENTS**

<b>SUBJECT</b>	<b>STATUTORY AUTHORITY</b>	<b>CODE SECTION</b>
Container Capacities	53-117 53-118	002

Labels	53-117	001
	53-118	
	53-123.02	
	53-172	
	53-192	
	53-1,103	

## CHAPTER 5 - LABELS AND CONTAINERS

### 001 LABELS

**001.01** Labels attached to all original containers or packages of alcoholic liquor offered for sale in this state shall set forth in plain and legible print in the English language:

**001.01A** The quantity of such liquors in such original containers;

**001.01B** The grade and quality of such liquors together with their alcoholic content (except beer);

**001.01C** The age of such liquor (except beer and wine) if required by federal regulations;

**001.01D** If the liquor be a blended product, the labels shall include the other ingredients contained in such blended product.

**001.02** The labels shall not contain any false or misleading statements or representations. The label of every container of beer shall set forth the name and address of the brewer.

### 002 CONTAINERS

**002.01** All original containers with alcoholic liquors, sold or offered for sale in this State, shall be constructed of such material and be in such form as has been generally found and recognized by State and Federal Enforcement Officers to be safe, sanitary and in no manner prejudicial to the health and interest of the public.

## CHAPTER 6-LICENSEE OPERATIONS TABLE OF CONTENTS

<b>SUBJECT</b>	<b>STATUTORY AUTHORITY</b>	<b>CODE SECTION</b>
Acceptable Forms of Payment	53-117 53-118	015

	53-168	
Alcoholic Beverage Products/Pass	53-117	010
Through Wholesale Licensed Premise	53-118	
Cancellation/Denial of License	53-117	020
Credit/Delinquencies	53-168	018
Dock Sales	53-117	012
	53-118	
	53-168	
	53-169	
Employment of Minors	53-168.06	017
Illegal Conduct: All Licensees	53-118	019
Keg Registration Requirements	53-117	003
	53-118	
	53-167.02	
Sampling/Tasting	53-117	002
	53-118	
	53-168	
	53-169	
Signs	53-117	001
	53-118	
	53-168	
	53-169	
Trade Practice Policies	53-117	016
	53-118	
	53-168	
	53-169	

## CHAPTER 6 LICENSEE OPERATIONS

### 001 SIGNS

**001.01** The Nebraska Liquor Control Act, Chapter 53, Section 118, establishes in the Commission, the power to promulgate a Rule or Regulation establishing standards of honest advertising and representation.

**001.02** Signs and advertisements shall not contain:

**001.02A** Any statement, illustration, design, device or representation that is false or misleading;

**001.02B** Any statement, illustration, design, device or representation which is obscene or indecent or which is obnoxious or offensive to the commonly and generally accepted standards of fitness and good taste;

**001.02C** Any statement of, or reference to, a price of an alcoholic liquor which is deceptive or misleading or tends to deceive or mislead;



**001.02D** Any illustration which is not dignified, modest and in good taste;

**001.02E** Any scene which promotes the sale of alcoholic liquors, including beer, to minors in which is portrayed a child or objects suggestive of the presence of a child or in any manner portrays the likeness of a child or contains the use of figures or symbols which are traditionally associated with children;

**001.02F** Any statement, design, device or representation relating to any refund, exchange, or money-back guarantee, irrespective of truth or falsity;

**001.02G** Any reference by name or other identification to any other licensed retailers; or

**001.02H** Any statement, design, device, or representation which the Nebraska Liquor Control Commission finds to be likely to mislead the consumer.

## **002 SAMPLING/TASTING**

### **002.01 Sampling**

**002.01A** Retailers and their employees may sample limited quantities of beer, wine or spirits furnished or dispensed by a manufacturer or wholesaler whether the license permits consumption on or off the licensed premises. (53-123.02)

#### **002.01B Conditions**

**002.01B1** sampling may also be done on the premises of a licensed wholesaler by a licensed retailer (53-123.02, 53-123.03),

**002.01B2** consumption shall not exceed more than five samples of one fluid ounce or less of alcoholic liquor by the same person in a twenty-four hour period [53-103(37)],

**002.01B3** no samples may be given unless all taxes, including the Nebraska Excise Tax, have been paid,

**002.01B4** no samples should be shipped or brought into the State of Nebraska except directly to the Nebraska Wholesalers.

### **002.02 Tasting**

**002.02A** Representatives of manufacturers, wholesalers, brewpubs and farm wineries may dispense limited quantities of beer, wine or spirits (that has been

invoiced to retailers) to customers on a retail premises licensed for on premises consumption.

**002.02B Conditions**

**002.02B1** representatives of manufacturers, wholesalers, brewpubs and farm wineries shall not sell beer, wine or spirits directly to a consumer,

**002.02B2** tasting samples shall be for the express purpose of allowing customers to determine the grade, type and quality of alcoholic beverages,

**002.02B3** tasting shall be exempt from the multiple drinks rule (6-019.01U).

**003 KEG REGISTRATION REQUIREMENTS**

**003.01** Where the purchaser obtains more than one keg for off-premises consumption at the same location and on the same date, only one keg registration declaration and receipt form must contain all required information. All other keg registration declaration and receipt forms for that particular transaction must contain the registration number from the fully completed form as a reference and be signed by the purchaser. Such keg registration declaration and receipt forms which contain the reference number of a fully completed form and have been signed by the purchaser constitute a valid and properly completed registration and declaration receipt.

**003.02** The keg registration label must be placed on the upper one-third of the keg.

**010 ALCOHOLIC BEVERAGE PRODUCTS/PASS THROUGH WHOLESALE LICENSED PREMISE**

**010.01** All alcoholic beverages purchased for resale in this State prior to being resold at retail shall physically come into the possession of a licensed wholesaler and be unloaded into and distributed from the licensed wholesaler's warehouse located in this State. This rule does not apply to holders of Nebraska craft brewery licenses.

**012 DOCK SALES**

**012.01** Any sale of alcoholic liquors from the dock or licensed premise of a manufacturer, distributor, or wholesaler shall include on the proper invoice the signature of the retailer or retailer's agent who receives delivery of the same at the time of the purchase. It shall be the responsibility of the manufacturer, distributor, or wholesaler to ensure that the retailer is properly licensed and that the retailer's agent is bona fide and acting solely on behalf of the authorizing retailer.

**015 ACCEPTABLE FORMS OF PAYMENT**

**015** Acceptable forms or means of payment between retail licensee and wholesale licensee for purchases of alcoholic beverages (beer, wine, spirits).

**015.01** Retailers business check (The check must carry the name of the business as so licensed with Commission. The name shall mean the current D.B.A. or corporate name. If licensed as a proprietorship or partnership, the name of the individual or partner or D.B.A.)

**EXCEPTIONS:**

**015.01A** A personal check of the licensee may be accepted by wholesaler if supported by a copy of the liquor license.

**015.01B** If the business is under a temporary agency agreement, the new operator shall submit a check with the name of the business. Same criteria as 015.01.

**015.02** Coins

**015.03** Currency

**015.04** Debit cards (card must carry the name of the retail business as licensed with Commission and signed by licensee or authorized agent.)

**015.05** Credit cards (card must carry the name of the retail business as licensed with Commission and signed by licensee or authorized agent.)

**015.06** Cashier check (The remitter must be the licensee or authorized agent.)

**015.07** Bank Money Order (The remitter must be the licensee or authorized agent.)

**015.08** Certified Check (The remitter must be the licensee or authorized agent.)

**015.09** Travelers Check (Must carry the signature of the licensee or authorized agent.)

**015.10** Payment for beer from a licensed retailer to a licensed beer wholesaler must be completed by the end of the business day from time of the sale.

**015.11** Any electronic transfer of funds from a retailer to a wholesaler with respect to beer must be completed within twenty-four hours of the sale and in the case of wine or spirits within thirty days of the sale.

**016 TRADE PRACTICE POLICIES**

A wholesale licensee, shipper licensee, manufacturer licensee, and craft brewery licensee, (collectively referred to as an “industry member”) may furnish a retail licensee, with

equipment, supplies, services, or other things of value, under conditions and within the limitations prescribed.

## **016.01 PRODUCT DISPLAYS**

### **16.01A GENERAL**

**016.01A1** The act by industry member of giving or selling product displays to a retailer is allowed provided that the conditions and limitations prescribed in 016.01C of the rule are met.

### **016.01B DEFINITION**

**016.01B1** Product displays means any alcoholic liquor racks, bins, barrels, casks, shelving or similar items the primary function of which is to hold shelves or display consumer products.

### **016.01C CONDITIONS AND LIMITATIONS**

**016.01C1** The total value of all product displays given or sold by an industry member under 016 of this rule may not exceed \$300 per brand at any one time in any one retail establishment. Industry members may not pool or combine dollar limitations in order to provide a retailer a product display valued in excess of \$300 per brand. The value of a product display is the actual cost to the industry member who initially purchased it. Transportation and installation costs are excluded.

**016.01C2** All product displays must bear conspicuous and substantial advertising matter on the product or the industry member which is permanently inscribed or securely affixed. The name and address of the retailer may appear on the product displays.

**016.01C3** The giving or selling of such product displays may be conditioned upon the purchase of the distilled spirits, wine, or malt beverages advertised on those displays in a quantity necessary for the initial completion of such display. No other condition can be imposed by the industry member on the retailer in order for the retailer to receive or obtain the product display.

## **016.02 POINT OF SALE ADVERTISING MATERIALS AND CONSUMER ADVERTISING SPECIALTIES**

### **016.02A GENERAL**

**016.02A1** The act by an industry member of giving or selling point of sale advertising materials and consumer advertising specialties to a retailer is

allowed provided that the condition and limitations prescribed in 016.02C of this rule are met.

## **016.02B DEFINITIONS**

**016.02B1** Point of sale advertising materials are items designed to be used within a retail establishment to attract consumer attention to the products of the industry member. Such materials include, but are not limited to: posters, placards, designs, inside signs (electric, mechanical or otherwise), window decorations, trays, coasters, mats, menu cards, meal checks, paper napkins, foam scrapers, back bar mats, thermometers, clocks, calendars, and alcoholic beverage lists or menus.

**016.02B2** Consumer advertising specialties are items that are designed to be carried away by the consumer, such as trading stamps, non-alcoholic mixers, pouring racks, ask trays, bottle or can openers, cork screws, shopping bags, matches, printed recipes, pamphlets, cards, leaflets, blotters, post cards, pencils, shirts, caps, and visors.

## **016.02C CONDITIONS AND LIMITATIONS**

**016.02C1** All point of sale advertising materials and consumer advertising specialties must bear conspicuous and substantial advertising matter about the product or the industry member which is permanently inscribed or securely affixed. The name and address of the retailer may appear on the point of sale advertising materials.

**016.02C2** The industry member may not directly or indirectly pay or credit the retailer for using or distributing these materials or for any expense incidental to their use.

## **016.03 EQUIPMENT AND SUPPLIES**

### **016.03A GENERAL**

**016.03A1** The act by an industry member of selling equipment or supplies to a retailer is allowed if the equipment or supplies are sold at a price not less than the cost to the industry member who initially purchased them, and if the price is collected within 30 days of the date of the sale. The act by an industry member of installing dispensing accessories at the retailer establishment is allowed as long as the retailer bears the cost of initial installation. The act by an industry member of furnishing, giving, or selling coil cleaning service to a retailer of distilled spirits, wine, or malt beverages is allowed.

## **016.03B      EQUIPMENT AND SUPPLIES**

**016.03B1** Equipment and supplies means glassware (or similar containers made of other material), dispensing accessories, carbon dioxide (and other gasses used in dispensing equipment) or ice. “Dispensing Accessories” include items such as standards, faucets, cold plates, rods, vents, taps, tap standards, hoses, washers, couplings, gas gauges, vent tongues, shanks, and check valves.

## **016.03C      NEWSPAPER CUTS**

**016.03C1** Newspaper cuts, mats, or engraved blocks for use in retailer’s advertisements may be given or sold by an industry member to a retailer selling the industry members products.

## **016.03D      COMBINATION PACKING**

**016.03D1** The act by an industry member of packaging and distributing distilled spirits, wine, or malt beverages in combination with other (non-alcoholic) items for sale to consumers is allowed.

## **016.04      EDUCATIONAL SEMINARS**

### **016.04A      GENERAL**

**016.04A1** An industry member may give or sponsor educational seminars for retailers and their employees. Examples would be seminars dealing with use of a retailer’s equipment, training seminars for employees of retailers, or tours of industry member’s plant premises. This rule does not authorize an industry member to pay a retailer expenses in conjunction with an educational seminar (such as travel and lodging). This does not preclude providing nominal hospitality during the event.

## **016.05      STOCKING, ROTATION AND PRICING SERVICE**

### **016.05A      GENERAL**

**016.05A1** Industry members may, at a retail establishment, stock, rotate, and affix the price to distilled spirits, wine, or malt beverages which they sell, provided products of another industry member are not altered or disturbed.

### **016.05B      SHELF PLAN AND SHELF SCHEMATICS**

**016.05B1** The act of an industry member of providing a shelf plan or shelf schematic for distilled spirits, wine, or malt beverages is allowed. When

requested by a retailer, an industry member may, pursuant to the plan or schematic, rearrange or reset all or part of a liquor store or liquor department.

## **016.06 PARTICIPATION IN RETAILER ASSOCIATION ACTIVITIES**

### **016.06A GENERAL**

**016.06A1** The following acts by an industry member participating in retailers association activities is allowed.

**016.06A1A** Displaying its products at a convention or trade show.

**016.06A1B** Renting display booth space if the rental fee is the same or paid by all exhibitors at the event.

**016.06A1C** Providing its own hospitality which is independent from association sponsored activities.

**016.06A1D** Purchasing tickets to functions and paying registration fees if the payment or fees are the same as paid by all attendees, participants or exhibitors at the event.

**016.06A1E** Making payments for advertisements in programs or brochures issued by a retailers associations at a convention or trade show.

## **016.07 PERMIT TO SOLICIT FOR FUTURE SALES**

**016.07A** The Commission may issue a permit for wholesale sales for future delivery to retailers which authorizes the permittee to promote the sale of beer, wine, and spirits through methods such as solicitations, display, advertising and personal contact with licensed retailers and their agent, servants, and employees. A person holding the permit under this regulation may give samples of beer, wine, and spirits to retailers provided the alcoholic beverages first came to rest at a wholesale licensed premise and the state excise taxes paid. The permit under this section is only required of persons employed by a holder of a shipping license issued by the Commission and who reside in the State of Nebraska. Shipping license holders shall furnish the Commission with the names of all employees engaged in activities requiring a permit under the section and shall notify the Commission whenever an employee begins or terminates employment. Upon leaving employment, an employee shall submit his or her permit to the Commission for cancellation. Every person holding a permit under this section shall exhibit it upon request to any prospective purchaser or agent of the Commission or Nebraska State Patrol. A permit holder shall retain and preserve industry promotional cost records for Commission review for a period of three

years. Every person holding a permit under this section shall be obligated to follow all Trade Practice Policies, Chapter 6,016 contained in Commission Rules and Regulations. Every permit holder, employee, or shipper is subject to citation for any violation of the Trade Practice Rules and Regulations. The application for the new permit shall be submitted upon such forms as the Commission may prescribe.

## **017 EMPLOYMENT OF MINORS**

### **017.01** Age 16 - Upon reaching 16 -

**017.01A** An employee may stock inventory, sack and carry out alcoholic liquor from licensed establishments, although she/he must be accompanied by a person 21 years of age or over. (Can be the purchaser.) (53-168.06)

**017.01A1** A grocery pick-up lane is considered a carry-out function.

**017.01B** An employee may remove liquor containers as a waiter, waitress or busboy of a restaurant, hotel, etc. (53-168.06)

**017.01C** An employee may not scan or accept payment regarding any sale of alcoholic liquor.

### **017.02** Age 19 - Upon reaching 19 -

**017.02A** An employee may serve (includes bartending) and sell alcoholic liquor. (53-168.06)

**017.02B** An employee may place orders and accept deliveries in the normal course of business with licensed wholesalers.

**017.03** Immediate underage family members are not exempt from the provisions of this rule.

## **018 CREDIT: WHOLESALER/RETAILER**

**018.01** Pursuant to the authority granted in the Liquor Control Act and to meet the requirements contained in Regulations No. 122 (originally issued as FFA Regulation No. 8) issued by the Bureau of Internal Revenue of the United States Treasury Department, the Nebraska Liquor Control Commission hereby adopts the following rule:

**018.01A** No person, partnership, firm or corporation holding a retailer's license under the Nebraska Liquor Control Act shall accept or receive credit from any manufacturer, distributor or wholesaler on purchases of beer and no retailer shall accept or receive credit from any manufacturer, distributor or wholesaler on



purchases of alcoholic liquors, except beer, for a period exceeding 30 days from the date of delivery of any such merchandise.

**018.01B** No manufacturer, distributor or wholesaler shall extend credit to any such retailer on sales of beer and no manufacturer, distributor or wholesaler shall extend credit to any such retailer on sales of alcoholic liquors, excluding beer, for a period exceeding 30 days from the date of delivery of any such merchandise.

**018.01C** No retailer shall purchase, accept or receive any alcoholic liquors, including beer, from any manufacturer, distributor or wholesaler if such retailer is delinquent on any account for alcoholic liquors, including beer, to any manufacturer, distributor or wholesaler.

**018.01D** No manufacturer, distributor or wholesaler shall sell or otherwise furnish any such alcoholic liquor, including beer, to any retail licensee who is delinquent on any account to any other manufacturer, distributor or wholesaler, providing that such delinquency is known to such manufacturer, distributor or wholesaler.

**018.01E** Every manufacturer, distributor, wholesaler and retailer shall report to the Commission such information concerning the extending or receiving of credit on such forms as the Commission may hereafter prescribe and at such times as the Commission shall hereafter determine. Such reports shall be by affidavit and sworn to by all licensees.

**018.01F** Any purchases, sales, practices or transactions entered into between any manufacturer, distributor or wholesaler and any retailer, with the intent to circumvent or evade the provisions of this regulation, shall be considered as a violation thereof.

**018.01G** Beer wholesalers shall be permitted to give retailers quantity discounts on volume purchases but such discounts shall be calculated on the basis of sales made to each licensee. Individual retail licensees or licensees holding more than one retail license shall not be permitted to combine purchases for purposes of obtaining such quantity discounts.

## **019 ILLEGAL CONDUCT: ALL LICENSEES**

**019.01** Persons, partnerships, and/or corporations holding licenses issued pursuant to the provisions of the Nebraska Liquor Control Act, Section 53-101, et seq., R.R.S. 1943, will be subject to citation and possible administrative sanction to include suspension or revocation for violation of the following:

**019.01A** Sale to Minor; Defense: No licensee or partners, principals, agents or employees of any licensee shall sell any alcoholic liquors to any person who is a minor as defined in Section 53-103(23) of the Nebraska Liquor Control Act except that proof of the following shall constitute an absolute defense:

**019.01A1** The purchaser falsely represented in writing and supported with other documentary proof specifically; a Driver's License, Nebraska State Identification Card, Military Identification Card, Alien Registration Card or Passport that he was of legal age to purchase alcoholic liquor; and

**019.01A2** That the appearance of such purchaser was such that an ordinary and prudent person would believe that such appearance conformed to any documentary description of appearance presented by the purchaser; and

**019.01A3** The sale was made in good faith and in reliance upon the written representation, other documentary evidence, the appearance of the purchaser, and in the belief the purchaser was of legal age to make such purchase; or

**019.01A4** The sale was made with the knowledge of and in cooperation with a duly authorized law enforcement officer or agent of the Nebraska Liquor Control Commission. (53-180, 53-180.07)

**019.01B** Minor In Possession Within Licensed Premise: No licensee or agent, principal, partner or employee of any licensee shall permit any person who is a minor as defined in Section 53-103(23) of the Nebraska Liquor Control Act to possess for the purpose of consumption any alcoholic liquor in any licensed premises. A licensee who has established the defense of (A) above shall be deemed to have not acted carelessly. (53-180.02)

**019.01C** Hours of Operation: No licensee or partner, principal, agent or employee shall permit the sale, dispensing or delivery of any alcoholic liquor in or from the licensed premises during hours not permitted by local ordinance or by the provisions of state law. (53-179)

**019.01D** Open Containers During Prohibited Hours: No licensee or partner, principal, agent or employee of any licensee shall permit any alcoholic liquor, in open containers to remain in the possession or control of any person for the purpose of consumption 15 minutes after the time set for concluding the sale of alcoholic liquor, by state law or by local ordinance whichever is earlier. (53-179(3))

**019.01E** Silent Partners; Profit Sharing: No licensee or partner, principal, agent or employee of any Retail Liquor License shall permit any other person not licensed or included as a partner, principal, or stockholder of any Retail Liquor License to participate in the sharing of profits or liabilities arising from any Retail Liquor License. (53-1,100)

**019.01F** Disturbance: No licensee or partner, principal, agent or employee of any licensee shall allow any unreasonable disturbance; as such term is defined hereunder, to continue without taking the steps, as set forth hereunder, within a licensed premise or in adjacent related outdoor areas.

**019.01F1** A "Disturbance" as used in this section shall mean any brawl, fight, or other activity which may endanger the patrons, employees, law enforcement officers, or members of the general public within licensed premises or adjacent related outdoor area. Such term shall include incidents involving, but not necessarily limited to: drug dealing; intoxicated individuals; soliciting of prostitution; or any physical contact between the licensee's agents or employees and its customers, involving any kissing, or any touching of the breast, buttock or genital areas. Any brawl fight or other activity which results in serious injury to any patron, employee or members of the general public shall be reported to law enforcement. Serious injury means any gunshot wound, knife or other stab wound or any other injury requiring medical treatment onsite or transportation to a medical facility for treatment. Licensees and their employees shall not prohibit or interfere in any way with a patron who chooses to contact law enforcement in the event they are assaulted on the premises.

**019.01F2** Unless there is reason to believe that a licensee or partner, principal, agent or employee of any licensee would endanger himself/herself or others, such person shall take such action as is reasonably necessary to terminate the disturbance. Physical force should be exercised only in extreme circumstances and should be limited to the force reasonably required to terminate the disturbance and remove the individual from the licensed premise, without endangering any patron or other person.

**019.01F3** In the event efforts taken in accordance with the preceding subparagraph are not successful or if there is reason to believe that the licensee, partner, principal, agent or employee of any licensee may create a danger to himself/herself or others, than in such event, such person shall immediately contact law enforcement personnel to assist in properly handling the disturbance. In the event law enforcement and/or medical personnel are summoned, the directions and/or orders given by such law enforcement or medical personnel shall be followed.

**019.01F4** A licensee who has conformed with the procedure as set forth in this section shall be deemed to have not permitted a disturbance to occur and continue. Licensees who wish to

document their compliance with this rule may maintain a log in which they document disturbances or other unusual occurrences.

**019.01G** Entry Into Premise by Law Enforcement Officer: No licensee or partner, principal, agent or employee of any licensee shall refuse to permit or unreasonably delay in permitting any law enforcement officers, duly appointed investigator, inspector, agent or auditor of the Nebraska Liquor Control Commission entry onto the licensed premises at any time demand for such entry is made by such law enforcement officer, investigator, inspector, agent or auditor of the Nebraska Liquor Control Commission.

**019.01H** Removal of Alcoholic Liquors From Premise: No licensee or partner, principal, agent or employee of any licensee shall allow any alcoholic liquor to be removed from a licensed premises except where a license is held permitting off-premises sales and then only in original unopened containers.

**019.01I** Sale For Resale: No licensee or partner, principal, agent or employee other than provided for in 53-175, shall engage, directly or indirectly, in any transaction including or conspiring as to the resale of any liquors owned by him as a licensee, nor permit the sale or delivery of any alcoholic liquor in such quantities that would place a reasonable-minded person on notice that such liquor might be intended for resale. A defense may be established by the licensee by obtaining from any such suspected purchaser a statement in writing that the purchase is not being made for the purpose of reselling the alcoholic liquors.

**019.01J** Refilling; Substitution: No licensee or partner, principal, agent or employee of any licensee shall fill or refill, in whole or in part, any original package of alcoholic liquor, with the same or any other kind, quantity, quality or proof of alcoholic liquor and no licensee or partner, principal, agent or employee of any licensee shall have in his possession for sale at retail, any containers of any kind containing alcoholic liquor, except in original packages.(53-184)

**019.01K** Delinquent Credit: No licensee or partner, principal, agent or employee of any licensee shall fail to pay for upon delivery, any purchases of beer and shall not accept credit from any manufacturer, distributor or wholesaler of alcoholic liquors namely, spirits or wine, for a period of 30 days. Any purchases of alcoholic liquors for which payment has not been made in full within 30 days of the date of invoice shall constitute a delinquency and shall subject the licensee to citation (53-168).

**019.01L** Sale of License: No licensee or partner, principal, agent or employee of any licensee shall sell or offer to sell any interest in any liquor license to any other person. In any sale of a business possessing a liquor license, no value may be placed upon the existence of the license itself and the placing of

any such value upon the license by the seller of any such business shall subject the seller-licensee to citation.

**019.01M** Sell on Credit to Consumer: No licensee or partner, principal, agent or employee of any licensee not exempted by the provisions of Section 53-183, shall sell or furnish alcoholic liquor at retail to any person on credit, except that a major credit card may be used in the purchase of alcoholic liquors. The term "major" credit card shall mean any nationally recognized credit card, excluding any card, distributed by an entity that holds a retail license issued by Nebraska. (53-183)

**019.01N** Sell to Visibly Intoxicated Person/Mentally Incapacitated Person/Person Incapacitated by Drugs: No licensee or partner, principal, agent or employee of any licensee shall sell, serve, or furnish alcoholic beverages or allow possession of alcoholic beverages on the licensed premise to any person who is or has become intoxicated and/or incapacitated by the consumption of alcoholic beverages and/or other drugs or who is mentally incapacitated. Intoxication means an impairment of a person's mental or physical faculties as a result of his or her use of alcoholic liquor or drugs so as to diminish the person's ability to think and act in the manner of an ordinary prudent and cautious person in full possession of his or her faculties using reasonable care under like circumstances. A person shall be deemed to be intoxicated when it can be plainly determined by appearance, conduct, and/or demeanor. A change in demeanor and/or behavior as time passes is also an indicator of intoxication. Other indicators include, but are not limited to:

**019.01N1** Problems with balance, inability to maintain balance, i.e., stumbling, staggering gait, bumping into furniture while walking, falling against bar or off stool, head on bar;

**019.01N2** Ineffective muscular coordination, i.e., spilling and/or knocking over drinks, unable to pick up change, clumsy, uncoordinated movements;

**019.01N3** Strong smell of alcohol;

**019.01N4** Slurred speech, i.e., thick tongue, uncontrollable voice pitch, muttering, argumentative, aggressive or belligerent, making inappropriate comments, crude behavior.

**019.01N5** Bloodshot and/or glassy eyes, i.e., flushed face;

**019.01N6** Condition of clothes and hair, i.e., disheveled appearance, messy hair, unzipped clothing;

**019.01N7** Careless with money, urging other people to have another drink, annoying other guests and servers, complaining about drink prices, complaining about drink strength or preparation.

**019.01N8** Unusual behavior, i.e., vomiting, profanity, fighting, loud, boisterous, obnoxious behavior.

**019.01N9** A concentration of eight hundredths of one gram or more by weight of alcohol per one hundred milliliters of his or her blood, a concentration of eight hundredths of one gram or more by weight of alcohol per two hundred ten liters of his or her breath, or a concentration of eight hundredths of one gram or more by weight of alcohol per one hundred milliliters of his or her urine. This indicator may only be used in conjunction with at least one other indicator that demonstrates visible intoxication.

**019.01O** Notices: Every licensee shall cause his license or licenses to be framed and hung in plain view in a conspicuous place on the licensed premises (53-148). The warning to minors and adults sign and the pregnancy poster must also be on display in a prominent place (53-180.04 and 53-103.04).

**019.01P** No retail licensee may deliver alcoholic liquor to a consumer, except:

**019.01P1** A holder of a special designated license or a caterer's license used in conjunction with a special designated license may deliver to the licensed location or to a location expressly authorized by the Commission in writing pursuant to Chapter 4 of the Rules and Regulations of the Commission.

**019.01P2** A retail licensee and a holder of a shipping license may deliver or cause to be delivered by its agent, delivery service or common carrier to a consumer alcoholic beverages provided that the consumer has paid the licensee for the alcoholic liquors prior to delivery by cash, credit or debit card, and that the licensee has verified that the sale has not been made to a minor, nor that delivery will be made to a minor. Any package to be delivered by a delivery service or common carrier for the holder of a shipping license shall have a label stating "adult signature required" measuring at least three by five inches in size placed on the package by the licensee.

**019.01P3** The retail licensee or holder of a shipping license is responsible for any violations of the Nebraska Liquor Control Act and/or the Rules and Regulations of the Nebraska Liquor Control

Commission which occur as a result of the delivery of alcoholic liquors, including, but not limited to, sales to minors.

**019.01P4** The driver for the agent must be 21 years of age.

**019.01Q** **Illegal Activities:** The Commission finds that certain illegal activities may induce individuals to enter licensed premises and that the Commission has an interest in insuring that licensees do not use illegal means to promote the sale and consumption of alcohol. The Commission also believes the consumption of alcohol could impair judgment and could lessen inhibitions, causing some consumers to engage in illegal activities or to be victims of illegal activities on or about licensed premises, endangering the health, safety and welfare of individuals. The Commission, therefore, finds there is a nexus between the consumption of alcohol and certain illegal activities that occur within licensed premises or in adjacent related outdoor areas.

Such activities are: drug-related offenses, prostitution or pandering, assaults, sexual assaults, homicide, gambling, vandalism, weapons-related offenses, theft, disturbing the peace, violations of statutes or local ordinances relating to entertainment, acceptance of food stamps for the sale of alcohol or otherwise in violation of federal laws or regulations, and any offense referred to in Section 53-125 (4) or (5), whether or not there has been a plea of guilty or a conviction in criminal court.

If the Commission finds by a preponderance of the evidence that a licensee or employee or agent of a licensee has committed any of the foregoing illegal activities or has knowingly allowed such offense to be committed by others on the licensed premises or adjacent related outdoor areas, the Commission may suspend, cancel or revoke such license.

**019.01R** **Penalties:** Upon a determination by the Nebraska Liquor Control Commission that any licensee licensed by it has violated any of the provisions of the Nebraska Liquor Control Act (53-101 through 53-1,200) or the rules and regulations of the Nebraska Liquor Control Commission that license may be subjected to revocation or suspension or other administrative sanction such as the Commission may order.

**019.01S** **SANITATION**

**019.01S1** Sanitary conditions, conducive to public health and welfare, must be maintained at all times, in, on or about licensed premises, by meeting minimum sanitary standards as set forth in the Nebraska Food Service Code. The minimum standards shall require at least two restrooms for establishments that provide on-premise consumption of alcoholic beverages.

**019.01T            QUANTITATIVE SALES**

**019.01T1**        All licensees shall maintain on their licensed premises records presently required by federal regulation concerning sales of alcoholic liquor, in an amount of twenty wine gallons or more (27 CFR 194). Such records shall include a record of the name and driver's license number or other identification of the person making the purchase. All licensees shall make such records available to any Nebraska Liquor Control personnel or any other law enforcement officer at any time demand for such is made.

**019.01U            DRINKING PROMOTIONS**

**019.01U1**        No licensee shall sell, or serve for on-premises consumption, an unlimited quantity of beer, wine, or spirits at a specific price.

**019.01U2**        No licensee shall sell or serve two or more drinks containing beer, wine, or spirits to a person for that person's consumption on the licensed premises for one price. A pitcher *or* bucket of beer shall not be considered a drink; however, no licensee shall sell two or more pitchers or buckets of beer for one price.

**019.01U3**        Nothing in this rule shall limit, or in any way restrict, the price which may be charged by any licensee for a single drink containing beer, wine, or spirits to be consumed on the licensed premises.

**019.01U4**        No licensee shall mix or pour alcoholic beverages directly into a patron's mouth. The so-called upside-down drinks are prohibited.

**019.01W            SPECIAL DESIGNATED PERMIT/DELIVERY AND  
RETURN OF ALCOHOLIC BEVERAGES**

**019.01W1**        Delivery and return of alcoholic beverages must be made within seven (7) days prior and subsequent to the date of the event.

**019.01W2**        If storage is to be off the licensed premises, written request must be made to and written approval received from the Commission covering the location and dates of the storage.



**019.01W3** After the completion of the event for which a special designated permit is obtained, the permittee may remove open containers of alcoholic liquor from the premise. A licensee with a catering permit may store open containers of alcoholic liquor used for catered events provided the alcoholic liquor is stored in a separate and secure area of the licensed premise.

**019.01X ADULT ENTERTAINMENT**

**019.01X1** No licensee or partner, principal, agent or employee of any licensee shall employ or permit any person under the age of nineteen to provide sexually explicit entertainment within a licensed premises; nor shall any person under the age of nineteen be employed or permitted within a licensed premises while unclothed in any sexually explicit manner.

**020 CANCELLATION/DENIAL OF LICENSES**

**020.01** Where approval or authorization for issuance of any liquor license has been made by the Commission subject to any condition and that condition is not met the applicant will be subject at all times during this period of non-issuance to an Order of the Commission to show cause why the approval should not be cancelled and the application denied for failure to meet the conditions for issuance.

**020.02** Where a license has been approved by the Commission and forwarded to the city, village or county clerk, as the case may be, for the collection of the appropriate fees and issuance and the applicant does not complete the licensing process by paying such appropriate fees and obtaining such license within twenty-one calendar days from the receipt by the city clerk, village or county clerk, as the case may be, for the license, the clerk shall immediately return the license to the Commission and the applicant shall be subject to an Order of the Commission directing the applicant to show cause why the approval of the license should not be cancelled and the application denied.

**020.03** Where a license has been issued and the licensee for any reason during the license year fails to operate the license for a total of thirty continuous days or sixty total days the licensee shall be subject to an Order of the Commission directing that the licensee show cause why the license should not be cancelled for non-use.

**020.04** Where a license has been issued and the licensee finds that the licensee will not be able to maintain continuous operation during the license year as a result of fire, tornado, flood, loss of lease or some other reason constituting a hardship the licensee shall apply to the Commission within thirty days of the occurrence constituting hardship for permission to voluntarily cease operations and maintain the licensee's license for a period of time not to exceed the end of the licensed year for which the license was issued. Any such status afforded shall be reviewable by the Commission within sixty days of the end of any license year in which such status has been afforded. Failure to

afford such status or the revision of such status shall subject the licensee to an Order of the Commission to show cause why the licensee's license should not be cancelled.

**020.05** Failure on the part of the licensee to show good cause for either (A) the licensee's non-compliance with conditions of issuance, (B) the licensee's non-completion of the licensing process by the paying of the appropriate fees and obtaining the license from local officials, (C) the licensee's non-use or (D) the licensee's non-operation due to hardship shall result in the license being cancelled or the previous preliminary approval being rescinded and the application denied.

**020.06** Licenses that have been suspended, cancelled or revoked by the Commission, but are operating under a judicial stay may be renewed according to the renewal statutes. However, any license renewed while suspended, cancelled or revoked but operating under judicial stay shall be subject to the same suspension, cancellation, or revocation that was attached to the original license once the judicial stay is dissolved.

## **CHAPTER 7-PERMITTEE REPORTS/RECORD RETENTION TABLE OF CONTENTS**

<b>SUBJECT</b>	<b>STATUTORY AUTHORITY</b>	<b>CODE SECTION</b>
Permittee Reports	53-164.01	001
Record Retention	53-165	002

## **CHAPTER 7 PERMITTEES/REPORTS**

### **001 Permittee Reports**

**001.01** All licensees and permittees, including Nebraska Breweries, who are required to file reports and pay taxes which may become due upon beer by operation of Sec. 53-161, Neb. R.S., as amended, who shall fail to submit reports required by said Sec. 53-161, Neb. R.S., as amended, and pay taxes due thereunder at the time and in the manner therein required, shall be subject to immediate suspension by written order of the Nebraska Liquor Control Commission of all permits, licenses and authority to do business in the State of Nebraska, as provided in the Nebraska Liquor Control Act, in the event said reports and taxes are not paid within ten (10) days after the date set forth in said Sec. 53-161, as amended.

**001.02** The Commission may issue such a suspension order without written prior notice or formal public hearing, such suspension shall become effective upon the date notice of same is received in writing by certified or registered mail, and, provided further, that in the event such licensee or permittee shall later comply with the requirements of the Nebraska Liquor Control Act, the Commission may remove such order of suspension

without prior notice or formal public hearing, said removal shall become effective by the same manner as the original order.

## **CHAPTER 7 PERMITTEES REPORTS/RECORD RETENTION**

### **002: RECORD RETENTION**

**002.01** All licensees will keep complete, accurate and separate records for a period of three years. The records will be available for inspection and copies of such can be requested by NLCC and auditors. Licensees may use storage technologies for the storage of their records, and may store them off site, provided the records so stored are readily subject to retrieval and made available for viewing on a screen or in hard copy by NLCC, enforcement or auditors during reasonable hours. At any other time of day, if the licensee's records are not available for inspection, the licensee will provide the records within 24 hours after a request is made to inspect the records. "reasonable hours" will be deemed to include all business hours of operation and any other time at which there exists any indication of activity upon the licensed premises.

**002.02** All licensed manufacturers, bottlers or wholesalers of alcoholic beverages will retain and preserve a complete, accurate and separate record of all alcoholic beverages manufactured, bottled, purchased, sold or shipped by them. Such records will show the quantities of all such alcoholic beverages manufactured, bottled, purchased, sold or shipped by them; the dates of all sales, purchases, deliveries or shipments, the names and addresses of all persons to or from whom such sales, purchases, deliveries or shipments are made; the quantities and kinds of alcoholic beverages sold and delivered or shipped and the prices charged therefore and the taxes applicable thereto, if any. Every manufacturer and wholesaler, at the time of delivering alcoholic beverages to any licensee or industry member, will also prepare a duplicate invoice showing date of delivery, the quantity and value of each delivery and the name of the purchaser to whom the delivery is made. Bills of lading, properly executed with signatures, proving quantity are required for any shipments of alcoholic beverages being made out of the state and into the state of Nebraska.

**002.03** Every retail licensee will keep complete, accurate and separate records, including invoices, of the purchases and sales of alcoholic beverages, food and other merchandise. The records of alcoholic beverages will be kept separate and apart from other records and will include all purchases thereof, the dates of such purchases, the kinds and quantities of alcoholic beverages purchased, the prices charged therefore and the names and addresses of the persons from whom purchased. Additionally, each retail licensee will keep accurate accounts of daily sales, and sales tax records, showing quantities of alcoholic beverages, food, and other merchandising sold and the prices charged, therefore.

**002.04** If a licensee has rights as a manufacturer, wholesaler, and retailer then the appropriate record retention shall be based on the type of business activity.

**002.05** The terms “sale” and “sell” will include exchange, barter or traffic, or delivery made otherwise than gratuitously, by any means whatsoever, of mixed beverages and other alcoholic beverages, and of meals or food.

**002.06** Federal forms that are required to be submitted and kept on file must be available to state and NLCC Auditors upon request. Federal forms that are required whether submitted or required to be kept on file must be available to enforcement officials and NLCC staff and auditors upon request and are subject to the record retention as above.

**CHAPTER 8-STATE INSTITUTIONS  
TABLE OF CONTENTS**

<b>SUBJECT</b>	<b>STATUTORY AUTHORITY</b>	<b>CODE SECTION</b>
Alcohol to State Institutions	53-123.07	001

**CHAPTER 8 - STATE INSTITUTIONS**

**001 Alcohol to State Institutions**

**001.01** By reason of Section 2 of Article VIII of the Constitution of Nebraska, State Institutions under the jurisdiction of the Board of Control of the State of Nebraska or other Departments of the State, may purchase alcohol from manufacturers and/or distributors duly licensed in this state, and possess and use the same for non-beverage purposes only in such institutions, without having first obtained a non-beverage user's license or any other license or permit; and that sale and delivery of alcohol direct to such state institutions, created by Statute, may be made by such manufacturers and/or distributors, provided they keep such records and accounts thereof as are provided by law in the case of sale or delivery of alcohol to licensed non-beverage users.

**CHAPTER 13-FARM WINERIES/CRAFT BREWERIES/MICRO DISTILLERIES  
TABLE OF CONTENTS**

<b>SUBJECT</b>	<b>STATUTORY AUTHORITY</b>	<b>CODE SECTION</b>
Branch Outlet/Sampling	53-123.11	004
Distribution	53-123.11	008
Place of Fermentation	53-123.11	005
Record Keeping/Documentation	53-117, 53-165, 53-164.01(c)	003
Signs, Advertising	53-117	002
Waiver of 60%/40%	53-123.13	001

**01 Waiver of 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 60% limitation will be calculated based on the number of gallons of finished wine produced from Agricultural Products grown in this state. The remaining 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 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 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.

**05 Place of Fermentation**

**05.01** 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.

**06 Satellite Locations:**

Craft Breweries, a holder of a Class L Craft Brewery liquor license under Neb. Rev. Stat. 53-123.14, 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.

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

**07.01** A farm winery, craft brewery, and micro distillery licensee desiring an off-site storage facility shall seek prior approval from the Commission. The 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 license;
- b) Perpetual inventory record of finished products;
- c) No consumption or tasting allowed on or about the facility;
- d) No alcoholic beverages other than those produced by licensee can be stored in the facility.

## **08 Distribution**

**08.01** Farm wineries, Craft breweries, and Micro distilleries may wholesale to licensed retailers on and off site.

**08.02** Farm wineries, Craft breweries, and Micro distilleries may ship 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) All sales to retailers can only be made to retailers in areas where the craft brewery has no territory agreement.
- c) Deliveries must be made with vehicles owned or leased by the brewery.
- 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) Deliveries must be made by an employee employed by the microdistillery.
- 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.

**CHAPTER 14-MINIMUM STANDARDS FOR ALCOHOL SERVER TRAINING  
PROGRAMS  
TABLE OF CONTENTS**

<b>SUBJECT</b>	<b>STATUTORY AUTHORITY</b>	<b>CODE SECTION</b>
Application to be a certified program	53-177.03	001
Certified Training Programs	53-177.03	003
Management Training Program	53-177.03	002
Minimum Standards for Alcohol Server Training Programs	53-177.03	001
Term of Certification	53-177.03	004

**CHAPTER 14 MINIMUM STANDARDS FOR ALCOHOL SERVER TRAINING  
PROGRAMS**

**001 Minimum Standards for Alcohol Server Training Programs**

Certified alcohol server training courses, regardless of delivery format, shall incorporate the following content:

**001.01** Legal Information

**001.01A** Responsibilities of licensees and their employees as they pertain to selling alcohol

**001.01B** Penalties and consequences associated with irresponsible alcohol sale or service

**001.01C** Delineation of what constitutes reasonable efforts to ensure responsible alcohol sales, including 3<sup>rd</sup> party sales

**001.01D** Proper ID Checking Techniques including but not limited to acceptable forms of ID, what to check on an ID, and underage warning signs

**001.01E** Documentary proof of age book and its correct use

**001.01F** Nebraska specific information such as age to consume, legal BAC limit, legal hours of sale, illegal activities, liability laws and penalties

**001.02** Alcohol Information

**001.02A** How alcohol affects people including but not limited to physiological effects of alcohol, visible signs of intoxication, factors influencing rate of intoxication, blood alcohol content, and tolerance.



**001.02B** Types and quantities of alcohol including but not limited to measured drinks, alcohol purity/concentration, and drink equivalencies.

### **001.03** Intervention Information

**001.03A** Guidelines for ensuring responsible alcohol sales including, but not limited to, safe customer service, prevention of confrontation and avoiding the escalation of a situation.

### **001.04** Delivery Standards of Program

**001.04A** The course must adhere to standard, accepted instructional design techniques and methodology, including presentation, application and feedback. Presentations may include, use of interactive computer programs, video, live training and role playing. A minimum of two hours is required for training.

**001.04B** The program must administer a comprehensive exam to test the participant's understanding and retention of the content. A passing grade shall not be less than 70%, testing shall be done in the presence of the certified trainer. Trainees shall not have access to any written or video material nor have any discussions with another person during the exam, unless the instructor authorizes the use of an interpreter. Questions by a student to clarify test content are permitted.

**001.04C** Exam records must be verified by an independent third party to prevent falsification of records.

**001.04D** Written documentation of program attendance by/for each attendee must be provided.

**001.04E** If presented by trainers, those individuals must meet minimum standards for qualifications as presented in the application for certification.

### **001.05** Program Trainers

Any program utilizing a trainer shall submit their requirement for training at the time it applies to be a certified program. Such requirement shall be reviewed by the Commission prior to becoming a certified program. Such requirements shall include minimum initial and ongoing training criteria and methods to update the course materials.

## **002** MANAGEMENT TRAINING PROGRAM

**002.01** Programs intended to be training for management and supervisory staff in shall contain the same content as a server training program and in addition shall contain:

- 002.01A** Methods for conducting a risk assessment of their establishment
- 002.01B** Developing policies and practices for responsible beverage service
- 002.01C** Procedures specifying when to contact law enforcement
- 002.01D** Recommendations for establishment of ongoing training for staff

### **003 APPLICATION TO BE A CERTIFIED PROGRAM**

**003.01** Any program wishing to become certified shall submit to the Nebraska Liquor Control Commission the following:

- a) A copy of all training materials to be used in the course.
- b) A listing of all approved trainers of that program located within Nebraska.
- c) An explanation of updating the program in a timely manner
- d) The methods used to become/removed as a trainer of the program.
- e) Certificate of Completion that is issued for successful completion of the course.

Such applications shall be reviewed by the Commission's Executive Director or his designee and the Nebraska State Patrol Coordinator for Alcohol Compliance. If necessary, a hearing before the Executive Director may be ordered to allow any questions or concerns of the Commission to be addressed by the applicant.

If the course is found to be insufficient after review, the applicant shall be informed of any deficiencies and allowed to revise its proposal to comply.

If the application meets the minimum requirements of the Commission the applicant shall be notified in writing by the Commission.

### **004 TERM OF CERTIFICATION**

**004.01** Certification of servers/managers shall be valid for a maximum of three years. Recertification shall consist of the same elements of any other program approved by the Commission.

Certified trainers shall provide to the Commission for each individual wishing to be documented as a certified server/manger the following:

- 004.01A** Documentation of the date of the trainee's attendance

**004.01B** Documentation of a satisfactory test score

**004.01C** A fee of five dollars (\$5.00) per trainee. This fee shall be used to maintain a list of certified servers and managers and to support the Commission's own online program.

**CHAPTER 15-REQUIREMENTS FOR CIGAR BAR CERTIFICATION  
TABLE OF CONTENTS**

<b>SUBJECT</b>	<b>STATUTORY AUTHORITY</b>	<b>CODE SECTION</b>
Application for Cigar Bar	53-103.08	002
Cigar Bar, Defined	53.103.08	001
Enforcement	28-1422	003

**Chapter 15 – Requirements for Cigar Bar Certification**

**001 Cigar Bar**

**001.01** Cigar bar means an establishment operated by a holder of a Class C liquor license which:

**001.01A** Does not sell food.

**001.01B** Annually receives ten percent or more of its gross revenues from the sale of cigars and other tobacco products and tobacco-related products.

**001.01B1** Cigar is defined as any roll of tobacco wrapped in leaf tobacco or in any substance containing tobacco, other than any roll of tobacco which is a cigarette as defined in Neb. Rev. Stat. § 69-2702.

**001.01B2** Other tobacco products shall include, any Tobacco, other than cigarettes, intended for Consumption by smoking, chewing, or snuff.

**001.01B3** Tobacco related products shall include, lighters, and lighter supplies (fluid, flints, wicks, etc.) cigar humidors, cigar cutters, cigar punches, tobacco pipes, tobacco jars, tobacco pouches, ashtrays, and other non-cigarette related smoking paraphernalia.

**001.01C** Has a walk-in humidor on the licensed premise. A walk-in humidor shall mean a separate room or enclosure with a door that has the necessary mechanical devices to maintain the humidity and temperature at the appropriate level to store and display cigars. The room shall be large enough to allow two or more adults the ability to enter the humidor and to retail display the cigars and other tobacco products.

**001.01D** Does not permit the smoking of cigarettes.

**001.01E** A sign shall be posted on all entrances to the business, on the outside of each door, in a conspicuous location slightly above or next to the door with the following statement:  
“SMOKING OF CIGARS AND PIPES IS ALLOWED INSIDE THIS BUSINESS. SMOKING OF CIGARETTES IS NOT ALLOWED.”

## **002 Application for Cigar Bar Certification**

**002.01** Any one desiring a cigar bar certification shall file an application for such on a form adopted by the Commission.

**002.02** Such applicant shall either be a current holder of a Class C Liquor License or have an application for a Class C Liquor License on file with the Commission.

## **003 Enforcement**

**003.01** The holder of a cigar bar certification shall file quarterly reports with the Commission showing revenue received from the sale of cigars or other tobacco related products other than cigarettes on forms approved by the Commission. Such reporting dates shall be January 31st, April 30th, July 31st, and October 31st. Tax reports must be filed within 30 days from the reporting date.

**003.02** After at least one complete year of successful filings, the reports shall be filed on an annual basis. Said annual reports must be filed on or before October 31st.

**003.03** The holder of a cigar bar certification shall be subject to unannounced audits and or inspections by the Commission and failure to comply with said audit or inspection may result in suspension, cancellation or revocation of the liquor license as well as termination of the cigar bar certification.

**003.04** Failure to comply with any provisions of these rules or falsification of any of the required documents may result in the suspension, cancellation or revocation of the liquor license of the certification holder. The Certification may also be terminated.

**CHAPTER 16-REQUIREMENTS FOR WHOLESALERS AND SHIPPERS  
TABLE OF CONTENTS**

<b><u>SUBJECT</u></b>	<b><u>STATUTORY AUTHORITY</u></b>	<b><u>CODE SECTION</u></b>
Mandatory ACH Rule	53-160	001
	53-164	001

**CHAPTER 16 REQUIREMENTS FOR WHOLESALERS AND SHIPPERS**

**001 Mandatory ACH Rule**

**001.01** All industry members or licensees other than a holder of a S1 (Direct Shipper) License under the Nebraska Liquor Control Act required to submit state excise taxes levied on alcoholic beverages as set forth in statutes 53-160 & 53-164 shall remit by means of automated clearinghouse (ACH) credit. The Commission will provide all necessary forms and information to licensees to enable the process. Under any unforeseen circumstances, the Commission reserves the right to make any exceptions to the ACH requirements.