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*Governor*

**STATE OF NEBRASKA**  
**NEBRASKA LIQUOR CONTROL COMMISSION**

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### Industry Advisory

It has come to the attention of the NLCC that there exists some confusion in “sponsorships” or “donations” from manufactures or wholesalers to retail alcohol events. Please be advised of the following:

- 1) It is illegal for a supplier or distributor to enter into a sponsorship agreement involving a payment to a license retailer either directly or through an intermediary. This can be considered providing something of value in violation of the tied-house law.
- 2) Nebraska law does not prohibit a supplier or distributor from entering into a sponsorship agreement with a nonprofit entity if it does not hold a retail license. Nor does it prohibit a supplier or distributor from making a financial contribution to a nonprofit entity. In that case, the nonprofit could display signage of the supplier or distributor or otherwise publicly recognize the contribution. Nebraska law would prohibit a supplier or distributor from donating product to a nonprofit entity which does not hold a retail license because a supplier may only sell to a licensed distributor and a distributor may only sell to a licensed retailer. However, the supplier or distributor could make a financial contribution to the nonprofit entity and the nonprofit entity could purchase product from a licensed retailer.
- 3) If a nonprofit entity receives a Special Designated License (SDL) from the Commission, a supplier or distributor may contribute either money or product to the nonprofit entity but could not enter into a sponsorship agreement with the nonprofit entity holding and SDL. However, under current Nebraska law, the NLCC has statutory authority to waive compliance with specified provisions of the Nebraska law (including tied-house provisions) when issuing SDL's.

A specific request would need to be made and examined or approved by the Commission

Thank You

Hobert Rupe  
Executive Director  
Nebraska Liquor Control Commission

**Kim Lowe**  
*Commissioner*

**Bruce Bailey**  
*Chairman*

**Harry Hoch**  
*Commissioner*