



LB 1105: Bill to create a Nebraska Craft Brewery Board

BY LIBBIE HOWLEY • APRIL 1, 2016

On January 20, 2016, Nebraska State Senator Tyson Larson introduced Legislative Bill 1105 (the "<u>Bill</u>"), which seeks to amend certain beverage licensure requirements and regulations, as well as create the Nebraska Craft Brewery Board and the Nebraska Beer Industry Promotional Fund.

An important piece to the Bill is the creation of a seven member Nebraska Craft Brewery Board (the "<u>Board</u>"), to be appointed by the Governor and comprised of those individuals with experience in the manufacturing, wholesale or retail sale of beer or the production of agricultural products used in the beer making process all from within the State of Nebraska. The Board would be tasked with establishing a public forum for those in the beer industry to meet at least once a year for a discussion of the Board's policy and procedure. The Board would also be an advisory resource to the Nebraska Liquor Control Commission.

Moreover, the Bill would create the Nebraska Beer Industry Promotional Fund (the "Fund") for the development, research and advancement of the beer industry in Nebraska. The Nebraska Department of Agriculture, in cooperation with the Board, would be tasked with monitoring and administering the Fund to cover expenses such as business development and the engagement experts in the field of brewing.

In addition to the creation of the Board and the Fund, the Bill seeks to amend and remove certain provisions of the Liquor Control Act including enhancing penalties for those who manufacture spirits illegally, expanding the definition of hard cider, and refining the craft brewery license requirements and standards.

The Brewers Association currently ranks Nebraska in the bottom ten states with respect to annual beer production. The introduction of this Bill seeking to create a Board and a Fund focused primarily on bolstering the craft beer industry sends a loud message of recognition of the industry's growing social importance and economic potential.