

Annual Report 2025

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**BOARD
OF
DIRECTORS**

Nebraska Grape and Winery Board of Directors

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Michael SchillingWinery/Vineyard Owner
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Ed WehlingVineyard Owner
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Jennifer ReederWinery/Vineyard Owner
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Jim BallardWinery/Vineyard
1503 W. Raymond Road
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(402) 783-5255
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Ex-Officio Members

Casey Foster

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(402) 471-4876 casey.foster@nebraska.gov

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OVERVIEW OF ACTIVITIES

EXECUTIVE SUMMARY

The Board of Directors met in November 2024 and June 2025. The fiscal year began July 1, 2024, and ended June 30, 2025. Emphasis was placed on supporting marketing and promotional activities and conducting research to assist in the betterment and development of Nebraska's grape and wine industry.

Board revenue originates from shipper license fees, crushed grape fees, and grape excise taxes. Revenue from these sources is remitted to the State Treasurer for credit to the Winery and Grape Producers Promotional Fund. As in previous years, the revenue over the past several years has enabled the board to fund several meaningful projects aimed at enhancing the competitiveness of Nebraska's grape and wine industry. Priority funding was given to marketing and research projects targeted at increasing the sales and production of Nebraska grapes and/or wines. For a complete list of all projects, and their respective amounts, please refer to the fiscal report found in this report.

Promotion of Nebraska's grape and wine industry continues to be a primary goal of the board. The board helps the grape and wine industry in becoming a strong and important part of Nebraska's thriving economy. They stay abreast of recent legislation affecting Nebraska's grape and wine industry, support Nebraska Winery and Grape Growers Association (NWGGA) activities, and receive guidance and education based upon industry research.

This Annual Report includes the board's strategic plan, meeting minutes, fiscal report, contracts, statutes, and other documents pertaining to board matters. Documents and information pertinent to the board's functions and history can also be found at <https://grapeandwineryboard.nebraska.gov>.

STRATEGIC PLAN

NEBRASKA GRAPE AND WINERY BOARD

STRATEGIC PLAN

APPROVED
MAY 2017

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Nebraska Grape and Winery Board Strategic Plan

Introduction and Process

This Strategic Plan marks the second plan developed by the Nebraska Grape and Winery Board (NGWB) since its inception in 2000. The Board of Directors, in collaboration with the Nebraska Department of Agriculture, developed this Strategic Plan. It provides the NGWB with a three- to five-year road map, guiding the board's decision and prioritization of issues upon which to focus efforts and resources. This Plan is intended to be a living, dynamic document subject to change or modification with new and/or additional input and the evolution of the industry and, thus, the board's vision. The board will review progress and update the plan annually or as needed. It is the intention of the board to, on an annual basis, identify priority items, actions, or objectives from each of the sections of this Strategic Plan to formulate the board's "Business Plan" for the year. This annual plan becomes the roadmap to guide and focus the board's efforts in the development of annual goals for implementation.

Structure

The board began by revisiting and reaffirming their belief in the Mission of the NGWB, which was first developed in the 2010 Strategic Planning process.

The Mission is followed by major areas of emphasis (Goals), which the board has identified. When it comes to prioritization, all five of these Goals are concurrently considered with equal and continuous focus of this board. However, when it involves board- funding allocation, the board has committed to Goal #1 as its highest priority. Additionally, each goal contains one or more specific action items or objectives. It was determined by the board that these objectives would not be prioritized. Instead, these objectives will be reviewed annually and potentially expanded upon to be considered in the board's annual prioritization process.

This document is not intended to be a stand-alone document nor is it a one-time effort. Once action strategies have been developed and implemented, commitment will be maintained, progress monitored, and adjustments made until the objectives have been reached. This plan demonstrates the commitment that is needed to provide an excellent standard of programs and budget allocations designed to continuously meet the needs of the industry.

Finally, this document functions within the greater context of additional entities and initiatives that impact the Nebraska grape and wine industry. This framework may be reflected in future Appendices attached to this document. Examples include, but are not limited to, the Nebraska Winery and Grape Growers Association's (NWGGA) Strategic Plan (2016), the most recent Industry Economic Impact Study (2015), and the Nebraska Grape Growers Survey.

Mission

The NGWB's Mission statement is to work collaboratively towards a profitable, sustainable future that advances the interests of Nebraska's grape and wine industry through advocacy and education.

The purpose of the NGWB is to further the growth and economic development of the grape-growing and winemaking industry in the state of Nebraska to a maximum level as supported by the favorable soil and climatic conditions existing in Nebraska and to satisfy the market demand for grapes and wine inside and outside of Nebraska. The end objective is to create an economically viable value-added alternative farm crop and wine industry in Nebraska that will enhance the economic condition of the farm industry and the state of Nebraska.

The duties and responsibilities of the NGWB include, but are not limited to, the following:

- a. Establish a public forum whereby any producer of wine, grapes, or other wine-producing agricultural products has the opportunity, at least once annually, to discuss with the board its policy and procedures;
- b. Keep minutes of its meetings and other books and records which will clearly reflect all of the acts and transactions of the board and to make these records available for examination upon request by members of the public;
- c. Authorize and approve the Nebraska Department of Agriculture's (NDA) expenditure of funds collected pursuant to section 53-304;
- d. Serve as an advisory panel to the Nebraska Liquor Control Commission in all matters pertaining to the wine industry; and
- e. Adopt and promulgate rules and regulations to carry out sections 53-301 to 53-305.

Board Goals

I. Industry leadership/management

Several goals of this Strategic Plan are dependent upon a strong collaborative relationship between the NGWB and the "action arm" of the state industry. This includes the NWGGA, which is the association that exclusively represents the Nebraska wine and grape industry. The accomplishment of these goals is not feasible without the continuity and consistency of vision across years of changing leadership of the state's industry. Supporting and funding NWGGA's Executive Director position is the board's highest priority.

II. Promotion of Nebraska wines

Promotion aims to establish a significant and differentiated presence in the market that attracts and retains loyal customers. It is the process involved in creating a unique name and image for a product in the consumer's mind, mainly through advertising campaigns with a consistent theme. This is accomplished by raising the Nebraska wine industry, and, thus, Nebraska wines, to a level of becoming knowable, likable and trustable.

Objectives:

1. Increasing the Marketability, Awareness and Accessibility of Nebraska Grapes and Wines

Strategies:

- a. Serve as an advocate for the industry.
 - b. Develop brand recognition for Nebraska wines.
 - c. Cooperation with the NWGGA to conduct intensive marketing strategies to promote the quality and value of Nebraska wines.
2. Encourage Wine Tourism
 - a. Encourage wine-related tourism developments by working with the Nebraska Tourism Commission.

III. Sustainability

This goal is all about assuring the capacity of the grape and wine industry to remain vibrant and robust through the enology and viticulture components.

Sustainable development of the industry is "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (UN World Commission on Environment and Development, 1987).

Sustainability in the vineyard encompasses a whole host of topics including, but not limited to, cold climate grape cultivars, plant science, soil type, soil amendments, pest and weed control, irrigation, trade enhancements, food safety, best management practices, crop research, and conservation methods.

Sustainability also pertains to wine quality. Winemakers will tell you that outstanding wine is made on the vine. However, when it comes to getting the "wine into your glass, it's all about the winery" (Borg, 2013).

Objectives:

1. Enhancing the Quality of Wines

Strategies:

- a. Implement measures aimed at building a strong, vibrant industry that includes the production of world-class wines made from world-class grapes.
- b. Develop a Quality Assurance process based on industry standards to identify quality wine, improve winemaking practices and continue to raise the quality of wine across the entire state industry.
- c. Identify exceptional wines to create awareness of the quality of Nebraska wines with consumers while promoting the best of the Nebraska wine industry.

- d. Support education opportunities to improve winemaking skills and processes.

2. Enhancing the Quality of Grapes

Strategies:

- a. Address threats to the grape growing industry (e.g., herbicide drift, resistant pesticides, climate conditions, etc.).
- b. Support education opportunities to improve cold climate cultivar selection, growing techniques, and management practices.
- c. Identify cost-effective strategies to improve the value/benefits of Nebraska grapes and wines.
- d. Survey growers and winemakers to determine which grapevine cultivars appear to be most profitable and successful.
- e. Determine hardy grape cultivars adaptive to Nebraska's soils and climate extremes.

3. Education: Promote the creation and discovery of new production practices by funding various projects and activities.

Strategies:

- a. Attend educational conferences.
- b. Fund research projects.
- c. Disseminate research findings to the public.
- d. Support and partially fund grower field day and conferences.
- e. Solicit and fund proposals to enable industry partners to enhance programs and the industry.
- f. Continue as an active partner with the NWGGA, which works to develop and organize the annual Association Education Conference.

4. Develop a culture of continuous improvement:

Strategies:

- a. Engage the board to develop and annually review and renew the Strategic Plan every three years (or more frequently as needed).
- b. Gain industry feedback and advice and identify areas for constructive improvement.
- c. Analyze other state-based farmer organizations and non-profit membership associations.

IV. Maintaining Financial Viability and Revenue of the Grape and Winery Board

Crushed juice fees, grape excise taxes, and shipper license fees are the three primary sources from which the board obtains its revenue. For administrative purposes, these funds are located in NDA. All revenue credited to the fund pursuant to the charge imposed by this section and excise taxes collected pursuant to section 2-5603 and any funds received as gifts, grants, or bequests

and credited to the fund is used by NDA at the direction of and in cooperation with the board, to develop and maintain programs for the research and advancement of the growing, selling, marketing, and promotion of grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry. Such expenditures may include, but are not limited to, all necessary funding for the employment of experts in the fields of viticulture and enology, as deemed necessary by the board, and programs aimed at improving the promotion of all varieties of wines, grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry.

Funds credited to the fund shall be used for no other purposes than those stated in this section and any transfers authorized pursuant to section 2-5604. Any funds not expended during a fiscal year may be maintained in the fund for distribution or expenditure during subsequent fiscal years. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

The responsibilities of the board have increased largely due in part to the number of projects funded each year. In an effort to enhance the accountability and reporting requirements of board-funded projects, the board allocates money to pay the salary of a part-time clerical assistant to assist with board duties. This individual is under the direction of the NDA.

Objective:

1. Investigate and implement programs utilizing diversified funding sources that continue to build and grow Nebraska's grape and wine industry.

Strategies:

- a. Develop a financial plan.
- b. Formalize, enhance and evaluate board-funded projects from one year to the next.
- c. Review income performance on a monthly basis and develop a strategy to enhance financial relationships and secure board revenue.
- d. Review existing financial processes and identify new and improved approaches to identify and explore cost savings.
- e. Prepare and position NGWB to fund ideas towards new research and different marketing strategies that will benefit the entire grape and wine industry, in general, and not a particular business venture.
- f. Expend approximately 70 percent of NGWB annual revenue on meaningful projects aimed at improving grape and wine research and promoting the entire industry.
- g. Collect and compile final reports in a timely manner from board-funded projects.

- h. Evaluate the efficacy of final reports as to how they relate to the Strategic Plan.

V. Collaboration/Communication

Today, global success is won not by firms acting alone, but by partnerships that promote joint planning, information sharing, open communication, collaboration and cooperation. A central challenge for the Nebraska wine industry is to continue cooperation and financial support to the NWGGA, which has been a pillar of strength for Nebraska's grape and wine industry. This partnership entails balancing individual mandates with the opportunities for promotion and research. This goal involves the board advocating for the industry, with entities both within the industry and those external to the industry.

Objectives:

1. Encouraging Wine Tourism
 - a. Encourage wine related tourism developments by working with the Nebraska Tourism Commission and the NWGGA.
2. Stay abreast of recent legislation and recent developments affecting Nebraska's grape and wine industry.
 - a. Maintain, increase and improve relationships with local, state, and federal lawmakers.
3. Maintain and increase NGWB agricultural partnerships
 - a. Define industry needs and develop cost-effective strategies to improve value/benefits across all members.
 - b. Survey, evaluate, and develop a database of Nebraska grape growers and wineries.
 - c. Establish, maintain and update a list recording the total grape acreage and number of vines (variety specific) planted in Nebraska.
 - d. Engage into close working relationships with NDA, [UNL](#), NWGGA and other entities or organizations that impact Nebraska's agricultural industry, (grape and wine industry in particular).
4. Advocacy
 - a. Increase awareness of the Nebraska grape/wine industry with entities both within the industry and those external to the industry.
 - b. Monitor and review the efficacy of the NGWB website on a monthly basis.
5. Make and publish an annual report on or before January 1 of each year, which sets forth, in detail, several items:
 - a. The name and address of each board member and a copy of all rules and regulations adopted and promulgated by the board.
 - b. A detailed explanation of all programs for which the board approved funding that fiscal year, pursuant to section 53-304, for the research, discovery, promotion, and development of programs for the growing, production and marketing of Nebraska wines, grapes, fruits, berries, honey and other agricultural product and their byproducts grown and produced in Nebraska for use in the wine industry.

- c. Present the report to the Nebraska Liquor Control Commission within 30 days after its publication and made available also to any persons who request a copy.

Monitor and Update the Plan

This strategic framework is a plan of optimism and opportunity for all stakeholders in the industry and is grounded in the realities facing the industry today. It identifies how the grape and wine industry can maximize long-term profitable growth in the industry, reinvent consumer's total experience with Nebraska wines, and increase tourism. The success of this plan hinges on industry partners embracing and sharing this vision and transforming the above strategies into key deliverables.

Consequently, each participant in the vision must assume responsibility, which includes assigning the resources needed to fulfill the promise that is shared by this board. Nebraska wines are a source of passion and pride, and perhaps the most important indicator of success is positive feedback from grape growers, wineries, scientists, and wine enthusiasts. Positive feedback from consumers and the growing reputation of Nebraska wines is sure to soar the industry to new heights.

This strategic framework provides the foundation stones for achieving long-term profitable growth. This document is subject to change with new and/or additional input. Commitment will be maintained, progress will be monitored, and adjustments will be made until the objectives are reached.

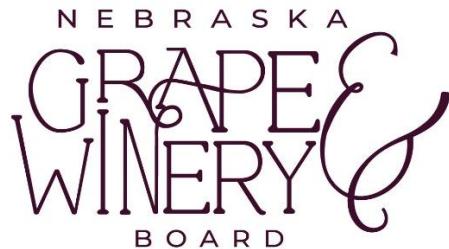
The Board's Commitment

The appointed leaders of the NGWB agree to the above stated principles and actions to accomplish the objective of keeping the industry strong, vibrant, and productive. The board accepts these responsibilities and roles of proactive leaders with a common goal and vision to secure the future of the board. All five board members and the two ex-officio members have a copy of this plan. Copies are also available to industry stakeholders, upon request.

Conclusion

The grape and wine industry in Nebraska is poised for greatness. The destination is clear. People at every level in the industry including growers, winemakers, academia, government, and marketers have assembled together ready to adapt this focused plan with the concerted, cooperative action needed to win a prosperous future for Nebraska wines.

MEETING MINUTES



November 4 th , 2024	5:00 pm	NDA Office – Fallbrook
Meeting Called By:	Nebraska Grape & Winery Board	
Meeting Type:	Board Meeting	
Chairman:	Jim Ballard	
Note Taker:	Nolan Lemma	
Attendees:	Board: Jim Ballard, Ed Wehling, Jennifer Reeder, Max McFarland (online), Mike Schilling (absent) NDA Staff: Nolan Lemma, Casey Foster, Kevin Shearman Public: Steve Gamet, Jon Reeder, Richard Hilsko, Kylie Schildt, Alyssa Brodersen, Ron Haskett, Tim Nissen (online)	
Open Meetings Act:	Public notices posted at: Nebraska.gov Public Calendar (10/23) NE Grape & Winery Board Website (10/25) http://grapeandwineryboard.nebraska.gov Beatrice Daily Sun (10/26) GI Independent (10/29) Kearney Hub (10/29) Norfolk Daily News (10/29) North Platte Telegraph (10/29)	

Call to Order – Meeting was called to order at 5:11pm. Present board members recited Oath of Office. All board members were present with the exception of Mike Schilling.

Approval of Agenda

Discussion:

A motion was made to approve the meeting agenda as is. The agenda can be accessed by requesting a copy from the Nebraska Department of Agriculture. The agenda was sent out to board members beforehand.

Motion to Approve: Ed	Second: Jennifer	
Roll Call Vote Mike was absent.	For: <input checked="" type="checkbox"/> Ed <input checked="" type="checkbox"/> Jennifer <input checked="" type="checkbox"/> Jim <input type="checkbox"/> Mike <input checked="" type="checkbox"/> Max	Against: <input type="checkbox"/> Ed <input type="checkbox"/> Jennifer <input type="checkbox"/> Jim <input type="checkbox"/> Mike <input type="checkbox"/> Max

Election of Officers

Discussion:

A motion was made to elect Jim as Chairman of the board.

Motion to Approve: Jennifer	Second: Max
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Roll Call Vote Jim abstained from voting. Mike was absent.	For: <input checked="" type="checkbox"/> Ed <input checked="" type="checkbox"/> Jennifer <input type="checkbox"/> Jim <input type="checkbox"/> Mike <input checked="" type="checkbox"/> Max	Against: <input type="checkbox"/> Ed <input type="checkbox"/> Jennifer <input type="checkbox"/> Jim <input type="checkbox"/> Mike <input type="checkbox"/> Max
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Discussion:

A motion was made to elect Mike as Vice-Chairman of the board.

Motion to Approve: Jennifer	Second: Ed
Roll Call Vote Mike was absent.	For: <input checked="" type="checkbox"/> Ed <input checked="" type="checkbox"/> Jennifer <input checked="" type="checkbox"/> Jim <input type="checkbox"/> Mike <input checked="" type="checkbox"/> Max

Discussion:

A motion was made to elect Jennifer as Secretary & Treasurer of the board.

Motion to Approve: Jim	Second: Max
Roll Call Vote Jennifer abstained from voting. Mike was absent.	For: <input checked="" type="checkbox"/> Ed <input type="checkbox"/> Jennifer <input checked="" type="checkbox"/> Jim <input type="checkbox"/> Mike <input checked="" type="checkbox"/> Max

Approval of Meeting Minutes from June 6th, 2024

Discussion:

A motion was made to accept the meeting minutes as-is from the June 6th board meeting. A copy of the minutes can be accessed by contacting the Nebraska Department of Agriculture. The minutes were sent out to board members beforehand.

Motion to Approve: Ed	Second: Max
Roll Call Vote Mike was absent.	For: <input checked="" type="checkbox"/> Ed <input checked="" type="checkbox"/> Jennifer <input checked="" type="checkbox"/> Jim <input type="checkbox"/> Mike <input checked="" type="checkbox"/> Max

Public Comments:

There were no public comments.

Activity Updates

University of Nebraska Lincoln, Steve Gamet: Steve gave a brief recap of the UNL Viticulture Project. A summarized version of his report is found below:

A BioChar study on Frontenac grapes, launched in the spring of 2024, and will explore the effects of BioChar as a soil amendment. In addition, a high tunnel project for growing Vitis vinifera varieties, such as Cabernet Sauvignon and Riesling, experienced setbacks in spring 2024 due to wind damage and extreme cold, which caused plant dieback and minimal crop yields. Plants are

rebounding and the team is considering new winter insulation methods like soil mounding for better winter protection.

The 'Itasca' grape, which suffered from herbicide drift damage in 2022, has recovered and is now seen as a promising variety for dry and off-dry white wines in Nebraska. Other successful cultivars like Petite Pearl, Marquette, La Crescent, and Brianna are also proving valuable for local growers. Additionally, the NE2220 Multi-State Evaluation project continues to evaluate emerging grape cultivars and clones, assessing their suitability for different U.S. regions and their potential economic impact on the wine industry.

Nebraska Winery and Grape Grower Association: Kylie and Alyssa presented on behalf of the NWGGA. A summarized copy of their several project reports can be found below:

Marketing Grant:

The NWGGA has been utilizing project funds for a comprehensive marketing strategy to promote NE wines through digital campaigns and events. Key efforts include the Nebraska Wine Passport program, which encourages consumer participation through digital check-ins at wineries, and seasonal campaigns like "Cheers to the Red & White," which have fostered a strong community of wine enthusiasts and brand ambassadors. They also have focused on boosting ticket sales for the TOAST Nebraska events, including the Holiday Wine Festival, by targeting a higher-income demographic through digital ads and partnerships with KeTV and Nebraska Tourism. NWGGA is also increasing wholesale demand for Nebraska wines through partnerships with local wholesalers and conducting market research. They also offer mini grants to support wine competitions, writing collaborations, and booth enhancements for events like TOAST Nebraska.

TOAST Nebraska Grant:

The 2024 Holiday TOAST Nebraska festival will feature 19 wineries, food and artisan vendors, and has already sold over 1,350 tickets. Looking ahead, the association is preparing for the 2025 Spring TOAST event in Omaha, continuing to build Nebraska's wine industry through strategic marketing, partnerships, and community engagement.

Operations Grant:

The NWGGA partners with Advanced Association Management. The AAM oversees the NWGGA's core operations such as admin management, grants, meetings, events, etc. AAM has played a pivotal role in the success of several key initiatives. They host an average of 5,300 festival attendees annually across two major festivals and have earned four consecutive Best of Omaha Festival Awards for their Spring TOAST events. Additionally, they've organized three successful Holiday TOAST events in Grand Island, with a fourth scheduled for November 9, 2024. Their efforts have also contributed to the growth of the NE Wine Fans subscriber base, which now exceeds 21,000 members, allowing for effective communication about Nebraska wine news, promotions, and events. Through the assistance of AAM, the NWGGA has been able to expand its reach and further its mission of promoting Nebraska's wine industry.

DINNER BREAK – *Dinner was provided for board members, staff, and the public visitors.*

Nebraska Department of Agriculture, Casey Foster: Casey presented on behalf of the NDA and spoke about the Specialty Crop Block Grant Program. More announcements will be made

pertaining to the application period at a later date. Projects can qualify for the SCBGP if they benefit the specialty crop industry as a whole, not just an individual farm. Max spoke about his SCBGP project on measuring sustainable practices used by specialty crop growers.

Other:

Old Business

Discussion:

Kevin presented on the FY 2023-24 Year End Report. There was an ending Cash Balance of \$157,961.01. A motion was made to approve the FY 2023-24 Year End Report.

Motion to Approve: Ed	Second: Max
Roll Call Vote Mike was absent.	For: <input checked="" type="checkbox"/> Ed <input checked="" type="checkbox"/> Jennifer <input checked="" type="checkbox"/> Jim <input type="checkbox"/> Mike <input checked="" type="checkbox"/> Max Against: <input type="checkbox"/> Ed <input type="checkbox"/> Jennifer <input type="checkbox"/> Jim <input type="checkbox"/> Mike <input type="checkbox"/> Max

Discussion:

Casey distributed copies of the Annual Report which contains the financial reports, meeting minutes, and funded grant projects. A motion was made to approve the 2023-24 Annual Report.

Motion to Approve: Ed	Second: Max
Roll Call Vote Mike was absent.	For: <input checked="" type="checkbox"/> Ed <input checked="" type="checkbox"/> Jennifer <input checked="" type="checkbox"/> Jim <input type="checkbox"/> Mike <input checked="" type="checkbox"/> Max Against: <input type="checkbox"/> Ed <input type="checkbox"/> Jennifer <input type="checkbox"/> Jim <input type="checkbox"/> Mike <input type="checkbox"/> Max

New Business

Discussion:

Kevin presented on the budget from the current fiscal year (2024-25), which began in July. Currently, the account holds \$166,107.43. The board discussed if they should fund another project, but Kevin thought it would be wise to not do so to ensure there was enough funds to carryover from year to year as the board's income is condensed into 2-3 months typically.

Motion to Approve: Jennifer	Second: Ed
Roll Call Vote Mike was absent.	For: <input checked="" type="checkbox"/> Ed <input checked="" type="checkbox"/> Jennifer <input checked="" type="checkbox"/> Jim <input type="checkbox"/> Mike <input checked="" type="checkbox"/> Max Against: <input type="checkbox"/> Ed <input type="checkbox"/> Jennifer <input type="checkbox"/> Jim <input type="checkbox"/> Mike <input type="checkbox"/> Max

Next Meeting

Discussion:

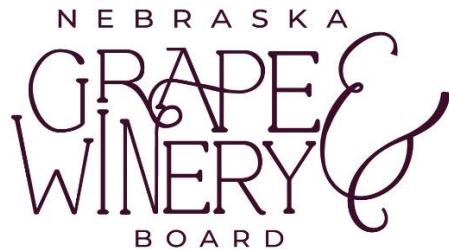
The next meeting is set for June 2nd, at 5:00pm. It will be in Fallbrook again.

Adjourn

A motion was made to adjourn the meeting at 6:43pm.

Motion to Approve: Ed	Second: Max
Roll Call Vote Mike was absent.	For: <input checked="" type="checkbox"/> Ed <input checked="" type="checkbox"/> Jennifer <input checked="" type="checkbox"/> Jim Against: <input type="checkbox"/> Ed <input type="checkbox"/> Jennifer <input type="checkbox"/> Jim

	<input type="checkbox"/> Mike	<input checked="" type="checkbox"/> Max	<input type="checkbox"/> Mike	<input type="checkbox"/> Max
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June 9 th , 2025	5:00 pm	NDA Office – Fallbrook
Meeting Called By:	Nebraska Grape & Winery Board	
Meeting Type:	Board Meeting	
Chairman:	Jim Ballard	
Note Taker:	Eastlyn Wright	
Attendees:	Board: Jim Ballard, Ed Wehling, Jennifer Reeder, Max McFarland (online), Mike Schilling NDA Staff: Eastlyn Wright, Casey Foster, Kevin Shearman, Anthony Edwards, Laura Albro Public: Steve Gamet, Jon Reeder, Richard Hilsko, Kylie Schildt, Alyssa Brodersen, Ron Haskett, Tim Nissen	
Open Meetings Act:	Public notices posted at: Nebraska.gov Public Calendar (5/1/2025) NE Grape & Winery Board website (5/5/2025) http://grapeandwineryboard.nebraska.gov Beatrice Daily Sun (5/10/2025) GI Independent (5/10/2025) Kearney Hub (5/10/2025) Scottsbluff Star-Herald (5/10/2025) North Platte Telegraph (5/10/2025)	
Call to Order – Meeting was called to order at 5:00pm. All board members were present.		
Approval of Agenda		
<p><i>Discussion:</i></p> <p>A motion was made to approve the meeting agenda as presented. The agenda was accessible by requesting a copy from the Nebraska Department of Agriculture. The agenda was sent out to board members beforehand.</p>		
Motion to Approve: Max	Second: Mike	
Roll Call Vote	<p>For:</p> <p><input checked="" type="checkbox"/> Ed <input checked="" type="checkbox"/> Jennifer <input checked="" type="checkbox"/> Jim <input checked="" type="checkbox"/> Mike <input checked="" type="checkbox"/> Max</p>	<p>Against:</p> <p><input type="checkbox"/> Ed <input type="checkbox"/> Jennifer <input type="checkbox"/> Jim <input type="checkbox"/> Mike <input type="checkbox"/> Max</p>
Approval of Meeting Minutes from June 6th, 2024		
<p><i>Discussion:</i></p> <p>A motion was made to accept the meeting minutes as presented from the November 4th, 2024 board meeting. A copy of the minutes was accessible by contacting the Nebraska Department of Agriculture. The minutes were sent out to board members beforehand.</p>		

Motion to Approve: Ed		Second: Max
Roll Call Vote	For: <input checked="" type="checkbox"/> Ed <input checked="" type="checkbox"/> Jennifer <input checked="" type="checkbox"/> Jim <input checked="" type="checkbox"/> Mike <input checked="" type="checkbox"/> Max	Against: <input type="checkbox"/> Ed <input type="checkbox"/> Jennifer <input type="checkbox"/> Jim <input type="checkbox"/> Mike <input type="checkbox"/> Max
Public Comments:		
There were no public comments.		
Activity Updates		
Dr. Paul Read at UNL has retired, UNL does not intend to continue the Viticulture Program, and it is undecided if the remaining projects will be completed. Dr. Read will still be involved in the industry, and it is possible that Steve Gamet may be retiring based on conversations.		
<p><u>ED/OPS Grant</u> (Alyssa) – This grant supported operational functions of Nebraska Winery and Grape Growers Association (NWGGA) by funding professional management services through Advanced Association Management (AAM).</p> <p><u>Marketing</u> (Alyssa/Kylie)</p> <ul style="list-style-type: none"> -Raise General Consumer Awareness -Maintain and Bost TOAST Nebraska Ticket Sales -Increase Retail Demand -Support Member Marketing Efforts -Wine Competition Reimbursements -Wine Writer Reimbursements -TOAST Booth Mini-Grant <p><u>TOAST</u> (Alyssa)</p> <p>Holiday TOAST 2024 was held November 9th at Fonner Park in Grand Island, event welcomed:</p> <ul style="list-style-type: none"> -1319 attendees -16 participating wineries -29 vendors -221 winery staff, vendors, and volunteers <p>TOAST Nebraska 2025 was held May 9-10th at Stinson Park in Omaha, event welcomed:</p> <ul style="list-style-type: none"> -2182 attendees -15 participating wineries -50 vendors -325 winery staff, vendors, and volunteers <p>Despite a dip in attendance for TOAST, likely due to economic factors and lower wine consumption, both TOAST events delivered strong engagement and value. TOAST Nebraska was named <i>Best Festival</i> by Omaha's Choice Awards for the 5th year in a row (2021-2025). NWGGA plans to make strategic adjustments to sustain and grow attendance.</p>		
Old Business		
<p><i>Discussion:</i></p> <p>Year-to-date discussion of the fiscal report was presented by Kevin Shearman. As of May 31, 2025, the Board's Ending Cash Balance was \$432,976.22, noting that amount does not include any</p>		

funds that may be submitted for reimbursement from June 1 – July 15, 2025. A motion was made to approve the 2025 May fiscal report as presented.

Motion to Approve: Ed	Second: Max												
Roll Call Vote	<table> <tr> <td>For:</td><td>Against:</td></tr> <tr> <td><input checked="" type="checkbox"/> Ed</td><td><input type="checkbox"/> Ed</td></tr> <tr> <td><input checked="" type="checkbox"/> Jennifer</td><td><input type="checkbox"/> Jennifer</td></tr> <tr> <td><input checked="" type="checkbox"/> Jim</td><td><input type="checkbox"/> Jim</td></tr> <tr> <td><input checked="" type="checkbox"/> Mike</td><td><input type="checkbox"/> Mike</td></tr> <tr> <td><input checked="" type="checkbox"/> Max</td><td><input type="checkbox"/> Max</td></tr> </table>	For:	Against:	<input checked="" type="checkbox"/> Ed	<input type="checkbox"/> Ed	<input checked="" type="checkbox"/> Jennifer	<input type="checkbox"/> Jennifer	<input checked="" type="checkbox"/> Jim	<input type="checkbox"/> Jim	<input checked="" type="checkbox"/> Mike	<input type="checkbox"/> Mike	<input checked="" type="checkbox"/> Max	<input type="checkbox"/> Max
For:	Against:												
<input checked="" type="checkbox"/> Ed	<input type="checkbox"/> Ed												
<input checked="" type="checkbox"/> Jennifer	<input type="checkbox"/> Jennifer												
<input checked="" type="checkbox"/> Jim	<input type="checkbox"/> Jim												
<input checked="" type="checkbox"/> Mike	<input type="checkbox"/> Mike												
<input checked="" type="checkbox"/> Max	<input type="checkbox"/> Max												
New Business													
Project Proposals													
<p><i>Discussion:</i></p> <p>Kevin presented the budget for the next fiscal year (2025-26), which will begin July 1, 2025. The following proposals were presented to the board, their respected funding requests, and amount allocated.</p> <p>NWGGA requested \$131,000 to fund an NWGGA Executive Director. This proposal supports the core operations of the NWGGA primarily through funding the management fee that covers the Executive Director and staff, contracted via Advanced Association Management. This grant ensures continuity in leadership and the execution of strategic initiatives that advance the grape and wine industry in Nebraska. It will also cover essential professional services such as legal counsel, CPA services, bookkeeping, insurance, and a surety bond. In addition, this grant provides reimbursement for NWGGA Board members and executive director travel to maintain engagement. This proposal was fully funded.</p> <p>NWGGA requested \$150,000 to fund a statewide marketing initiative for 2025–2026 to support four key goals: increase consumer awareness of Nebraska wines, promote Nebraska Wines and enhance visibility during holidays and events, support member marketing efforts, and increase retail demand. The plan includes strategic digital advertising, OTT and broadcast placements, billboards in high-traffic areas, and promotion of the Nebraska Wine Passport program. Additional efforts include creating new holiday and event content, distributing Passport prizes, and executing targeted ad campaigns to reach new audiences. Mini-grants will support members through wine competition entry assistance, wine writing, event booth improvements, and farmers market fee support. NWGGA will also continue to focus on the retail research project and “Find Your Taste” program. This proposal was fully funded.</p> <p>NWGGA requested \$145,000 to fund Toast Nebraska Wine Festivals to enhance the visibility and consumption of Nebraska wines. Each winery aims to sell bottles of their Nebraska wines and establish connections with new customers that they may be unable to reach at their physical winery locations. This proposal was fully funded.</p> <p>NWGGA requested \$50,000 to host educational seminars aimed to support Nebraska grape growers and wineries and a plan to address them. This project will implement targeted initiatives to strengthen the knowledge base, technical skills, and overall success of industry members across the state. This project was fully funded.</p>													

NDA requested \$5,000 for NAYI, to increase an opportunity for Nebraska youth to explore career opportunities within Nebraska agriculture. NAYI takes place the second week of July with 220 student delegates attending. A representative from the craft brewery industry was slated to serve on NAYI's Alternative Ag Panel. This project was fully funded.

Aspire Cellars LLC (Cellar 426 Winery) requested \$16,385 to provide funds to cover 3 winemakers roundtables at key times in the winemaking process to enhance the quality of wines made in Nebraska. These roundtables will be led and moderated by Erin Norton, the Director of the Midwest Grape and Wine Industry Institute (MGWII). This project was fully funded.

Additional funds were set aside for NDA administrative costs (\$13,000) and board meeting expenses (\$1,000), public notices (\$150), board industry promotion (\$2,000), and unobligated funds (\$80,000).

The board members discussed how to distribute funds and a budget was approved.

Motion to Approve: Jim	Second: Mike
Roll Call Vote	For: <input checked="" type="checkbox"/> Ed <input checked="" type="checkbox"/> Jennifer <input checked="" type="checkbox"/> Jim <input checked="" type="checkbox"/> Mike <input checked="" type="checkbox"/> Max
Against:	
<input type="checkbox"/> Ed <input type="checkbox"/> Jennifer <input type="checkbox"/> Jim <input type="checkbox"/> Mike <input type="checkbox"/> Max	
Next Meeting	
<i>Discussion:</i>	
The next meeting is set for October 27th, at 5:00pm, held at 245 Fallbrook Blvd, Lincoln, NE 68521.	
Adjourn	
A motion was made to adjourn the meeting at 8:47pm.	
Motion to Approve: Jim	Second: Mike
Roll Call Vote	For: <input checked="" type="checkbox"/> Ed <input checked="" type="checkbox"/> Jennifer <input checked="" type="checkbox"/> Jim <input checked="" type="checkbox"/> Mike <input checked="" type="checkbox"/> Max
Against:	
<input type="checkbox"/> Ed <input type="checkbox"/> Jennifer <input type="checkbox"/> Jim <input type="checkbox"/> Mike <input type="checkbox"/> Max	

2024 – 2025

FISCAL REPORT

Nebraska Grape and Winery Board
Fiscal Report
July 1, 2024 - June 30, 2025

Category	FY 24-25 Budget	June 2025	YTD Total
Beginning Cash Balance	\$ 157,961	\$ 286,152.49	\$ 157,961.01
Revenue			
Shipper License Fees	\$ 400,000	\$ 1,000.00	\$ 400,500.00
Check-Off Fee	5,000	0.00	3,323.89
Crushed Grape Fees	14,000	0.00	13,504.64
SCBG	13,298	0.00	51.80
Misc. Revenue Adjustment	0	0.00	0.00
Investment Interest	3,500	795.15	7,074.02
Total Revenue	\$ 435,798	\$ 1,795.15	\$ 424,454.35
Total Available Cash	\$ 593,759	\$ 287,947.64	\$ 582,415.36
Expenditures			
Administrative			
STATE			
NDA - Printing (Annual Report)	\$ 400	\$ 0.00	\$ 286.09
NDA Administration	13,000	4,733.38	8,974.21
Board Expense - Board Meetings	2,000	417.20	519.56
Board Meeting Notices	150	0.00	97.59
Board Expense - Industry Promotion	1,000	0.00	0.00
NWGGA - Executive Management Services	98,250	2,366.17	98,250.00
Subtotal	\$ 114,800	\$ 7,516.75	\$ 108,127.45
Promotion/Education			
NWGGA - Marketing Program	\$ 101,250	\$ 23,128.20	\$ 101,250.00
NWGGA - Toast Nebraska	101,250	18,608.82	101,250.00
NWGGA - Education Programs	0	0.00	0.00
NDA - NAYI Sponsorship	5,000	0.00	5,000.00
Subtotal	\$ 207,500	\$ 41,737.02	\$ 207,500.00
Research			
USDA SCBG - Sustainability 2021-2024	\$ 13,298	\$ 0.00	\$ 0.00
UNL - Viticulture Program/Lab Technician	71,513	45,558.60	59,013.25
Glacial Tills Vine118813yard - Filtration Project	5,800	0.00	5,800.00
Subtotal	\$ 90,611	\$ 45,558.60	\$ 64,813.25
Unobligated	\$ 0	\$ 0.00	\$ 0.00
Prior Year Obligations			
NDA Administration	\$ 0	\$ 0.00	\$ 2,217.89
UNL - Viticulture Program/Lab Technician	0	0.00	6,275.06
Board Expense - Board Meetings	0	0.00	294.64
USDA SCBG - Sustainability 2021-2024	0	0.00	51.80
	\$ 0	\$ 0.00	\$ 8,839.39

Total Expenditures	\$ 412,911	\$ 94,812.37	\$ 389,280.09
Adjustment to Fund Balance		0.00	0.00
Ending Cash Balance	\$ 180,848	\$ 193,135.27	\$ 193,135.27

*The ending cash balance is 100% invested in the short-term investment pool.

Percent of Fiscal Year Elapsed:

100%

FY 23-24 Revenue to Date:

\$ 439,215.85

FY 23-24 Expenditures to Date:

\$ 554,275.47

CONTRACTS

AGREEMENT BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION
#18-13-281

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter "Department") and the Nebraska Winery and Grape Growers Association, (hereafter "NWGGA").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA for an Executive Director position to conduct marketing activities to assist in the betterment of Nebraska's grape and wine industry.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board, (hereafter "Board") statutes, Neb. Rev. Stat. §§53-301 to 53-305 which provide for the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to the following:
 - a. Fund an Executive Director position, which is designed to increase the competitiveness and sustainability of Nebraska's grape and wine industry. The funds will specifically be used to pay for the Executive Director's salary, benefits, support staff, travel expenses, surety bond, legal counsel, banking costs, office supplies, software, postage, business insurance, CPA services, bookkeeping services, meeting expenses, and NWGGA board member mileage for travel to board meetings and events.
 - b. Provide a written final report to the Department by July 15, 2025, describing the results of the project and the use of

funds to be made public by the Board.

- c. Provide services from July 1, 2024, through June 30, 2025.

B. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to ninety eight thousand two hundred and fifty dollars (\$98,250) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation.
2. Final NWGGA billing shall be received no later than July 15, 2025.
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability.
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein.
5. Any funds paid to NWGGA under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period shall be returned to the Department.

C. AGREEMENT PERIOD

The term of this Agreement is from **July 1, 2024, to July 15, 2025**, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination:

- a. The Department may immediately terminate this Agreement, in whole or in part, if NWGGA fails to perform its obligations under this Agreement in a timely and proper manner. The Department may, at its discretion, allow NWGGA to cure a failure or breach within the Department's specified period of time. Allowing NWGGA time to cure a failure or breach does not waive the Department's right to immediately terminate this Agreement for the same or different Agreement breach which may occur at a different time. In case of default of the NWGGA, the Department may contract from other sources and hold the NWGGA responsible for any excess cost occasioned thereby.

- b. This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to the NWGGA, except that the Department agrees to pay the NWGGA for the cost of services satisfactorily provided up to the date of termination, subtracting any additional costs caused by the NWGGA's termination.
2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
4. Relationship of Parties: The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. Indemnification:
 - a. General. The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter "the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter "claim"),

- sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement.
- b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.
8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind NWGGA accordingly.
9. Attorney's Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.
10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for

the account or benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.

2. Auditing Standard: The Department, under the Office of Management and Budget's Uniform Guidance, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject

to the Americans with Disabilities Act.

3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The NWGGA, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification: The NWGGA, and any and all subcontractors shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of newly hired employees.
6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early.

The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes

debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

G. COMMUNICATION BETWEEN PARTIES

All notices, requests, or other communications shall be in writing and shall be deemed to have been given if delivered personally, emailed, or mailed, by U.S. Mail or other mail delivery service, to the addresses set forth herein. Either party may change its email address or mailing address for notification purposes by giving notice of the change and setting forth the new address and the effective date.

For the Department:
Casey Foster
Nebraska Department of Agriculture
PO Box 94947
Lincoln, NE 68509-4947
casey.foster@nebraska.gov

For NWGGA:
Alyssa Brodersen
Nebraska Winery & Grape Growers Association
521 First St
Milford, NE 68405
alyssa@nebraskawines.org

IN WITNESS WHEREOF, the parties executed this Agreement.

6/26/2024

Date

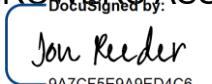
DEPARTMENT OF AGRICULTURE

DocuSigned by:

Brent Davis

For Sherry Vinton, Director

NEBRASKA WINERY AND GRAPE
GROWERS ASSOCIATION

DocuSigned by:

Jon Reeder

For Jon Reeder, President

6/26/2024

Date

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION

#18-13-333

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter "Department") and the Nebraska Winery and Grape Growers Association, (hereafter "NWGGA").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA to pay for costs associated with the Toast Nebraska wine festivals.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to:
 - a. Utilize funds to pay for all costs associated with the Toast Nebraska wine festivals. Expenses include, but are not limited to, advertising, marketing, facility use and rental, equipment rental, supplies, bingo bucks, entertainment, promotion of the event, and winery, staff, and volunteer investment.
 - b. Provide a written final report to the Department by July 15, 2025, describing the results of the project and the use of

funds to be made public by the Nebraska Grape and Winery Board.

- c. Provide services from July 1, 2024, through June 30, 2025.

B. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to one hundred and one thousand and two hundred and fifty dollars (\$101,250) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation.
2. Final NWGGA billing shall be received no later than July 15, 2025.
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability.
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein.
5. Any funds paid to NWGGA under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period shall be returned to the Department.

C. AGREEMENT PERIOD

The term of this Agreement is from **July 1, 2023, to July 15, 2024**, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination: This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to NWGGA, except that the Department shall pay NWGGA for the cost of services provided up to the date of termination, subtracting any additional costs caused by NWGGA's termination.
2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer

available, whichever occurs first.

3. Complete Understanding: This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
4. Relationship of Parties: The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. Indemnification:
 - a. General. The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter "the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter "claim"), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;
 - b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim

- with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.
8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind NWGGA accordingly.
 9. Attorney's Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.
 10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
 11. Penalty for Breach: In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. Auditing Standard: The Department, under the Office of Management and Budget's Uniform Guidance, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the NWGGA

providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The NWGGA, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the

policy.

5. Immigration Verification: The NWGGA, and any and all subcontractors shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of newly hired employees.
6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

G. COMMUNICATION BETWEEN PARTIES:

All notices, requests, or other communications shall be in writing and shall be deemed to have been given if delivered personally, emailed, or mailed, by U.S. Mail or other mail delivery service, to the addresses set forth herein. Either party may change its email address or mailing address for notification purposes by giving notice of the change and setting forth the new address and the effective date.

For the Department:
Casey Foster
Nebraska Department of Agriculture
PO Box 94947

Lincoln, NE 68509-4947
casey.foster@nebraska.gov

For NWGGA:
Alyssa Brodersen
Executive Director
Nebraska Winery & Grape Growers Association
521 First Street
Milford, NE 68405
alyssa@nebraskawines.org

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

7/16/2024

Date

DocuSigned by:



935C7E5EFA294C6...

Sherry Vinton, Director

NEBRASKA WINERY AND GRAPE
GROWERS ASSOCIATION

7/16/2024

Date

DocuSigned by:



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Jon Reeder, President

**THE FIRST AMENDMENT TO THE
AGREEMENT BETWEEN THE
NEBRASKA DEPARTMENT OF
AGRICULTURE AND THE
NEBRASKA WINERY AND GRAPE GROWERS
ASSOCIATION #18-13-333**

The Agreement 18-13-333 between the Nebraska Department of Agriculture and the Nebraska Winery and Grape Growers Association, shall be amended as follows:

Page 2, Section C. shall be amended to read:

The term of this Agreement is from **July 1, 2024, to July 15, 2025**, unless sooner terminated or completed as provided for in Section D.

The First Amendment shall become effective as of the date of last signature.

DEPARTMENT OF AGRICULTURE

10/28/2024

Date

For

Sherry Vinton, Director

DocuSigned by:

Brent Davis

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10/28/2024

Date

Jon Reeder, President

DocuSigned by:

Jon Reeder

9A7CF5E9A9ED14C6...

**AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION
#18-13-282**

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter "Department") and the Nebraska Winery and Grape Growers Association, (hereafter "NWGGA").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA to implement a marketing and promotional program to increase the awareness, consumption, and preference for Nebraska wines.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board, (hereafter "Board") statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to:
 - a. Utilize funds to implement a Nebraska wine and grape industry marketing program that consists of multiple components. The marketing activities will include, but will not necessarily be limited to, the following:
 - i. Raise General Consumer Awareness of the Nebraska Wine Industry. Project 1 focuses on raising awareness of the Nebraska wine industry among midwestern consumers through brand marketing

efforts. The execution plan involves developing a comprehensive brand marketing strategy that leverages digital, print, and SEO placements. This strategy will spotlight the Nebraska Wines brand and the Nebraska Wine Passport loyalty program, aiming to attract and engage a wider audience. Project 1 also includes the digital passport promotion phases 1, 2 & 3.

Phase 1 is digital passport development for the 2025 passport. Phase 2 is digital promotion and education on the 2024 fully digital passport. Phase 3 is passport prizes and shipping. The funds for this request would allow NWGGA to continue marketing efforts throughout the year with a focus on seasonal and holiday sales and other campaigns throughout the year. The primary focus would be on summer passport, Nebraska football season engagement, grape harvest, and holiday promotions.

- ii. Maintain and boost TOAST Nebraska Ticket Sales and Price. Project 2 aims to boost TOAST Nebraska ticket sales while gradually increasing ticket prices. To achieve this, the association plans to implement targeted digital and SEO marketing strategies. These initiatives will be aimed at the audience cultivated through the Nebraska Wine Fans and Nebraska Wine Passport campaigns, driving increased ticket sales and revenue through a target market.
- iii. Increase wholesale demand for Nebraska Wines. Project 3 seeks to expand wholesale demand for Nebraska wines. The execution strategy entails establishing a committee to develop a research strategy and conduct assessments on current market trends and wholesale partnerships within the current wholesale market landscape. Funds would be utilized to conduct economic impact and market assessments and roll out A/B market tests for wholesale market testing strategies. Additionally, the association plans to foster partnerships with wholesalers, particularly Wine, Beer, and Spirits. By understanding market dynamics and forging strategic alliances, NWGGA aims to increase the demand for Nebraska wines in the wholesale sector.
- iv. NWGGA member marketing efforts. Project 4

revolves around supporting NWGGA members' individual marketing endeavors. The execution involves providing mini-grants to subsidize marketing efforts, focusing on areas such as wine competition submissions, wine writing, and enhancements to TOAST event booths. This support aims to empower members to elevate their marketing activities and promote their products effectively.

- v. Provide a written report to the Department by July 15, 2025 describing the results of the project and the use of funds to be made public by the Board.

- b. Provide services from July 1, 2024, through June 30, 2025.

B. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to one hundred and one thousand two hundred and fifty dollars (\$101,250) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation.
2. Final NWGGA billing shall be received no later than July 15, 2025.
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability.
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein.
5. Any funds paid to NWGGA under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period shall be returned to the Department.

C. AGREEMENT PERIOD

The term of this Agreement is from **July 1, 2024, to July 15, 2025**, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination: This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under

no further obligation to NWGGA, except that the Department shall pay NWGGA for the cost of services provided up to the date of termination, subtracting any additional costs caused by NWGGA's termination.

2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
4. Relationship of Parties: The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. Indemnification:
 - a. General. The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter "the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter "claim"), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated

- by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;
- b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.
8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind NWGGA accordingly.
9. Attorney's Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.
10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the NWGGA shall retain the records

beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.

2. Auditing Standard: The Department, under the Office of Management and Budget's Uniform Guidance, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act

which is valid for the life of the Agreement including any extensions of the Agreement.

4. Drug Free: The NWGGA, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification: The NWGGA, and any and all subcontractors shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of newly hired employees.
6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

G. COMMUNICATION BETWEEN PARTIES

All notices, requests, or other communications shall be in writing and shall

be deemed to have been given if delivered personally, emailed, or mailed, by U.S. Mail or other mail delivery service, to the addresses set forth herein. Either party may change its email address or mailing address for notification purposes by giving notice of the change and setting forth the new address and the effective date.

For the Department:
Casey Foster
Nebraska Department of Agriculture
PO Box 94947
Lincoln, NE 68509-4947
casey.foster@nebraska.gov

For NWGGA:
Alyssa Brodersen
Executive Director
Nebraska Winery & Grape Growers Association
521 First Street
Milford, NE 68405
alyssa@nebraskawines.org

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

6/27/2024

Date

For

DocuSigned by:

Brent Davis

F95C7C3CFA294C8...

Sherry Vinton, Director

NEBRASKA WINERY AND GRAPE
GROWERS ASSOCIATION

6/26/2024

Date

DocuSigned by:

Jon Reeder

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Jon Reeder, President

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA ON BEHALF OF THE
UNIVERSITY OF NEBRASKA – LINCOLN

#18-13-325

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter "Department") and the Board of Regents of the University of Nebraska on behalf of the University of Nebraska – Lincoln, (hereafter "Viticulture Program").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to the Viticulture Program to conduct research activities that are designed to assist in the betterment of Nebraska's grape and wine industry.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board, (hereafter "Board") statutes, Neb. Rev. Stat. §§53-301 to 53-305 which provide the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Board has conducted a public board meeting and directed the Department to provide funds to the Viticulture Program.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. The Viticulture Program agrees to the following:
 - a. Utilize funds to pay for the viticulture technician's and lab technician's salaries and benefits, student hourly labor, fertilizers, chemicals, planting stock, fuel, vehicle and equipment rental, travel costs, computer support, publications, framing, hardware, and tools. These expenses are involved in the oversight and implementation of Viticulture Program activities.

- b. The activities will consist of:
 - i. Vinifera Grape Production in High Tunnels;
 - ii. A Wine Industry Dilemma: Does Crop Size Reduction Make Better Wine?;
 - iii. Cultivar and New Genotype Evaluation;
 - iv. Grape Production in High Tunnels and Controlling Climate Variability;
 - vi. Collaboration with UNL Food Science and Technology Department;
 - vii Evaluation of Cold-hardiness, Spring Bud-break and Cold Temperature Damage Prevention and Management;
 - viii. Cultivar and Growing Degree Days Studies; and,
 - x. Grapevine Trunk Disease.
- c. Provide a written final report to the Department by July 15, 2025, describing the results of the project and the use of funds to be made public by the Board.
- d. Provide services from July 1, 2024, through June 15, 2025.

B. ALLOWABLE COSTS AND PAYMENTS

- 1. The Department will provide a sum of up to seventy one thousand and five hundred and thirteen dollars (\$71,513) from the Winery and Grape Producers Promotional Fund to the Viticulture Program upon both parties' signature to this Agreement and the Viticulture Program incurring an obligation. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made.
- 2. Final Viticulture Program billing shall be received no later than July 30, 2025.
- 3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability.

4. The Viticulture Program specifically agrees that funds provided under this Agreement shall be used only for the project and purposes enumerated herein.
5. Any funds paid to the Viticulture Program under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period shall be returned to the Department.

C. AGREEMENT PERIOD

The term of this Agreement is from **July 1, 2024, to July 30, 2025**, unless sooner terminated or completed as provided for in Section D. All work must be completed by June 15, 2025.

D. AGREEMENT PROVISIONS

1. Termination: This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to the Viticulture Program, except that the Department shall pay the Viticulture Program for the cost of services provided up to the date of termination, subtracting any additional costs caused by the Viticulture Program's termination.
2. Project Completion: The project will be deemed to be complete when the Viticulture Program completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
4. Relationship of Parties: The relationship of the Department and the Viticulture Program under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Viticulture Program that the Viticulture Program is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects

by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.

7. Authority to Enter Agreement: The Viticulture Program certifies the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind the Viticulture Program accordingly.
8. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
9. Penalty for Breach: In the event that the Viticulture Program fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the Viticulture Program, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the Viticulture Program which are applicable to this Agreement shall be made available in the State of Nebraska during normal business hours for inspection, review, copying, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefits of the Viticulture Program. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the Viticulture Program shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. Auditing Standard: The Department, under the Office of Management and Budget's Uniform Guidance, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the Viticulture Program providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight

reports; and the Viticulture Program providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The Viticulture Program, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The Viticulture Program guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The Viticulture Program shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the Viticulture Program is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The Viticulture Program, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The Viticulture Program, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each

employee receive a copy of the policy.

5. Immigration Verification: The Viticulture Program, and any and all subcontractors, shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of newly hired employees.
6. Early State Agreement Termination or Certification Regarding Debarment: The Viticulture Program certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The Viticulture Program further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the Viticulture Program has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The Viticulture Program also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The Viticulture Program shall immediately notify the Department if, during the term of this Agreement, the Viticulture Program becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the Viticulture Program written notice if the Viticulture Program becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

G. COMMUNICATION BETWEEN PARTIES

All notices, requests, or other communications shall be in writing and shall be deemed to have been given if delivered personally, emailed, or mailed, by U.S. Mail or other mail delivery service, to the addresses set forth herein. Either party may change its email address or mailing address for notification purposes by giving notice of the change and setting forth the new address and the effective date.

For the Department:
Casey Foster

Nebraska Department of Agriculture
PO Box 94947
Lincoln, NE 68509-4947
casey.foster@nebraska.gov

For the Viticulture Program:
Dr. Paul Read
University of Nebraska - Lincoln
PLSH 377J
Lincoln, NE 68583
402-472-5136
pread1@unl.edu

With a copy to:
University of Nebraska - Lincoln
Office of Sponsored Programs
151 Prem S. Paul Research Center
2200 Vine Street, PO Box 830861
Lincoln, NE 68583-0861
unlosp@unl.edu

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

7/8/2024

Date

For

DocuSigned by:

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Sherry Vinton, Director

BOARD OF REGENTS OF THE UNIVERSITY
OF NEBRASKA

7/16/2024

Date

DocuSigned by:

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Sam Mombou, Director
Sponsored Programs

**AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
GLACIAL TILL VINEYARD**

#18-13-505

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter "Department") and Glacial Till Vineyard (hereafter the "Recipient").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to the Recipient to pay for costs associated with the wine filtration study.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to the Recipient.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. The Recipient agrees to:
 - a. Utilize funds to pay for all costs associated with their wine filtration study. Expenses include, but are not limited to, supply expenses (filter pads, yeast, nutrients, nitrogen gas), operating costs of CrossFlow and Centrifuge filtration, and lab testing.
 - b. The activities will consist of, but are not limited to:
 - i. Collect samples of juice from both Glacial Till Vineyard and Nebraska based wineries.

- ii. Filter the samples by centrifuging, CrossFlow, and a plate filter.
 - iii. Test samples for D.O. and turbidity.
 - iv. Collect and analyze data for trends.
 - v. Share results with participating vineyards.
- c. Provide a written final report to the Department by July 15, 2025, describing the results of the project and the use of funds to be made public by the Nebraska Grape and Winery Board.
 - d. Provide services from July 1, 2024, through June 30, 2025.

B. ALLOWABLE COSTS and PAYMENTS

- 1. The Department shall provide a sum of up to five thousand and eight hundred dollars (\$5,800) from the Winery and Grape Producers Promotional Fund to the Recipient upon both parties signing this Agreement and the Recipient incurring an obligation.
- 2. Final Recipient billing shall be received no later than July 15, 2025.
- 3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability.
- 4. The Recipient specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein.
- 5. Any funds paid to the Recipient under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period shall be returned to the Department.

C. AGREEMENT PERIOD

The term of this Agreement is from **July 1, 2024, to July 15, 2025**, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

- 1. Termination: This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to the Recipient, except that the Department

shall pay the Recipient for the cost of services provided up to the date of termination, subtracting any additional costs caused by the Recipient's termination.

2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the Recipient completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
4. Relationship of Parties: The relationship of the Department and the Recipient under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Recipient that the Recipient is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. Indemnification:
 - a. General: The Recipient, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter "the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter "claim"), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the Recipient, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to

indemnify shall survive the expiration or termination of this Agreement;

- b. Personnel: The Recipient shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the Recipient.
8. Authority to Enter Agreement: The Recipient warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind the Recipient accordingly.
9. Attorney's Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the Recipient agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.
10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the Recipient fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the Recipient, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the Recipient which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefits of the Recipient. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the Recipient shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.

2. Auditing Standard: The Department, under the Office of Management and Budget's Uniform Guidance, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the Recipient providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the Recipient providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The Recipient, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The Recipient guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The Recipient shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the Recipient is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The Recipient, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The Recipient, and any and all subcontractors shall

have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.

5. Immigration Verification: The Recipient, and any and all subcontractors shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of newly hired employees.
6. Early State Agreement Termination or Certification Regarding Debarment: The Recipient certifies that the Recipient is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The Recipient further certifies that the Recipient has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the Recipient has had an agreement terminated early by the State of Nebraska, the Recipient shall provide the agreement number, along with an explanation of why the agreement was terminated early. The Recipient also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The Recipient shall immediately notify the Department if, during the term of this Agreement, the Recipient becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the Recipient written notice if the Recipient becomes debarred or if the Recipient has an agreement terminated early by the State of Nebraska during the term of this Agreement.

G. COMMUNICATION BETWEEN PARTIES:

All notices, requests, or other communications shall be in writing and shall be deemed to have been given if delivered personally, emailed, or mailed, by U.S. Mail or other mail delivery service, to the addresses set forth herein. Either party may change its email address or mailing address for notification purposes by giving notice of the change and setting forth the new address and the effective date.

For the Department:
Casey Foster
Nebraska Department of Agriculture
PO Box 94947
Lincoln, NE 68509-4947
casey.foster@nebraska.gov

For Glacial Till Vineyard:
John Krejci
Glacial Till Vineyard
344 2nd Road
Palmyra, NE 68418
jack@glaciatillvineyard.com

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

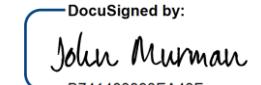
7/2/2024

Date For DocuSigned by:

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Sherry Vinton, Director

Glacial Till Vineyard

7/2/2024

Date DocuSigned by:

B741483098EA43F...
John Murman, Owner

STATUTES

NEBRASKA GRAPE AND WINERY BOARD

- Administration: These statutes create the Nebraska Grape and Winery Board. That Board is given certain duties under these statutes. For administrative purposes, a fund is located in the Nebraska Department of Agriculture. The money in this fund is to be used by the Nebraska Department of Agriculture at the direction of and in cooperation with the board to develop programs that promote the wine industry in Nebraska. See also section 53-123.15 and sections 2-5601 through 2-5605 for information about statutes that provide money for the fund.
- Adoption: The provisions of these statutes were last revised during the 2013 session of the Nebraska Legislature. This reproduction was prepared following that session.
- Rules: The Board is given authority to adopt and promulgate regulations, however, none have yet been developed.

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<u>Section</u>	<u>Subject</u>
53-301	Nebraska Grape and Winery Board; created.
53-302	Board; officers; terms; expenses.
53-303	Board; powers and duties.
53-304	Winery; payments required; Winery and Grape Producers Promotional Fund; created; use; investment
53-305	Board; annual report.

53-301. Nebraska Grape and Winery Board; created.

- (1) The Nebraska Grape and Winery Board is created. The board shall consist of five members to be appointed by the Governor on a nonpartisan basis. All board members shall be (a) citizens of Nebraska, (b) at least twenty-one years of age, and (c) either engaged in or previously engaged in wine or grape production or research in this state. At least two board members shall be members of the Nebraska Winery and Grape Growers Association. In addition, the Director of Agriculture and the vice chancellor of the University of Nebraska Institute of Agriculture and Natural Resources or their designees shall be ex officio members of the board but shall have no vote in board matters.
- (2) Whenever a vacancy occurs on the board for any reason, the Governor shall appoint an individual to fill such vacancy pursuant to the qualifications set forth in subsection (1) of this section.

53-302. Board; officers; terms; expenses.

- (1) Within thirty days after the appointment of the initial members of the Nebraska Grape and Winery Board, such board shall conduct its first regular meeting. During that meeting, the board members shall elect from among themselves, by majority vote, a chairperson, vice-chairperson, secretary, and treasurer, all to serve for terms of one year from the date of election. Subsequent board meetings shall take place at least once every six months and at such times as called by the chairperson or by any three board members.
- (2) Each board member shall serve for a term of three years, except that at the expiration of the terms of the members in 2021, the Governor shall appoint one member for a term of one year, two members for a term of two years, and two members for a term of three years, and their successors shall be appointed for a term of three years. Upon completion of a term, a member may, at the Governor's discretion, be reappointed.
- (3) All voting board members shall be reimbursed for their actual and necessary expenses, as provided for in sections 81-1174 to 81-1177, while attending meetings of the board or while engaged in the performance of official responsibilities as determined by the board.
- (4) A board member shall be removable by the Governor for cause. The board member shall first be given a written copy of the charges against him or her and also an opportunity to be heard publicly. In addition to all other causes, the failure of a board member to continue to meet any of the requirements for eligibility set out in section 53-301 shall be deemed sufficient cause for removal from office.

53-303. Board; powers and duties. The duties and responsibilities of the Nebraska Grape and Winery Board include, but are not limited to, the following:

- (1) To establish a public forum whereby any producer of wine, grapes, or other wine producing agricultural products has the opportunity, at least once annually, to discuss with the board its policy and procedures;
- (2) To keep minutes of its meetings and other books and records which will clearly reflect all of the acts and transactions of the board and to make these records available for examination upon request by members of the public;
- (3) To authorize and approve the Department of Agriculture's expenditure of funds collected pursuant to section 53-304;
- (4) To serve as an advisory panel to the Nebraska Liquor Control Commission in all matters pertaining to the wine industry; and
- (5) To adopt and promulgate rules and regulations to carry out sections 53301 to 53305.

53-304. Winery; payments required; Winery and Grape Producers Promotional Fund; created; use; investment.

Each Nebraska winery shall pay to the Nebraska Liquor Control Commission twenty dollars for every one hundred sixty gallons of juice produced or received by its facility. Gifts, grants, or bequests may be received for the support of the Nebraska Grape and Winery Board. Funds paid pursuant to the charge imposed by this section and funds received pursuant to subsection (4) or (5) of section 53-123.15 and from gifts, grants, or bequests shall be remitted to the State Treasurer for credit to the Winery and Grape Producers Promotional Fund which is hereby created. For administrative purposes, the fund shall be located in the Department of Agriculture. All revenue credited to the fund pursuant to the charge imposed by this section and excise taxes collected pursuant to section 2-5603 and any funds received as gifts, grants, or bequests and credited to the fund shall be used by the department, at the direction of and in cooperation with the board, to develop and maintain programs for the research and advancement of the growing, selling, marketing, and promotion of grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry. Such expenditures may include, but are not limited to, all necessary funding for the employment of experts in the fields of viticulture and enology, as deemed necessary by the board, and programs aimed at improving the promotion of all varieties of wines, grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry.

Funds credited to the fund shall be used for no other purposes than those stated in this section and any transfers authorized pursuant to section 2-5604. Any funds not expended during a fiscal year may be maintained in the fund for distribution or expenditure during subsequent fiscal years. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

53-305. Board; annual report.

The Nebraska Grape and Winery Board shall make and publish an annual report on or before January 1 of each year, which report shall set forth in detail the following:

- (1) The name and address of each board member and a copy of all rules and regulations adopted and promulgated by the board; and
- (2) A detailed explanation of all programs for which the board approved funding that fiscal year, pursuant to section 53-304, for the research, discovery, promotion, and development of programs for the growing, production, and marketing of Nebraska wines, grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry.

Each annual report shall be presented to the Nebraska Liquor Control Commission within thirty days after its publication and made available also to any person who requests a copy. Except for the annual copy required by this section to be provided to the commission, the board may charge a nominal fee to cover the costs of printing and postage for making available copies of its annual reports.

NEBRASKA GRAPE EXCISE TAX STATUTES

Administration:	These statutes are administered by the Nebraska Department of Agriculture, Finance and Personnel Division. The Nebraska Department of Agriculture is located in the State Office Building, 301 Centennial Mall South, Lincoln, Nebraska 68509, telephone: (402) 471-6817.
Adoption:	The provisions of these statutes were initiated during the 2007 session of the Nebraska Legislature. This reproduction was prepared following that session.
Rules:	The Department of Agriculture has no authority to adopt and promulgate regulations under these statutes.

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<u>Section</u>	<u>Subject</u>
2-5601.....	Terms, defined.
2-5602.....	Excise tax; amount; payment.
2-5603.....	Excise tax; first purchaser; deduction; records contents; statement; remitted to State Treasurer.
2-5604.....	Department of Agriculture; calculate costs, report.
2-5605.....	Violation; penalty.

2-5601. Terms, defined. For purposes of sections 2-5601 to 2-5604:

- (1) Commercial channels means the sale or delivery of grapes for any use, except grapes intended for ultimate consumption as table grapes, to any commercial buyer, dealer, processor, or cooperative or to any person, public or private, who resells any grapes or product produced from grapes;
- (2) Delivered or delivery means receiving grapes for utilization or as a result of sale in the State of Nebraska but excludes receiving grapes for storage;
- (3) First purchaser means any person, public or private corporation, association, partnership, or limited liability company buying, accepting for shipment, or otherwise acquiring the property in or to grapes from a grower;
- (4) Grower means any landowner personally engaged in growing grapes, a tenant of the landowner personally engaged in growing grapes, and both the owner and tenant jointly and includes a person, a partnership, a limited liability company, an association, a corporation, a cooperative, a trust, or any other business unit, device, or arrangement; and

(5) Table grapes means grapes intended for ultimate consumption as produce in fresh, unprocessed form and not intended for wine production, juice production, or drying.

2-5602. Excise tax; amount; payment.

- (1) Except as provided in subsection (2) of this section, an excise tax of one cent per pound is levied upon all grapes sold through commercial channels in Nebraska or delivered in Nebraska. The excise tax shall be paid by the grower at the time of sale or delivery and shall be collected by the first purchaser. Grapes shall not be subject to the excise tax imposed by this section more than once.
- (2) The excise tax imposed by this section shall not apply to the sale of grapes to the federal government for the ultimate use or consumption by the people of the United States when the State of Nebraska is prohibited from imposing such excise tax by the United States Constitution and the laws enacted pursuant thereto.

2-5603. Excise tax; first purchaser; deduction; records; contents; statement; remitted to State Treasurer.

- (1) The first purchaser, at the time of settlement, shall deduct the excise tax imposed by section 2-5602. The excise tax shall be deducted whether the grapes are stored in this state or any other state. The first purchaser shall maintain the necessary records of the excise tax for each purchase or delivery of grapes on the settlement form or check stub showing payment to the grower for each purchase or delivery. Such records maintained by the first purchaser shall provide the following information:
 - a. The name and address of the grower and seller;
 - b. The date of the purchase or delivery;
 - c. The number of pounds of grapes purchased; and
 - d. The amount of excise taxes collected on each purchase or delivery.Such records shall be open for inspection during normal business hours observed by the first purchaser.
- (2) The first purchaser shall render and have on file with the Department of Agriculture by the last day of January and July of each year, on forms prescribed by the department, a statement of the number of pounds of grapes purchased in Nebraska. At the time the statement is filed, such first purchaser shall pay and remit to the department the excise tax imposed by section 2-5602.
- (3) All excise taxes collected by the department pursuant to this section shall be remitted to the State Treasurer for credit to the Winery and Grape Producers Promotional Fund. The department shall remit the excise tax collected to the State Treasurer within ten days after receipt.

2-5604. Department of Agriculture; calculate costs; report.

For each fiscal year beginning with FY2007-08, the Department of Agriculture shall calculate its costs in collecting and enforcing the excise tax imposed by section 2-5602 and shall report such costs to the Department of Administrative Services within thirty days after the end of the calendar quarter. Sufficient funds to cover such costs shall be transferred from the Winery and Grape Producers Promotional Fund to the Management Services Expense Revolving Fund at the end of each calendar quarter. Funds shall be transferred upon the receipt by the Department of Administrative Services of a report of costs incurred by the Department of Agriculture for the previous calendar quarter.

2-5605. Violation; penalty.

Any person violating sections 2-5601 to 2-5603 shall be guilty of a Class III misdemeanor.

FARM WINERIES STATUTES

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Section	Subject
53-123.10.....	Farm winery license; when issued.
53-123.11.....	Farm winery license; rights of licensee; removal of unsealed bottle of wine; conditions.
53-123.12.....	Farm winery license; application requirements; fees.
53-123.13.....	Farm winery; waiver of requirement; when; conditions.
53-123.15	Shipping license; when required; rights of licensee; application; contents; violation; disciplinary action.

53-123.10 Farm winery license; when issued.

A license to operate a farm winery may be issued by the commission upon an applicant's compliance with section 53-123.12 and such other requirements as the commission adopts and promulgates by rule and regulation to administer §§53-101.02 and 53-123.10 to 53-123.13. Source: Laws 1985, LB 279, § 4.

53-123.11 Farm winery license; rights of licensee; removal of unsealed bottle of wine; conditions.

(1) A farm winery license shall entitle the holder to:

- a. Sell wines produced at the farm winery onsite at wholesale and retail and to sell wines produced at the farm winery at off-premises sites holding the appropriate retail license;
- b. Sell wines produced at the farm winery at retail for consumption on the premises;
- c. Permit a customer to remove one unsealed bottle of wine for consumption off the premises. The licensee or his or her agent shall (A) securely reseal such bottle and place the bottle in a bag designed so that it is visibly apparent that the resealed bottle of wine has not been opened or tampered with and (B) provide a dated receipt to the customer and attach to such bag a copy of the dated receipt for the resealed bottle of wine. If the resealed bottle of wine is transported in a motor vehicle, it must be placed in the trunk of the motor vehicle or the area behind the last upright seat of such motor vehicle if the area is not normally occupied by the driver or a passenger and the motor vehicle is not equipped with a trunk;
- d. Ship wines produced at the farm winery by common carrier and sold at retail to recipients in and outside the State of Nebraska, if the output of such farm winery for each calendar year as reported to the commission by December 31 of each year does not exceed thirty thousand gallons. In the event such amount exceeds thirty thousand gallons, the farm winery shall be required to use a licensed

wholesaler to distribute its wines for the following calendar year, except that this requirement shall not apply to wines produced and sold onsite at the farm winery pursuant to subdivision (1)(a) of this section;

- e. Allow sampling of the wine at the farm winery and at one branch outlet in the state in reasonable amounts;
 - f. Sell wines produced at the farm winery to other Nebraska farm winery licensees, in bulk, bottled, labeled, or unlabeled, in accordance with 27 C.F.R. 24.308, 27 C.F.R. 24.309, and 27 C.F.R. 24.314, as such regulations existed on January 1, 2008; and
 - g. Purchase distilled spirits from licensed microdistilleries in Nebraska, in bulk or bottled, made entirely from Nebraska-licensed farm winery wine to be used in the production of fortified wine at the purchasing licensed farm winery.
 - h. Store and warehouse products produced at the farm winery in a designated, secure, offsite storage facility if the holder of the farm winery license notifies the commission of the location of the facility and maintains, at the farm winery and at the facility, a separate perpetual inventory of the product stored at the facility. Consumption of alcoholic liquor at the facility is strictly prohibited.
- (2) No farm winery shall manufacture wine in excess of fifty thousand gallons per year.
- (3) A farm winery may manufacture and sell hard cider on its licensed premises. A farm winery shall not otherwise distribute the hard cider it manufactures except by sale to a wholesaler licensed under the Nebraska Liquor Control Act
- (4) A holder of a farm winery license may obtain a special designated license pursuant to section 53-124.11.
- (5) A holder of a farm winery license may obtain an annual catering license pursuant to section 53-124.12.

53-123. Farm winery license; application requirements; fees.

Any person desiring to obtain a new license to operate a farm winery shall:

- (1) File an application with the commission in triplicate original upon such forms as the commission from time to time prescribes;
- (2) Pay the license fee to the commission under subdivision (2) of section 53124, which fee shall be returned to the applicant if the application is denied; and

- (3) Pay the state registration fee to the commission in the sum of forty-five dollars.

License fees and registration fees may be paid to the commission by certified or cashier's check of a bank within this state, personal or business check, United States post office money order, or cash in the full amount of such fees. The commission shall then notify, by registered or certified mail marked return receipt requested with postage prepaid, the municipal clerk of the city or incorporated village where such license is sought or, if the license is not sought within a city or incorporated village, the county clerk of the county where such license is sought of the receipt of the application and shall enclose with such notice one copy of the application. No such license shall then be issued by the commission until the expiration of at least forty-five days from the date of mailing such application by the commission. Within thirty-five days from the date of receipt of such application from the commission, the local governing bodies of nearby cities or villages or the county may make and submit to the commission recommendations relative to the granting of or refusal to grant such license to the applicant.

53-123.13 Farm winery; waiver of requirement; when; conditions.

- (1) If the operator of a farm winery is unable to produce or purchase seventy-five percent of the grapes, fruit, or other suitable agricultural products used in the farm winery from within the state due to natural disaster which causes substantial loss to the Nebraska-grown crop, such operator may petition the commission to waive the seventy-five-percent requirement prescribed in section 53-103.13 for one year.
- (2) It shall be within the discretion of the commission to waive the seventy-five percent requirement taking into consideration the availability of products used in farm wineries in this area and the ability of such operator to produce wine from products that are abundant within the state.
- (3) If the operator of a farm winery is granted a waiver, any product purchased as concentrated juice from grapes or other fruits from outside of Nebraska, when reconstituted from concentrate, may not exceed in total volume along with other products purchased the total percentage allowed by the waiver.
- (4) Any product purchased under the waiver or as part of the twenty-five percent of allowable product purchased that is not Nebraska-grown for the production of wine shall not exceed the twenty-five percent volume allowed under state law if made from concentrated grapes or other fruit, when reconstituted. The concentrate shall not be reduced to less than twenty-two degrees Brix in accordance with 27 C.F.R. 24.180.

53-123.15 Shipping license; when required; rights of licensee; application; contents; violation; disciplinary action.

- (1) No person shall order or receive alcoholic liquor in this state which has been shipped directly to him or her from outside this state by any person other than a holder of a shipping license issued by the commission, except that a licensed wholesaler may receive not more than three gallons of wine in any

calendar year from any person who is not a holder of a shipping license.

- (2) The commission may issue a shipping license to a manufacturer. Such license shall allow the licensee to ship alcoholic liquor only to a licensed wholesaler, except that a licensed wholesaler may, without a shipping license and for the purposes of subdivision (2) of section 53-161, receive beer in this state which has been shipped from outside the state by a manufacturer in accordance with the Nebraska Liquor Control Act to the wholesaler, then transported by the wholesaler to another state for retail distribution, and then returned by the retailer to such wholesaler. A person who receives a license pursuant to this subsection shall pay the fee required in sections 53-124 and 53-124.01 for a manufacturer's shipping license. Such fee shall be collected by the commission and be remitted to the State Treasurer for credit to the General Fund.
- (3) The commission may issue a shipping license to any person who deals with vintage wines, which shipping license shall allow the licensee to distribute such wines to a licensed wholesaler in the state. For purposes of distributing vintage wines, a licensed shipper must utilize a designated wholesaler if the manufacturer has a designated wholesaler. For purposes of this section, vintage wine shall mean a wine verified to be ten years of age or older and not available from a primary American source of supply. A person who receives a license pursuant to this subsection shall pay the fee required in sections 53-124 and 53-124.01 for a vintage wine dealer's shipping license. Such fee shall be collected by the commission and be remitted to the State Treasurer for credit to the General Fund.
- (4) The commission may issue a shipping license to any person manufacturer who sells and ships alcoholic liquor from another state directly to a consumer in this state if the manufacturer satisfies the requirements of subsections (7) through (9) of this section. A person manufacturer who receives a license pursuant to this subsection shall pay the fee required in sections 53-124 and 53-124.01 for a manufacture direct sales shipping license. Such fee shall be collected by the commission and remitted to the State Treasurer for credit to the Winery and Grape Producers Promotional Fund.
- (5) The commission may issue a shipping license to any retailer who is licensed within or outside Nebraska, who is authorized to sell alcoholic liquor at retail in the state of domicile of the retailer, and who is not a manufacturer if such retailer satisfies the requirements of subsections (7) through (9) of this section to ship alcoholic liquor from another state directly to a consumer in this state. A retailer who receives a license pursuant to this subsection shall pay the fee required in sections 53-124 and 53-124.01 for a retail direct sales shipping license. Such fee shall be collected by the commission and remitted to the State Treasurer for credit to the Winery and Grape Producers Promotional Fund.
- (6) The application for a shipping license under subsection (2) or (3) of this section shall be in such form as the commission prescribes. The application shall contain all provisions the commission deems proper and necessary to

effectuate the purpose of any section of the act and the rules and regulations of the commission that apply to manufacturers and shall include, but not be limited to, provisions that the applicant, in consideration of the issuance of such shipping license, agrees:

- a. To comply with and be bound by section sections 53-162 and 53164.01 in making and filing reports, paying taxes, penalties, and interest, and keeping records;
- b. To permit and be subject to all of the powers granted by section 53164.01 to the commission or its duly authorized employees or agents for inspection and examination of the applicant's premises and records and to pay the actual expenses, excluding salary, reasonably attributable to such inspections and examinations made by duly authorized employees of the commission if within the United States; and
- c. That if the applicant violates any of the provisions of the application or the license, any section of the act, or any of the rules and regulations of the commission that apply to manufacturers, the commission may revoke or suspend, cancel, or revoke such shipping license for such period of time as it may determine.

(7) The application for a shipping license under subsection (4) or (5) of this section shall be in such form as the commission prescribes. The application shall require an applicant which is a manufacturer, a craft brewery, a craft distillery, or a farm winery to identify the brands of alcoholic liquor that the applicant is requesting the authority to ship either into or within Nebraska. For all applicants, unless otherwise provided in this section, the application shall contain all provisions the commission deems proper and necessary to effectuate the purpose of any section of the act and the rules and regulations of the commission that apply to manufacturers or retailers and shall include, but not be limited to, provisions that the applicant, in consideration of the issuance of such shipping license, agrees:

- a. To comply with and be bound by sections 53-162 and 53-164.01 in making and filing reports, paying taxes, penalties, and interest, and keeping records;
- b. To permit and be subject to all of the powers granted by section 53164.01 to the commission or its duly authorized employees or agents for inspection and examination of the applicant's premises and records and to pay the actual expenses, excluding salary, reasonably attributable to such inspections and examinations made by duly authorized employees of the commission if within the United States;
- c. That if the applicant violates any of the provisions of the application or the license, any section of the act, or any of the rules and regulations of the commission that apply to manufacturers or

retailers, the commission may suspend, cancel, or revoke such shipping license for such period of time as it may determine;

- d. That the applicant agrees to notify the commission of any violations in the state in which he or she is domiciled and any violations of the direct shipping laws of any other states. Failure to notify the commission within thirty days after such a violation may result in a hearing before the commission pursuant to which the license may be suspended, canceled, or revoked; and
- e. That the applicant, if a manufacturer, craft brewery, craft distillery, or farm winery, agrees to notify any wholesaler licensed in Nebraska that has been authorized to distribute such brands that the application has been filed for a shipping license. The notice shall be in writing and in a form prescribed by the commission. The commission may adopt and promulgate rules and regulations as it reasonably deems necessary to implement this subdivision, including rules and regulations that permit the holder of a shipping license under this subdivision to amend the shipping license by, among other things, adding or deleting any brands of alcoholic liquor identified in the shipping license.

(8) Any manufacturer or retailer who is granted a shipping license under subsection (4) or (5) of this section shall:

- a. Only ship the brands of alcoholic liquor identified on the application;
- b. Only ship alcoholic liquor that is owned by the holder of the shipping license;
- c. Only ship alcoholic liquor that is properly registered with the Alcohol and Tobacco Tax and Trade Bureau of the United States Department of the Treasury;
- d. Not ship any alcoholic liquor products that the manufacturers or wholesalers licensed in Nebraska have voluntarily agreed not to bring into Nebraska at the request of the commission;
- e. Not ship more than nine liters of alcoholic liquor per month to any person in Nebraska to whom alcoholic beverages may be lawfully sold. All such sales and shipments shall be for personal consumption only and not for resale; and
- f. Cause the direct shipment of alcoholic liquor to be by approved common carrier only. The commission shall adopt and promulgate rules and regulations pursuant to which common carriers may apply for approval to provide common carriage of alcoholic liquor shipped by a holder of a shipping license issued pursuant to subsection (4) or (5) of this section. The rules and regulations shall include provisions that require (i) the recipient to demonstrate, upon delivery, that he or she is at least twenty-one years of age, (ii) the

recipient to sign an electronic or paper form or other acknowledgement of receipt as approved by the commission, and (iii) the commission-approved common carrier to submit to the commission such information as the commission may prescribe. The commission-approved common carrier shall refuse delivery when the proposed recipient appears to be under the age of twenty-one years and refuses to present valid identification. All holders of shipping licenses shipping alcoholic liquor pursuant to this subdivision shall affix a conspicuous notice in sixteen-point type or larger to the outside of each package of alcoholic liquor shipped within or into the State of Nebraska, in a conspicuous location, stating: CONTAINS ALCOHOLIC BEVERAGES; SIGNATURE OF PERSON AT LEAST 21 YEARS OF AGE REQUIRED FOR DELIVERY. Any delivery of alcoholic beverages to a minor by a common carrier shall constitute a violation by the common carrier. The common carrier and the holder of the shipping license shall be liable only for their independent acts.

- (9) For purposes of sections 53-160, 77-2703, and 77-27,142, each shipment of alcoholic liquor by the holder of a shipping license under subsection (3), (4), or (5) of this section shall constitute a sale in Nebraska by establishing a nexus in the state. The holder of the shipping license shall collect all the taxes due to the State of Nebraska and any political subdivision and remit any excise taxes monthly to the commission and any sales taxes to the Department of Revenue.
- (10) By July 1, 2014, the commission shall report to the General Affairs Committee of the Legislature the number of shipping licenses issued for license years 2013-14 and 2014-15. The report shall be made electronically.

