

Nebraska Craft Brewery Board Annual Report 2019

For information contact:

**Nebraska Department of Agriculture
301 Centennial Mall South
P.O. Box 94947
Lincoln, NE 68509
(402) 471-4876**

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BOARD OF DIRECTORS

Nebraska Craft Brewery Board

Zachary Triemert Nebraska Craft Brewers Guild

Brickway Brewery
1116 Jackson St
Omaha, NE 68102
W: (402) 933-2613
C: (402) 213-5903
zac@drinkbrickway.com

Nathan Bell Nebraska Craft Brewers Guild

Kinkaider Brewing
79580 Road 445
Broken Bow, NE 68822
W: (308) 872-8348
C: (308) 870-3506
nate@universalins.biz

Bruce Nelsen Associated Beverage Distributors of Nebraska

Eagle Distributing
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Omaha, NE 68164
W: (402) 721-0620
C: (402) 305-3700
bruce.nelsen@edi-bud.com

David Tims Associated Beverage Distributors of Nebraska

Premier Midwest Beverage
19716 L St
Omaha, NE 68135
W: (402) 891-1212
C: (402) 750-9379
dtims@premierbeverage.net

Adam Kosmicki At Large

Nordland International/American Beer Equipment
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Lincoln, NE 68516
W: (402) 441-4780
C: (402) 560-2314
adamk@americanbeerequipment.com

Annette Wiles At Large

Midwest Hop Producers, LLC
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Plattsmouth, NE 68048
W: (402) 296-0633
C: (402) 740-3995
awiles@wilesdevelopment.com

Mark Jagels At Large

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Davenport, NE 68335
W: (402) 364-2428
C: (402) 469-3373
jagelsfarms@gmail.com

Karen Kollars Ex-Officio
Nebraska Tourism Commission
PO Box 1006
Kearney, NE 68848
W: (308) 249-3220
karen.kollars@nebraska.gov

Casey Foster Ex-Officio
Nebraska Department of Agriculture
PO Box 94947
Lincoln, NE 68509
W: (402) 471-4876
C: (402) 326-0364
casey.foster@nebraska.gov

All board member terms expire on July 6, 2019.

VISION, MISSION GOALS AND OBJECTIVES

Nebraska Craft Brewery Board

Vision: Grow the agricultural diversity and economic development impact of the Nebraska brewing industry.

Mission: Work in collaboration towards a profitable, sustainable future that advances the interests of Nebraska's growers, brewers, distributors, retailers and allied trade. Promote and market "Grow Local, Brew Local, Buy Local." Support advocacy, business development, education and research that will enhance the economic condition of the agriculture and brewery industry in the state of Nebraska.

Goal	Objective	Action Steps
Organizational Development of Nebraska Craft Brewery Board	<p>Develop a strategic plan</p> <p>Organize, set NCBB goals and priorities for the next three years and establish time frames to for accomplishment</p> <p>Develop/implement action plan to establish/refine processes and procedures, public awareness and accomplishments that support and are consistent with strategic goals</p> <p>Identify duties and responsibilities of the NCBB</p> <p>Provide report and update of activities and accomplishments</p>	<ul style="list-style-type: none"> • Establish vision, mission and board goals • Establish objectives, action steps and prioritize • Identify metrics to measure success of the goals • Track projects, tasks, timelines, etc. • Create NCBB logo, brand and messaging • Market and promote the beer industry in Nebraska • Market and promote agricultural products and their byproducts grown and produced in Nebraska for use in the beer industry • Develop and maintain programs for the research and advancement of the beer brewing process. • Fund programs and experts in the field of beer brewing and business development • Create public benefit through the development of new job opportunities in Nebraska beer Industry • Establish a public forum for manufacturer or producer to discuss board policies and procedures • Keep minutes, books and records • Authorize/approve expenditure of funds collected • Serve as advisory panel to Nebraska Liquor Control Commission • Adopt and promote rules and regulations

Goal	Objective	Action Steps
Maintain and Enhance Financial Viability and Revenue of the Craft Brewery Board	<p>Develop financial plan</p> <p>Review and approve the fiscal reports</p> <p>Increase awareness; buy-in 100% of brewers</p> <p>75% of the funds granted/25% reserved</p> <p>Explore other funding sources</p>	<ul style="list-style-type: none"> • Publish an annual report on or before January 1 • Collect/compile reports for board-funded projects • Explore additional funding sources; and identify matching funds (i.e. grants; Hop Association, CBA, Distributors) • Analyze other state-based organizations/non-profit membership associations
Market and promote the beer industry in Nebraska.	<p>Stimulate local economy development and tourism by highlighting Brewers and industry</p>	<ul style="list-style-type: none"> • Develop Brewer Tourism strategy • Identify current brewers/growers, in clustered tourism areas • Explore existing marketing tools available • Develop and maintain website • Develop brand recognition for Nebraska beer • Create promotional materials, brochures, displays • Coordinated marketing and advertising campaigns that promote and highlight Nebraska craft brewer's talent and locally sourcing efforts • Advertise at tradeshow/festivals/brewery tours
Market, promote and diversify agricultural products and their byproducts grown and produced in Nebraska for use in the beer industry.	<p>Stimulate local economy development and tourism by highlighting Growers and industry</p> <p>Explore USDA tourism/value added agriculture grants</p>	<ul style="list-style-type: none"> • Develop grower tourism strategy • Identify current brewers/growers, in clustered tourism areas • Explore existing marketing tools available (NDA, SARE, partner with UNL) • Develop/maintain website; FAQ's for growers • Develop brand recognition for Nebraska growers • Create promotional materials, brochures, displays

Goal	Objective	Action Steps
	<p>Look into export opportunities</p> <p>Growers</p> <ul style="list-style-type: none"> • Yeast • Barley • Wheat • Hops • Honey • Fruit 	<ul style="list-style-type: none"> • Coordinated marketing and advertising campaigns that promote and highlight Nebraska craft brewer's talent and locally sourcing efforts • Advertise at tradeshow/festivals/harvest tours
Develop and maintain programs for the research and advancement of the beer brewing process.	<p>Improve quality, efficiency and profits through education and collaboration</p> <p>Fund research projects – share research with public</p> <p>Support Nebraska Brewer and Grower Conferences and Trade Shows</p>	<ul style="list-style-type: none"> • Support production research projects that build support and knowledge for brewing beer (i.e. workshops, classes, certification, etc.) • Research yeast development • Research hop variety development conducive to midwest growing region
Identify experts in the field of beer brewing and business development.	<p>Maintain and increase partnerships in the Industry. Build deeper insight and knowledge about supply chain</p> <p>Understand how each link affects the other</p> <ul style="list-style-type: none"> • Breeding Programs/Growers/Processing • Distribution • Breweries • Feedback/Forecasting • Sales/Supply Management • Plan/procurement 	<ul style="list-style-type: none"> • Define industry needs/develop cost effective strategies to improve value/benefits to all members • Develop FAQ/Brochure for brewers and growers (entering the business, equipment needs, what to avoid, challenges, requirements, NLCC) • Identify mentors in the Nebraska and Midwest industry • Engage with UNL/Extension, NHGA, NCBG, NDA and other entities/ organizations that impact Nebraska beer industry

Goal	Objective	Action Steps
Create public benefit through the development of new job opportunities in Nebraska beer industry	Job Creation: <ul style="list-style-type: none"> • Brewery production • Taproom/ restaurants • Distribution • Agriculture production • Processing production • Allied trade • Retailers 	

REQUEST FOR PROPOSALS



NEBRASKA

CRAFT BREWERY BOARD

PRESS RELEASE

January 13, 2019
FOR IMMEDIATE RELEASE

Contact: Zac Triemert
402-213-5903

CRAFT BREWERY BOARD SEEKS GRANT PROPOSALS BY APRIL 30 DEADLINE

LINCOLN – Do you have ideas to help grow Nebraska's craft brewery industry? Every year the Nebraska Craft Brewery Board awards grants to fund research, development and marketing projects related to the state's hop and craft brewery industry.

This year, the Board has approximately \$147,000 available for innovative projects from growers, industry organizations, state and local agencies, educational groups and other eligible stakeholders. The deadline to submit proposals is April 30.

"Craft breweries and craft beers are becoming more and more popular in the state," said Nebraska Craft Brewery Board Chair Zac Triemert. "People want to try new and unique beers while supporting local breweries and the industry at the same time."

In 2017, the United States had more than 6,200 breweries, according to the national Brewers Association based in Colorado. Ten years ago before that, the U.S. had only 1,500 breweries.

In Nebraska, craft breweries are defined as small, independent breweries producing less than 20,000 barrels of beer per year. Currently there are approximately 50 licensed breweries in the state with more in the planning stages. The demand for small-batch brews is driving the hop and craft brewery industry and helping producers expand operations.

The Nebraska Craft Brewery Board consists of seven members appointed by the Governor. The Board represents different aspects of the craft beer industry including brewers, manufacturers, distributors, consumers and farmers growing wheat and hops.

"These grants are available to increase agriculture diversity in Nebraska and to keep the state's hop and craft brewery industry competitive," said Triemert. "Local craft beers and breweries make drinking beer more of an experience, so even with the current interest and success of Nebraska's hop and craft beer industry, there's room to grow."

Those interested in receiving grant funds must submit a detailed proposal for review and approval by the Nebraska Craft Brewery Board. Applications are available online at <https://tinyurl.com/NCBB2019>.

Project proposals are for fiscal year July 1, 2019–June 30, 2020. All approved projects must be completed by June 30, 2020. Instructions for submitting proposals, performance measures and program guidelines are available online at <https://tinyurl.com/NCBB2019rfp>. Proposals must clearly explain how the funds will be used and how they will enhance the competitiveness of Nebraska's craft beer industry. For more information, contact Casey Foster at (402) 471-4876, or by email at: casey.foster@nebraska.gov.

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**Nebraska Craft Brewery Board
Request for Proposal Application Instructions
2019 - 2020 Fiscal Year**

Applications Due by U.S. Mail: **April 30, 2019**

Applications must be postmarked on or before the above date.

Submit applications by U.S. mail to:
Casey Foster
Nebraska Department of Agriculture
P.O. Box 94947
Lincoln, NE 68516

Applications must be postmarked or sent electronically by **April 30, 2019** to casey.foster@nebraska.gov

The fillable version of this application can be found online at <https://tinyurl.com/NCBB2019>

Questions regarding this grant should be directed to Casey Foster at casey.foster@nebraska.gov or (800)422-6692.

Introduction

The Nebraska Craft Brewery Board was created to (a) establish a public forum to provide any manufacturer of beer or producer of agricultural products used in the brewing process the opportunity, at least once annually, to discuss with the board its policies 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 expenditure of funds collected pursuant to §§53-504; (d) serve as an advisory panel to the Nebraska Liquor Control Commission in all matters pertaining to the beer industry; and (e) adopt and promulgate rules and regulations to carry out §§53-501 to 53-505 of the Nebraska Craft Brewery Board Statute.

The board's revenue originates from fees received from shipping licenses issued to beer manufacturers, gifts, grants, bequests, and any money appropriated by the Legislature. In addition to the annual license fee, each holder of a craft brewery license shall pay an annual fee in the amount of two hundred fifty dollars to the Nebraska Liquor Control Commission or shall opt out of paying the additional fee on forms provided by the Liquor Control Commission. The Nebraska Craft Brewery Board has the power to utilize their revenue to fund projects that are designed to improve and promote Nebraska's craft brewery industry. The board is seeking to fund proposals that will aid in the betterment of this industry.

Interested parties wishing to receive funds must submit a detailed proposal for review and approval by the Nebraska Craft Brewery Board. Proposals must clearly explain how the money will be used and how it will enhance the competitiveness of Nebraska's craft beer industry. This RFP is for the next fiscal year, July 1, 2019 – June 30, 2020. All projects approved must be completed by the end of the next fiscal year.

The board has developed this grant proposal process to provide all interested parties an opportunity to access these funds. The board's goal is to fund meaningful projects that will develop and maintain programs for the research and advancement of the beer brewing process, the marketing and promotion of the beer industry in Nebraska, and the marketing and promotion of agricultural products and their byproducts grown and produced in Nebraska for use in the beer industry.

Funding Cap

The maximum grant award will be \$50,000. The board reserves the right to consider larger requests for projects with exceptional merit.

Grant Eligibility

Proposals should be initiated by individual growers, organizations, industry groups or academic institutions, or should involve collaboration or partnerships between producers, industry groups, academics, or other organizations. **Projects must benefit the entire craft brewery industry and not a particular business venture.** Applicants may cooperate with any public or private organization involving agricultural development, research, and/or marketing to enhance Nebraska's craft brewery industry. If two or more individuals or organizations propose a joint project, they may submit one application as co-applicants. Applicants proposing joint projects are not required to form a legal entity but must show in their application how the project potentially impacts and produces measurable outcomes for the beer or producer of agricultural products used in brewing and/or the public. **All outcomes and records, resulting from a**

funded project, must be available for examination upon request by members of the public.

Examples of enhancing the competitiveness of Nebraska's craft brewery industry include but are not limited to: research, promotion, marketing, nutrition, trade enhancement, food safety, food security, education, increased consumption, increased innovation, environmental and conservation concerns, improved efficiency and reduced costs of distribution systems, product development, and developing cooperatives.

Program Policies

The Nebraska Craft Brewery Board reserves the right to:

- Reject any or all proposals received;
- Request additional information on project proposals;
- Recommend partial funding for a proposal that may be less than the full amount requested in the grant application;
- Tie the release of project funds to completion of necessary, timely progress reports.

Funding Allocation

Projects funded during this next fiscal year will be valid upon the respective party's signature to an agreement with the Nebraska Department of Agriculture and the party incurring an obligation of funds for the project on or after July 1, 2019, and prior to June 30, 2020. Invoices shall be presented to the Department of Agriculture from which payment shall be made. A final report of the project will be provided to the Board and the Department of Agriculture. There will be no funding match requirement of applicants, although priority may be given to those projects that show in-kind and additional cash commitment to supplement the funding request. **Please note that funding for projects are subject to legislative appropriations and funding being available.**

Proposals will NOT fund the following expenses:

- Paying off existing debt;
- Purchase of equipment, land, or buildings;
- Business entertainment or business gifts; and
- Lobbying or political efforts.

Grant Proposal Review and Selection

Grant applications will be reviewed and decided upon by the Nebraska Craft Brewery Board with input from related entities. The Nebraska Craft Brewery Board will make the final decision.

Questions and Scoring Criteria

There will be 100 points possible, which is outlined below.

A. Cover Page

1. Name of organization applying.
2. Name of applicant whose name should be used on all correspondence. Include contact information (address, phone, and e-mail) for one individual. This person should also be the one who will appear on a grant agreement and who will be responsible for tracking and accounting for project funds and ensuring the completion of the project.

B. Project Title

Provide a descriptive project title in 15 words or less.

C. Abstract of Proposed Project

1. Abstract of 200 words or less for the proposed project.
2. Listing of all other individuals, entities, organizations, or businesses involved with the project.

D. Area of Focus

Select the most appropriate area of focus for the proposed project.

- ☐ Research and Development
- ☐ Education
- ☐ Promotion

E. Length of Project

All projects will begin no earlier than July 1, 2019, and end no later than June 30, 2020. There is no penalty if projects end prior to June 2020.

F. Project Purpose (5 points)

In one or two paragraphs, clearly state the specific issue, problem, interest, or need to be addressed. Explain why your project is important and timely. Indicate the amount of time needed to complete the project. The project must benefit the entire craft brewery industry in general and not a particular business venture.

G. Goals (5 points)

Describe the overall goal(s) of the project in one or two sentences.

H. Potential Impact (10 points)

In one page or less, discuss the number of people or operations affected, the intended beneficiaries of the project, and/or potential economic impact, if data from the project are available.

I. Work Plan (45 points)

On three pages or less, describe your proposal and its expected benefit to the Nebraska craft brewery industry. Explain how each goal and measurable outcome will be accomplished. The measurable outcomes must list the elements that will be monitored or evaluated, by whom, how often and for how long? Expected measurable outcomes may be long term and exceed the grant period. If so, provide a timeframe when long term outcome measures will be achieved.

The major considerations here are:

- *Does the project benefit the entire craft brewery industry and not a particular business venture?*
- *Can project benefits be measured, reported, and tracked over time?*
- *Does the project provide an overall economic benefit to Nebraska's craft brewery industry?*
- *Does the project make good business sense, and does it have a high likelihood of success?*
- *Are the expected benefits of the proposal commensurate with total investment?*

Other considerations will be given to:

- *Does the project contribute to a positive image of Nebraska craft brewery products?*
- *Does the project provide educational benefits to the public about Nebraska craft brewery products?*

J. Project Commitment (10 points)

On one page or less, describe the partnerships, alliances, networks, or other collaborative efforts that will be created to implement this project. List all parties involved and describe what each contributes in skills and abilities to make this proposal succeed and work toward the goals and outcomes, as well as the commitments for each party (in-kind, monetary, labor, etc.).

Major consideration will be given to whether:

- *The project involves collaboration and enables the craft brewery industry to achieve collective results that benefits the entire industry, not a particular business venture;*
- *The applicant demonstrates commitment by way of in-kind time, resources, or other means.*

K. Financial Feasibility (25 points)

This question requires a standard budget outline. How do you intend to use the grant funds? Provide a breakdown of the components of the proposal and where the grant funds fit into the overall project financing. Prioritize funding needs, if possible. Provide budget estimates for the total project cost. List the amount of funds to use for the

project. This information will provide assurance that you will have sufficient resources to meet project goals.

Major consideration will be given to whether:

- *The project makes good business sense according to the proposed expenses and activities noted in the budget;*
- *The budget supports the anticipated benefits and whether the benefits are commensurate with the total project financing;*
- *The project coordinating entity has a process in place to track and account for grant fund expenditures;*
- *Budget line item expenses could include costs associated with personnel, travel, equipment, supplies, and/or contracted work; and*
- *Accounting and project records can be readily retrieved and reported.*

Budget Example

Type	Nebraska Craft Brewery Board Funds	Applicant Contributions (In-Kind or Cash)	Total	Purpose
Personnel	\$1,000	\$500	\$1,500	75 hours @ \$20 per hour by John Doe
Travel	\$290	\$0	\$290	200 miles @ \$0.54/mile and 7 days at \$26/day for meals
Supplies	\$700	\$0	\$700	Trellis supplies, chemicals, and hop plants needed for research plot
Consultant	\$2,000	\$1,000	\$3,000	XYZ Laboratories for analysis
Other	\$400	\$0	\$400	Cost of publishing the results of the project
Total	\$4,390	\$1,500	\$5,890	

I. Signed Agreements Page

Agreement:

I/we the undersigned applicants hereby make an application for Nebraska Craft Brewery Board funds, under the terms and conditions of the Nebraska Department of Agriculture, as requested above. We hereby warrant to the Nebraska Craft Brewery Board that, to the best of my/our knowledge, all information presented in this grant application is factual and true. I/we understand that if this proposal is funded, I/we will be required to sign a grant agreement and other necessary documentation containing terms and conditions upon which funds will be released. I/we understand that I/we will be required to submit a final report at the completion of the project as a condition to receiving grant funds.

Name of Applicant: _____

Title: _____

Signed: _____

Date: _____

MEETING MINUTES

Nebraska Craft Brewery Board
Nebraska Department of Agriculture
301 Centennial Mall South
Lincoln, NE 68508
December 11th 2018
12:00 p.m. – 4:00 p.m.

MEETING MINUTES

- I. Call to Order Zac Triemert
 - a. Board Members Present:
Zac Triemert, Nate Bell, Adam Kosmicki, Annette Wiles (remotely), and David Tims

Ex-Officio Members Present:
Casey Foster (Nebraska Department of Agriculture) and Karen Kollars (Nebraska Tourism Commission)
 - b. Public notices
 - i. Star Herald 11/29/18, Beatrice Daily Sun 11/29/2018, Norfolk Daily News 11/29/18, North Platte Telegraph 12/1/18
- II. Minutes
 - a. Approved May 10, 2018 minutes – Annette and seconded by Dave Tims
 - b. Roll call Vote Motion carried.
- III. Grant Reviews
 - i. Gabby from Craft Brewers Guild Update
 - a) A lot of Events and raising enthusiast members
 - b) Husker Harvest Days tent to raise money
 - c) Had a Booth at GABF for the first time, good exposure
 - d) Beer garden at Lincoln Calling to promote and raise money
 - e) Harvest Ale festival to bring awareness and raise money
 - f) Nebraska Tourism Conference booth
 - g) Membership 46 brewery members, 110 Enthusiast members, 41 industry members and 10 retail members
 - h) Increase in revenues
 - ii. Other grant reviews are attached
- IV. Discussed maybe switching to a staggering of the board terms and what we would have to do to accomplish this at the legislative level.
- V. Review 2017-2018 Fiscal Report Ending June 30th, 2018
 - a. Review
 - i. Revenues slightly down but project expenditures were down as well
 - b. Roll Call Vote - unanimous
 - c. Motion to approve Adam, second Zac
- VI. Motion to approve Annual Report – Zac, Dave

- a. Unanimous roll call vote
- VII. Discussion to have a board services contractor
 - a. Doesn't appear to be a need for that individual at this time
- VIII. Review November 2018 Financials
 - a. Review
 - i. Possibly change of in income because of legislative changes
 - ii. Motion to approve Adam first and Annette second
 - b. Roll Call Vote - Unanimous
- IX. Website Update
 - a. Zac provided an update – multiple miscommunications but should be up and running in 2019
 - b. Please send in bio and pictures to Zac
- X. RFP process
 - a. Casey discussed sending out the request and the steps that we did last year.
 - b. Discussed getting a few minutes at the conference to discuss what we are doing.
 - c. Motion to approve the process and set dates – RFP in January available and the deadline to submit April 30th. Zac, and Nate Second – Unanimous roll call
- XI. Next Meeting
 - a. May 9th, 2019 11am-4pm
- XII. Adjourn
 - a. Motion – Zac and Nate

USDA-ARS Corvallis Experimental Hop Agronomic & Brewing Trials

We received propagated materials of the 4 experimental hop lines in August and September (USDA 2000009-032, 2000009-033, 2000010-008, and 2006009-074) according to the agreement between the Hop Research Council and the University of Nebraska-Lincoln. Shoots were immediately divided and potted, and placed in favorable greenhouse conditions. In late September, we were able to get 30 plants of two lines planted in the ground at Midwest Hop Producers. Remaining plants are currently growing in the greenhouse at Midwest Hop Producers in preparation for spring 2019 planting.

Determination of Regionally Appropriate Pruning and Training Practices for Improved Hop Production in the Midwest

This research of this project is now complete, and I (Katie) will be presenting data from the 1st year of this study during the fast fire research presentations on January 14th of the 2019 Nebraska Grower and Brewer Conference. I have not finished analyzing the data, but initial results have yielded some interesting findings between the two hop varieties in this study. Heat and other weather factors played a critical role, and I am encouraging a graduate student at the University to continue this project for another 2 years.

I will send the conference presentation following the conference for any board members not present at the event.

Katie Kreuser
 Extension Educator
 Nebraska Extension in Cass County

Metro District
8400 144th Street, Suite 100
Weeping Water, NE 68463-1932
O: (402) 267-2205
@NebExtKatie

Barley to Barrel

1. We have planted 2 different varieties of winter malting barley, and with much more favorable fall weather, we were able to get planted on time and see a good stand start. We are hopeful that the winter barley will have a better chance this time around.
2. We are in the process of signing up a number of growers to attend the growers and brewers conference, as we look to expand the impact of malt on the local industry.
3. I am registered to attend the Craft Maltster Training Course in Bozeman, Montana the last week of January. This is run by Aaron MacLeod from Hartwick College, who is a premier expert on malt creation in the USA.
4. I have begun to research and explore the application process for follow-on grant funds from other sources, including the USDA.

Zach Davy
Founder & Maltster
Missouri Valley Malt
movalleymalt.com

Targeted Breeding to Develop Midwest Adapted Hops

We are off to a good start. As planned we strung our male nursery this season facilitating more crossing work (larger plants = more pollen). Two undergraduate interns, Jacob Bish and Ben Harms, worked on the project over the summer and learned hop yard management and breeding strategies. Our goal was to make 100 crosses, producing 2,000 hybrids. The interns made 149 crosses and while only 36 of the crosses had seeds, we ended up with 3,258 seeds after cleaning. Jacob is graduating, and Ben is planning to stay on and help with our program breeding efforts. I have been able to leverage additional funds in addition to the funds provided by this project to hire a part time graduate student to manage all aspects of the project. Kristina Alas started November 1st and has cleaned the seeds and is now conditioning them to promote germination. Once the five-week conditioning step is complete, Kristina will oversee establishment and growing the seedlings in the greenhouse to support the marker work associated with the project.

Keenan L Amundsen
Assoc Professor
University of Nebraska–Lincoln
Agronomy & Horticulture
KEIM 134, UNL, 68583-0915
[402 472 8390](tel:4024728390)
kamundsen2@unl.edu
<http://turf.unl.edu/>
<http://agronomy.unl.edu/amundsen>

Nebraska Craft Brewery Board Meeting

Nebraska Department of Agriculture

301 Centennial Mall South

Lincoln, NE 68508

May 9, 2019

11:00 p.m. – 4:00 p.m.

MEETING MINUTES

- I. Call to Order Zac Triemert
 - a. Board Members Present
 - i. Zac Triemert, Nate Bell, Mark Jagels, David Tims
 - b. Ex-Officio Members Present
 - i. Casey Foster and Karen Kollars
 - c. Public Notices
 - i. Beatrice Daily Sun 11/29/18, Norfolk Daily News 11/29/18, Star-Herald 11/29/18, North Platte Telegraph 12/1/18
- II. Minutes from 12/11/2018 Nate Bell
 - a. Review
 - b. Roll call vote – Unanimous Vote
- III. Grant Proposal Presentations Grant Applicants
 - a. Yulie Meneses, PhD
 - i. Development of a natural, affordable, and sustainable, treatment system for reuse of craft brewery wastewater – asking for \$46,745
 - b. Dr. Changmou Xu
 - i. A craft brewery industry dilemma: Can 'Blended local public hop varieties' match a proprietary hops – asking \$32,846.00
 - c. Gabby – Nebraska Craft Brewers Guild
 - i. 2020 Nebraska and Growers Conference and Trade Show – asking \$11,000
 - d. Jim Englebart – Nebraska Craft Brewers Guild
 - i. Executive Director 2019-2020 Salary - \$25,000
 - e. Analytical Tests for Brewing Traits amount hop breeding lines
 - i. Keenan Amundsen - \$6,640.00
 - f. 2020 Annual Nebraska Agri/Eco Tourism Workshop
 - i. Karen Kollars - \$7,000
 - g. Booth and Marketing Materials
 - i. Gabby Ayala - \$5,000
- IV. Discuss Grant Proposals Board Members
 - a. Review
 - i. Discussed maybe opening it up for more applications
 - a) Zac and others will be reaching out to look for more applicants.
 - ii. Discussion was made that Brewery wastewater study didn't impact the state brewers or the industry enough to fund.
 - b. Motion to not fund on wastewater project and fund the remaining projects fully.
 - i. Mark made the motion, Annette seconded
 - c. Roll call vote - Unanimous
- V. Discuss current financial statement Board Members
 - a. Review
 - i. Motion to approve Annette, 2nd by Mark Jagels
 - b. Roll call vote - Unanimous
 - c. Motion to move \$91,000 Unobligated funds Nate Bell 2nd Zac
 - i. Unanimous roll call

- VI. Website Update Casey Foster/Zac Triemert
 - a. Wordpress is not supported by the state systems
 - i. Casey is trying to find people to find solutions
- VII. Next Meeting Board Members
 - a. 8/5/2019 – 1pm to review grant proposals
- VIII. Adjourn Board Members
 - a. Zac moved to adjourn
 - b. Annette

Grant Proposal Title	Applicant	Project Description	Amount Requested	Approved for Funding
A Craft Brewery Industry Dilemma: Can Blended Local Public Hop Varieties Match a Proprietary Hop?	University of Nebraska - Lincoln	Simulate the aroma profile of 3 Pacific Northwest proprietary aroma hops by blending locally grown public variety hops of the aroma/duel varieties.	\$32,846.00	Yes
Executive Director Salary 2019-2020	Nebraska Craft Brewers Guild	Fund the salary of the NCBG's Executive Director to lead, coordinate and facilitate growth of its member breweries, supporters and enthusiasts.	\$25,000.00	Yes
2020 Nebraska Grower and Brewer Conference & Trade Show	Nebraska Craft Brewers Guild	Provide pertinent educational information to regional hop growers and craft brewers, provide a platform for participants to build industry connections and relationships, and provide the resources, skills, and tools for participants to contribute to the Nebraska hop growing and craft beer industries.	\$11,000.00	Yes
Development of a Natural, Affordable and Sustainable Treatment System for Reuse of Craft Brewery Wastewater	University of Nebraska - Lincoln	Develop a single unit low-cost, green system (vermifiltration) for the treatment of craft brewery wastewaters in Nebraska for its further reuse in other activities requiring lower quality water.	\$46,745.00	No
Analytical Tests for Brewing Traits Among Hop Breeding Lines	University of Nebraska - Lincoln	Develop regionally adapted hops that can be economically produced and are desirable by local craft brewers	\$6,640.00	Yes
2020 Annual Nebraska Agri/Eco Tourism Workshop	Nebraska Tourism Commission	The Agri/Eco Tourism Workshop offers ideas and ways for landowners to tap into the tourism industry. The location of the 2020 Workshop lends itself nicely to offer workshop attendees an opportunity to see what it takes to get started in growing hops, making craft beers and learning creative ways to market and partner with tourism. An educational bus tour to hop farm(s) and possibly a brewery could be included with the workshop.	\$7,000.00	Yes
Booth & Marketing Materials	Nebraska Craft Brewers Guild	Create engaging booth displays, handouts and informational pieces to market the Nebraska Craft Brewing Industry at in-state and national events, conferences and other opportunities.	\$5,000.00	Yes

2018 – 2019 FISCAL REPORT

NEBRASKA BEER INDUSTRY PROMOTION FUND
JULY 1, 2018 - JUNE 30, 2019

DESCRIPTION	FY2018-19 BUDGET	JUNE 2019	FY2018-19 YR-TO-DATE
BEGINNING CASH BALANCE	\$ 137,845	\$ 164,555.99	\$ 137,845.39
REVENUE:			
Brewery Fees	\$ 4,750	\$ 0.00	\$ 4,750.00
Shipper License Fees	104,000	2,000.00	120,000.00
Other Revenue	0	0.00	0.00
Investment Interest	100	361.49	2,562.47
Total Revenue	\$ 108,850	\$ 2,361.49	\$ 127,312.47
TOTAL AVAILABLE CASH	\$ 246,695	\$ 166,917.48	\$ 265,157.86
EXPENDITURES:			
Administrative			
Printing (Annual Report)	\$ 500	\$ 0.00	\$ 136.87
Board Meeting Notices	300	0.00	95.90
Board Expenses	3,000	0.00	1,067.50
	\$ 3,800	0.00	1,300.27
Promotion			
NCBG Exec. Dir. Mgmt Expenses	\$ 25,000	3,385.33	32,551.93
	\$ 25,000	3,385.33	32,551.93
Education			
2018-19 Economic Impact Study	\$ 6,400	0.00	0.00
Improved Hop Prod. in the Midwest	5,224	0.00	2,327.83
Nebraska Hop Growers Association	0	0.00	4,409.34
	\$ 11,624	0.00	6,737.17
Research			
Breeding to Develop Midwest Adapted Hops	12,250	4,665.96	8,817.64
Barley to Barrel	49,974	1,813.19	56,549.52
Nebraska Brewing Testing Lab	0	0.00	7,039.28
Hop Fractions in Brewing	0	0.00	15,437.18
USDA-ARS Corvallis Exp Hop Trials	10,816	0.00	11,352.01
Downy Mildew in Hops	0	0.00	116.27
	\$ 73,040	6,479.15	99,311.90
Unobligated Expenditures	\$ 30,000	0.00	0.00
Total Expenditures	\$ 143,464	9,864.48	139,901.27
Adjustment to Fund Balance	0	(3,374.41)	28,422.00
ENDNIG CASH BALANCE	\$ 103,231	153,678.59	153,678.59

The ending cash balance is 100% invested in the short-term investment pool.
Percent of Fiscal Year Elapsed: 100%
FY17-18 Revenue to Date: \$115,450.54
FY 17-18 Expenditures to Date: \$97,562.60

STATUTES

NEBRASKA CRAFT BREWERY BOARD

Administration: These statutes create the Nebraska Craft Brewery Board. The Board is given certain duties under these statutes. For administrative purposes, a fund is located in the Nebraska Department of Agriculture. The Department of Agriculture, at the direction of and in cooperation with the Nebraska Craft Brewery Board, shall use the Nebraska Beer Industry Promotional Fund to develop and maintain programs for the research and advancement of the beer brewing process, the marketing and promotion of the beer industry in Nebraska, and the marketing and promotion of agricultural products and their byproducts grown and produced in Nebraska for use in the beer industry. See also section 53-504 and sections 53-123.15 and 53-124.01 for information about statutes that provide money for the fund.

Adoption: The provisions of these statutes were initiated during the 2016 session of the Nebraska Legislature. This reproduction was prepared following that session.

Rules: The Board is given authority to adopt and promulgate regulations.

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<u>Section</u>	<u>Subject</u>
53-501	Nebraska Craft Brewery Board; created
53-502	Board; officers; terms; expenses
53-503	Board; powers and duties
53-504	Payments required; Nebraska Beer Industry Promotional Fund; created; use; investment
53-505	Board; annual report

53-501. Nebraska Craft Brewer Board; created. The Nebraska Craft Brewery Board is created. 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 the manufacture or the wholesale or retail sale of beer in this state or engaged or previously engaged in the production in this state of agricultural products that are utilized in the brewing process. The board shall consist of seven members to be appointed by the Governor on a nonpartisan basis. At least two board members shall be selected by the Governor from a list of no fewer than ten candidates submitted by the Nebraska Craft Brewers Guild or its successor organization. In addition, at least two board members shall be selected by the Governor from a list of no fewer than ten candidates submitted by the Associated Beverage Distributors of Nebraska or its successor organization. The Director of Agriculture or his or her designee and the executive director of the Nebraska Tourism Commission or his or her designee shall be nonvoting, ex officio members of the board.

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.

53-502. Board; officers; terms; expenses.

(1) Within thirty days after the appointment of the initial members of the Nebraska Craft Brewery 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 member shall serve for a term of three years, except that at the expiration of the terms of the members in 2022, the Governor shall appoint two members for a term of one year, two members for a term of two years, and three 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 members of the board shall be reimbursed for their actual and necessary expenses incurred while engaged in the performance of official responsibilities as members of such board pursuant to sections 81-1174 to 81-1177.2 3

(4) A member may be removed by the Governor for cause. The member shall first be given a written copy of the charges against him or her and also an opportunity to be heard publicly. If a member moves out of Nebraska, that shall be deemed sufficient cause for removal from office.

53-503. Board; powers and duties. The Nebraska Craft Brewery Board has the following powers and duties:

(1) Establish a public forum to provide any manufacturer of beer or producer of agricultural products used in the brewing process the opportunity, at least once annually, to discuss with the board its policies and procedures;

(2) 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) Authorize and approve the expenditure of funds collected pursuant to section 4 of this act;

(4) Serve as an advisory panel to the Nebraska Liquor Control Commission in all matters pertaining to the beer industry; and

(5) Adopt and promulgate rules and regulations to carry out sections 1 to 5 of this act.

53-504. Payments required; Nebraska Beer Industry Promotional Fund; created; use; investment.

(1) The Nebraska Beer Industry Promotional Fund is created. The fund shall consist of money credited pursuant to this section, fees received from shipping licenses issued to beer manufacturers pursuant to subsection (2) of section 53-123.15, gifts, grants, bequests, and any money appropriated by the Legislature. For administrative purposes, the fund shall be located in the Department of Agriculture.

(2) Beginning July 1, 2016, in addition to the annual license fee imposed by section 53-124.01, each holder of a craft brewery license shall pay an annual fee in the amount of two hundred fifty dollars to the Nebraska Liquor Control Commission or shall opt out of paying the additional fee on forms provided by the commission. Fees collected pursuant to this subsection shall be remitted to the State Treasurer for credit to the Nebraska Beer Industry Promotional Fund.

(3) The Department of Agriculture, at the direction of and in cooperation with the Nebraska Craft Brewery Board, shall use the Nebraska Beer Industry Promotional Fund to develop and maintain programs for the research and advancement of the beer brewing process, the marketing and promotion of the beer industry in Nebraska, and the marketing and promotion of agricultural products and their byproducts grown and produced in Nebraska for use in the beer industry. Such expenditures may include, but are not limited to, all necessary funding for the employment of experts in the field of beer brewing and business development, as deemed necessary by the board, and programs to carry out the purposes of this subsection. None of the money credited to the Nebraska Beer Industry Promotional Fund may be used for lobbying purposes.

(4) Money in the Nebraska Beer Industry Promotional Fund not expended during any fiscal year may be re-appropriated for the ensuing biennium. 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.

53-505. Board; annual report.

(1) The Nebraska Craft Brewery Board shall publish an annual report on or before January 1 of each year which shall set forth in detail the following:

(a) The name and address of each board member and a copy of all rules and regulations adopted and promulgated by the board; and

(b) A detailed explanation of all programs for which the board approved funding during the most recently completed fiscal year pursuant to section 4 of this act.

(2) Each annual report shall be presented electronically 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.

