

IN THE SENATE

SENATE BILL NO. 1177

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO ALCOHOLIC BEVERAGES; AMENDING SECTION 23-1031, IDAHO CODE, TO
2 REVISE PROVISIONS REGARDING ELECTRONIC FUNDS TRANSFERS FOR THE PAYMENT
3 OF BEER BY A LICENSED RETAILER; AND AMENDING SECTION 23-1326, IDAHO
4 CODE, TO REVISE PROVISIONS REGARDING ELECTRONIC FUNDS TRANSFERS FOR THE
5 PAYMENT OF WINE BY A LICENSED RETAILER AND TO MAKE A TECHNICAL CORREC-
6 TION.
7

8 Be It Enacted by the Legislature of the State of Idaho:

9 SECTION 1. That Section 23-1031, Idaho Code, be, and the same is hereby
10 amended to read as follows:

11 23-1031. EXTENSION OF CREDIT. (1) No sale or delivery of beer shall be
12 made to any licensed retailer, except for cash paid at the time of or prior
13 to delivery thereof, or except as provided by electronic funds transfer in
14 accordance with subsection (3) of this section, and in no event shall any
15 brewer, wholesaler or dealer licensed in the state and engaged in the sale
16 of beer for resale extend any credit on account of such beer to a licensed re-
17 tailer, nor shall any licensed retailer accept or receive delivery of such
18 beer except when payment therefor is made in cash at the time of or prior to
19 delivery thereof, or by electronic funds transfer in accordance with subsec-
20 tion (3) of this section.

21 (2) The acceptance of a first party check from a licensed retailer by a
22 brewer, wholesaler or dealer licensed in the state and engaged in the sale of
23 beer for resale, or the use of ~~electronic funds transfer~~ or a debit card by a
24 licensed retailer, shall not be deemed an extension or acceptance of credit
25 hereunder pursuant to this section.

26 (3) The acceptance and use of an electronic funds transfer shall not be
27 deemed an extension or acceptance of credit pursuant to this section, pro-
28 vided such transfer is initiated no later than the first business day follow-
29 ing delivery and is completed as promptly as is reasonably practical, and in
30 no event later than five (5) business days following delivery of such beer.
31 Any attempt by a licensed retailer to delay payment of an electronic funds
32 transfer pursuant to this section for any period of time beyond the time set
33 forth in this subsection, shall be deemed an acceptance of credit by the li-
34 icensed retailer.

35 (4) Any extension or acceptance of credit in violation hereof shall
36 constitute the giving and receiving of aid or assistance to or by a licensed
37 retailer prohibited by the provisions of section 23-1033, Idaho Code.

38 SECTION 2. That Section 23-1326, Idaho Code, be, and the same is hereby
39 amended to read as follows:

1 23-1326. CREDIT SALES TO RETAILERS PROHIBITED. (1) No sale or delivery
2 of wine shall be made to any retailer, except for cash paid at the time of or
3 prior to delivery thereof, or except as provided by electronic funds trans-
4 fer in accordance with subsection (3) of this section, and in no event shall
5 any distributor extend any credit on account of such wine to a retailer, nor
6 shall any retailer accept or receive delivery of such wine except when pay-
7 ment therefor is made in cash at the time of or prior to delivery thereof, or
8 by electronic funds transfer in accordance with subsection (3) of this sec-
9 tion.

10 (2) The acceptance of a first party check from a retailer by a distribu-
11 tor, or the use of ~~electronic funds transfer~~ or a debit card by a licensed re-
12 tailer, shall not be deemed an extension of or acceptance of credit hereunder
13 pursuant to this section.

14 (3) The acceptance and use of an electronic funds transfer shall not be
15 deemed an extension or acceptance of credit pursuant to this section, pro-
16 vided such transfer is initiated no later than the first business day follow-
17 ing delivery and is completed as promptly as is reasonably practical, and in
18 no event later than five (5) business days following delivery of such wine.
19 Any attempt by a licensed retailer to delay payment of an electronic funds
20 transfer pursuant to this section for any period of time beyond the time set
21 forth in this subsection, shall be deemed an acceptance of credit by the li-
22 censed retailer.

23 (4) Any extension or acceptance of credit in violation of the provi-
24 sions of this section shall constitute the giving and receiving of aid or as-
25 sistance to or by a licensed retailer prohibited by the provisions of section
26 23-1325, Idaho Code.