

IN THE SENATE

SENATE BILL NO. 1118, As Amended

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO FINANCIAL INTEREST IN A DEALER OR WHOLESALER OF BEER; AMEND-
2 ING CHAPTER 10, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION
3 23-1032, IDAHO CODE, TO PROVIDE THAT IT SHALL BE UNLAWFUL FOR A BREWER
4 TO HAVE FINANCIAL INTEREST IN THE BUSINESS OF A DEALER OR WHOLESALER OF
5 BEER AND TO PROVIDE A ONE YEAR EXEMPTION IN THE EVENT OF A TERMINATION,
6 CANCELLATION, DISCONTINUANCE OR FAILURE TO RENEW AN AGREEMENT.
7

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

9 SECTION 1. That Chapter 10, Title 23, Idaho Code, be, and the same is
10 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
11 ignated as Section 23-1032, Idaho Code, and to read as follows:

12 23-1032. FINANCIAL INTEREST IN DEALER OR WHOLESALER PROHIBITED. Ex-
13 cept as provided in section 23-1003(f), Idaho Code, it shall be unlawful for
14 any brewer, directly or indirectly, or through an affiliate, subsidiary,
15 officer, director, agent or employee to have any financial interest in any
16 licensed wholesaler's or dealer's business, or to own or control any real
17 property upon which a licensed dealer or wholesaler conducts business;
18 provided however, that in the event of a termination, cancellation, dis-
19 continuance or failure to renew an agreement in accordance with section
20 23-1105, Idaho Code, and in accordance with the provisions of chapter 11, ti-
21 tle 23, Idaho Code, a brewer may maintain a financial interest in a licensed
22 wholesaler's or dealer's business, or own or control any real property upon
23 which a licensed dealer or wholesaler conducts business, for a period not
24 exceeding one (1) year, after which period such brewer shall divest any
25 financial interest as provided for herein to an independent wholesaler or
26 dealer approved by the brewer. Further, during such one (1) year period, a
27 brewer may assist in the financing of the transfer from the previous dealer
28 or wholesaler to the succeeding dealer or wholesaler, but shall, after such
29 year, divest said brewer's interest.