

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 257

BY STATE AFFAIRS COMMITTEE

AN ACT

1
2 RELATING TO BEER AND WINE; AMENDING SECTION 23-1031, IDAHO CODE, TO REVISE
3 A PROVISION RELATING TO THE ACCEPTANCE AND USE OF AN ELECTRONIC FUNDS
4 TRANSFER; AND AMENDING SECTION 23-1326, IDAHO CODE, TO REVISE A PROVI-
5 SION RELATING TO THE ACCEPTANCE AND USE OF AN ELECTRONIC FUNDS TRANSFER.

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

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

9 23-1031. EXTENSION OF CREDIT. (1) No sale or delivery of beer shall be
10 made to any licensed retailer, except for cash paid at the time of or prior
11 to delivery thereof, or except as provided by electronic funds transfer in
12 accordance with subsection (3) of this section, and in no event shall any
13 brewer, wholesaler or dealer licensed in the state and engaged in the sale
14 of beer for resale extend any credit on account of such beer to a licensed re-
15 tailer, nor shall any licensed retailer accept or receive delivery of such
16 beer except when payment therefor is made in cash at the time of or prior to
17 delivery thereof, or by electronic funds transfer in accordance with subsec-
18 tion (3) of this section.

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

23 (3) The acceptance and use of an electronic funds transfer shall not be
24 deemed an extension or acceptance of credit pursuant to this section, pro-
25 vided such transfer is initiated and completed as promptly as is reasonably
26 practical, and in no event completed later than five (5) business days fol-
27 lowing delivery of such beer. Any attempt by a licensed retailer to delay
28 payment of an electronic funds transfer pursuant to this section for any pe-
29 riod of time beyond the time set forth in this subsection, shall be deemed an
30 acceptance of credit by the licensed retailer.

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

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

36 23-1326. CREDIT SALES TO RETAILERS PROHIBITED. (1) No sale or delivery
37 of wine shall be made to any retailer, except for cash paid at the time of or
38 prior to delivery thereof, or except as provided by electronic funds trans-
39 fer in accordance with subsection (3) of this section, and in no event shall
40 any distributor extend any credit on account of such wine to a retailer, nor

1 shall any retailer accept or receive delivery of such wine except when pay-
2 ment therefor is made in cash at the time of or prior to delivery thereof, or
3 by electronic funds transfer in accordance with subsection (3) of this sec-
4 tion.

5 (2) The acceptance of a first party check from a retailer by a distribu-
6 tor, or the use of a debit card by a licensed retailer, shall not be deemed an
7 extension of or acceptance of credit pursuant to this section.

8 (3) The acceptance and use of an electronic funds transfer shall not be
9 deemed an extension or acceptance of credit pursuant to this section, pro-
10 vided such transfer is initiated and completed as promptly as is reasonably
11 practical, and in no event completed later than five (5) business days fol-
12 lowing delivery of such wine. Any attempt by a licensed retailer to delay
13 payment of an electronic funds transfer pursuant to this section for any pe-
14 riod of time beyond the time set forth in this subsection, shall be deemed an
15 acceptance of credit by the licensed retailer.

16 (4) Any extension or acceptance of credit in violation of the provi-
17 sions of this section shall constitute the giving and receiving of aid or as-
18 sistance to or by a licensed retailer prohibited by the provisions of section
19 23-1325, Idaho Code.