

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 257

BY STATE AFFAIRS COMMITTEE

AN ACT

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

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

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

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

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

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

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

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

23-1326. CREDIT SALES TO RETAILERS PROHIBITED. (1) No sale or delivery
of wine shall be made to any retailer, except for cash paid at the time of or
prior to delivery thereof, or except as provided by electronic funds trans-
fer in accordance with subsection (3) of this section, and in no event shall
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.