

HOUSE No. 1286

By Mr. Hannon of Lee, petition of James E. Hannon for regulating the sale of malt beverages to certain licensees. Legal Affairs.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Fifty-Two.

AN ACT REGULATING THE SALE OF MALT BEVERAGES TO CERTAIN LICENSEES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 25 of chapter 138 of the Gen-
2 eral Laws is hereby amended by adding at the end the
3 following paragraph:—

4 No manufacturer or wholesaler licensed under this
5 chapter shall sell or offer to sell any malt beverages to
6 any licensee under section twelve, fifteen or thirty A
7 except for cash to be paid at the time of delivery or on
8 terms requiring payment by such licensee under sec-
9 tion twelve, fifteen or thirty A for such malt beverages
10 on or before the tenth day of the month following the
11 month in which actual delivery is made.

12 Each such manufacturer and wholesaler is hereby
13 required on or before the twelfth day of each month
14 to give written notice of default, by registered mail,
15 to all licensees under section twelve, fifteen or thirty A
16 who have failed to make payment to him on or before
17 the tenth day of such month for malt beverages sold

18 and delivered to such retail licensees during the pre-
19 vious month. Each such manufacturer and whole-
20 saler is hereby required to file with the commission on
21 or before the fifteenth day of each month, a written
22 list setting forth the names and addresses of all li-
23 censees under section twelve, fifteen or thirty A who
24 have purchased malt beverages from him and have failed
25 on or before the tenth day of such month to pay for
26 such malt beverages delivered during the previous
27 month, and each such manufacturer and wholesaler
28 shall also file with the commission copies of the notices
29 sent by him to such licensees as hereinabove required.
30 The commission, in its discretion, for good cause
31 shown may extend for a period not exceeding three
32 days the time given for written notice of default to
33 licensees under section twelve, fifteen or thirty A and
34 extend for three days the filing with the commission of
35 the written list of defaults and copies of notices sent to
36 licensees as heretofore required. The commission, shall,
37 as soon as practicable after the fifteenth day of each
38 month, compile, publish and furnish to each manufac-
39 turer and wholesaler licensed under this chapter, a list
40 to be designated "the delinquent list" of all retail li-
41 censees under section twelve, fifteen or thirty A whose
42 names and addresses have been reported by manufac-
43 turers and wholesalers as having failed to make pay-
44 ment as required by this section for malt beverages
45 sold and delivered to them, and no manufacturer or
46 wholesaler licensed under this chapter, after the re-
47 ceipt of the delinquent list, shall knowingly, wilfully
48 or intentionally sell any malt beverages to any retail
49 licensee whose name appears on such list, for cash or
50 otherwise, until such time as the name of such retail
51 licensee is removed from the delinquent list. The re-

52 ceipt of the delinquent list by a manufacturer or
53 wholesaler shall constitute knowledge of the names
54 of licensees under section twelve, fifteen or thirty A
55 who have failed to make payment for malt beverages
56 as required by this section. The failure of any manu-
57 facturer or wholesaler to comply with the foregoing
58 provisions of this section shall subject the license of
59 such manufacturer or wholesaler to suspension by the
60 commission of not more than five days for the first of-
61 fence and not more than thirty days for a subsequent
62 offence.

1 SECTION 2. Payment to manufacturers and whole-
2 salers and importers for malt beverages delivered prior
3 to the effective date of this act to licensees under sec-
4 tion twelve, fifteen or thirty A, shall be made in or
5 within ninety days of such effective date of the act.
6 In the event of the failure of a licensee under section
7 twelve, fifteen or thirty A to make payment for malt
8 beverages sold prior to the effective date of this act
9 within ninety days of the effective date, each manu-
10 facturer and each wholesaler and importer who has
11 not received payment for malt beverages so sold shall,
12 by the close of business on the seventeenth day of the
13 calendar month following a period of ninety days from
14 the effective date of this act, send to the commission a
15 written notice, signed by such manufacturer or whole-
16 saler and importer, setting forth the name and address
17 of such licensee who has failed to make payment as
18 herein provided, and shall concurrently send such li-
19 censee a copy of such notice. Upon receipt of such
20 notice the commission shall place the name and ad-
21 dress of such licensee upon the list designated in sec-
22 tion two of this act as the delinquent list. A licensee

23 whose name has been placed on the delinquent list in
24 accordance with the provisions of this section three
25 shall become, for the purposes of this section three, a
26 delinquent licensee, and thereupon all provisions of
27 section two which govern the conduct of a delinquent
28 licensee as therein defined, and which govern the con-
29 duct of the commission, of manufacturers and of
30 wholesalers and importers with respect to such a de-
31 linquent licensee, as hereinbefore provided in this
32 section three, apply to govern the conduct of such de-
33 linquent licensee and the conduct of the commission,
34 of manufacturers or wholesalers and importers with
35 respect to such a delinquent licensee as fully as if set
36 forth in this section three. If, in the judgment of the
37 commission, payment in full within ninety days of the
38 effective date of the act for malt beverages delivered
39 prior to the effective date would work a hardship on
40 any licensee under section twelve, fifteen or thirty A,
41 the commission may allow such additional time for
42 payment as may in its judgment be necessary, but in
43 no case shall any licensee be allowed more than one
44 year from the effective date of the act for payment in
45 full for all malt beverages delivered prior to such effec-
46 tive date.