

**Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025**

SENATE BILL NO. 2136
(Senators Klein, Barta, Kessel)
(Representatives Hagert, Warrey)

AN ACT to amend and reenact sections 5-04-02 and 5-04-14 of the North Dakota Century Code, relating to wholesaler and brewer relations.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 5-04-02 of the North Dakota Century Code is amended and reenacted as follows:

5-04-02. Inducement or coercion prohibited.

~~No~~ A brewer may not:

1. Induce or coerce, or attempt to induce or coerce, anya beer wholesaler to accept delivery of anyan alcoholic beverage or any other commodity which has not been ordered by the beer wholesaler.
2. Induce or coerce, or attempt to induce or coerce, anya beer wholesaler to enter anyan agreement or take anyan action that would violate anya law or rule of this state by threatening to amend, cancel, terminate, or refuse to renew anyan agreement existing between a brewer and a beer wholesaler.
3. Require a wholesaler to assent to anya condition, stipulation, or provision limiting the wholesaler's right to sell any other brewer's product anywhere in this state, provided the sale of another brewer's product does not materially impair the quality of service or quantity of sales of the existing brand or brands of the brewer seeking to impose the condition, stipulation, or provision.
4. Require a wholesaler to submit specific, confidential information regarding competitive brands, as a condition of renewal or continuation of an agreement.
5. Fail to provide each wholesaler of its brands with a written contract ~~which~~that conforms to this chapter and embodies the brewer's agreement with each wholesaler.
6. Require a wholesaler to use or prohibit a wholesaler from using a business-to-business electronic commerce platform.

SECTION 2. AMENDMENT. Section 5-04-14 of the North Dakota Century Code is amended and reenacted as follows:

5-04-14. Sale of brewer.

Except for good cause, as defined by section 5-04-04, the purchase of a brewer as defined in section 5-04-01, ~~when the purchaser continues in business as a brewer,~~ shall obligate the ~~new brewer~~purchaser to all terms and conditions of the agreement in effect on the date of purchase. "Purchase", for the purposes of this chapter, includes the sale of stock, sale of assets, merger, lease, transfer, or consolidation.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2136.

Senate Vote: Yeas 46 Nays 0 Absent 1

House Vote: Yeas 92 Nays 0 Absent 2

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2025.

Approved at _____ M. on _____, 2025.

Governor

Filed in this office this _____ day of _____, 2025,

at _____ o'clock _____ M.

Secretary of State