

§1757. Timely Payment of Supplies; Penalty for Violation

A. No distributor shall sell, offer to sell, or deliver any charitable gaming product to any licensed organization in this state, and no organization shall buy or accept delivery of any licensed charitable gaming supplies except on terms of immediate payment or on terms requiring payment not later than the fifteenth day following that on which actual delivery is made. If any payment is not made when due, the distributor shall immediately notify the charitable gaming division thereof and the division shall notify all manufacturers and distributors licensed in the state of the default and thereafter no person shall sell any charitable gaming product to the organization in default on any other terms than immediate payment until otherwise authorized by the division. Under penalty of suspension of its license, the organization which is in default shall pay its obligation in full within 30 days from the date it became due.

B. No distributor shall accept payment from any licensed organization for any gaming supplies unless that payment is in the form of a check bearing the organization's state license number and drawn on the organization's separate charitable gaming account.

C. Any licensee who violates this Section may have its license suspended for not more than 30 days for the first offense and not more than 60 days for a subsequent offense. Each failure of an organization to make payment for any default before the expiration of the period of suspension constitutes a subsequent offense. In addition, the organization may be required to make payment in cash for all gaming products subsequently purchased.

AUTHORITY NOTE: Promulgated in accordance with R.S. 33:4861.17.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 12:157 (March 1986), amended LR 13:103 (February 1987)