

No. 277, S.]

[Published July 25, 1945.]

**CHAPTER 492.**

AN ACT to create 139.50 (23a) of the statutes, relating to the equitable distribution of cigarettes and tobacco products, providing a normal base period, and providing penalties.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

139.50 (23a) of the statutes is created to read:

139.50 (23a) CIGARETTE AND TOBACCO PRODUCT DISTRIBUTION. (a) Each wholesaler of cigarettes and tobacco products shall apportion and allot to the subjobbers, cash and carry subjobbers, vending machine operators, and retailers, its current supply of cigarettes and tobacco products to each subjobber, cash and carry subjobber, vending machine operators and retailers on the basis of such wholesaler's distribution and allotment of cigarettes to them, respectively, for the period from July 1, 1943 to December 31, 1943. Such proportion shall be applied monthly or for such other period of time therein as the state treasurer may deem most representative of the average supply. Each such subjobber, cash and carry subjobber, vending machine operator, or retailer shall be entitled to receive from such wholesaler such portion of its current cigarette and tobacco products supply as shall be proportionate to the average purchases therefrom by such subjobber, cash and carry subjobber, vending machine operator, or retailer for the period of July 1, 1943 to December 31, 1943.

(b) In the event the wholesaler reduced supplies of cigarettes and tobacco products in the last 6 months of 1943 arbitrarily and against the wishes of the subjobber, cash and carry subjobber, vending machine operator, or retailer, it shall be construed by the state treasurer the same as if the full amount of cigarettes and tobacco products had been received by him during the period of July 1, 1943 to December 31, 1943, for the purpose of determining fair and equitable quotas for the time in question. Any permittee who fails or refuses to comply with such determination may have his permit suspended as provided in paragraph (d).

(c) In the event a wholesaler, an individual, or individuals own or control both the wholesale and a vending machine operation, and if both wholesale and vending machine operation are on

the direct list with the cigarette and tobacco product manufacturers, then the receipts of both shall be construed to be the sole receipts of the wholesaler for the purpose of determining quotas as provided in this subsection.

(d) 1. If the state treasurer is informed of a violation of any provision of this subsection, he shall by notice in writing served upon the permittee in the same manner as a summons in a civil action advise him of the alleged violation. The notice shall specify that at a time and place to be stated in the notice, not less than 10 days from the date of service, the state treasurer will hold a hearing for the purpose of determining whether the violation has occurred. If the state treasurer finds that the violation has occurred, he may suspend the permit for any period of time not to exceed 60 days, or, any period in excess thereof during which the violation continues to exist. An order of suspension shall be in writing and a copy thereof shall be transmitted to the parties concerned. Where a license has been suspended pending compliance with the provisions of this subsection, the state treasurer, when satisfied of compliance, shall revoke the suspension and shall transmit a copy thereof to the parties concerned. If a permit is suspended pending compliance with the provisions of this subsection a permittee may demand in writing a hearing before the state treasurer upon the question of whether he has complied. Upon such demand the state treasurer shall set a place for such hearing at a time not to exceed 10 days from the date of receipt of the demand and shall notify the permittee thereof in writing.

2. The state treasurer is empowered to delegate functions under this subsection to such employes as he may designate who shall have power to hold hearings, issue subpoenas, administer oaths and make determinations and the state treasurer may promulgate such rules as may be necessary to carry this section into effect.

(e) Orders made under this subsection shall be subject to review as provided in chapter 227.

(f) The state treasurer may upon application provide reasonable quotas of cigarettes and tobacco products for businesses established after December 31, 1943.

Deposited without approval of Governor.