

149th GENERAL ASSEMBLY FEE IMPACT

BILL: HS #1 to HOUSE BILL 198

SPONSOR: Representative Yearick

DESCRIPTION: AN ACT TO AMEND TITLE 4 OF THE DELAWARE CODE RELATING TO

ALCOHOLIC BEVERAGES AND FARMERS' MARKETS AND OTHER

AGRICULTURAL THEMED EVENTS.

In accordance with 29 Del. C. §913, the following information is provided relating to licenses and fees.

Description of the Legislation:

This Act would allow holders of a "Farmer's Market Permit" or "Agricultural Themed Event Permit" to conduct tastings on site and sell retail priced craft beer, mead distilled spirits, and wine in sealed containers for off-premise consumption at farmers markets or agricultural themed events during the months of April through November.

Affected Entities:

This Act would affect existing entities licensed as a Farm Winery, a Brewery-pub, Microbrewery, a Craft Distillery, or out of state suppliers who would meet the same requirements. These entities would be affected only if they choose to conduct tastings on site their alcoholic beverages they manufacture at Farmers' Markets and Agricultural Events subject to certain criteria established in this Act.

Fiscal Impact:

This Act would require a biennial fee of \$100 for existing Permit Holders of the entities mentioned previously. In addition, each Permit Holder would be required to pay a fee of \$5 for each event they would attend. Further, no more than 5 Permit Holders may participate at one time at a Farmers' Market and no more than 8 Permit Holders at an Agricultural Themed Event. The Office of Alcoholic Beverage Control Commissioner estimates the following numbers of Permit Holders and events for an annual state revenue total of 21,600:

- 34 in-state Permit Holders seeking licensure for an annual revenue of 1,700;
- No more than 20 out-of-state Permit Holders would seek eligibility for an annual revenue of \$1,000;
- A maximum of 35 weeks for all Permit Holders (54) to attend an estimated 2 events per week for an annual revenue of 18,900;

This Act also requires the Permit Holders to pay the current excise tax required in the Delaware Code and produce reports based on their sales at these events.

Intended Use of Revenue:

The revenue generated from the biennial license fee and individual event fees would be deposited in to the State's General Fund.

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