153rd GENERAL ASSEMBLY
FEE IMPACT

BILL:	**HOUSE BILL NO. 187**
SPONSOR:	**Representative Michael Smith**
DESCRIPTION:	**AN ACT TO AMEND TITLE 4 OF THE DELAWARE CODE RELATING TO DIRECT PURCHASING AND SHIPMENT OF WINE.**

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

Description of the Legislation:
This Act permits wine producers holding a valid license within the State or another state to obtain a license and ship wine directly to Delaware consumers through a common carrier with a carrier permit.

Affected Entities:
The Office of Alcoholic Beverage Control Commissioner (OABCC) and the Division of Alcohol and Tobacco Enforcement (DATE).

Fiscal Impact:
This Act establishes a $100 application fee for obtaining a wine direct shipper license and a $500 application fee for a carrier permit. Licensed shippers will be required to pay the OABCC a biennial fee of $400 to ship up to 200 cases of wine biennially to Delaware residents. To ship more than 200 cases per year, the licensee must pay a fee of $3,600 biennially. The OABCC estimates the office will receive 800-1,000 wine direct shipper applications and approximately 10 common carrier applications. Total revenue generated is estimated between $3,290,000 - $4,110,000. Revenue projections are provided below:

License Type	Fee Category	Fee Amount	Condition	Estimated Applicants	Total Estimated Revenue
Wine Direct Shipper	Application Processing Fee	$100	Per application	800-1,000	$80,000 – $100,000
Wine Direct Shipper	Biennial License Fee	$400	If shipping up to 200 Cases	800-1,000	$320,000 – $400,000
Wine Direct Shipper	Biennial License Fee	$3,600	If shipping more than 200 Cases	800-1,000	$2,880,000 – $3,600,000
Carrier Permit	Application Processing Fee	$500	Per application	10	$5,000
Carrier Permit	Biennial Renewal Fee	$500	Per renewal	10	$5,000

Intended Use of Revenue:
Per 4. Del. C. § 554(x), application processing fees are deposited into the General Fund, and toward DATE server training, and license fee revenues are deposited into the General Fund.

Prepared by Nyair Stanford
Office of the Controller General