153rd GENERAL ASSEMBLY
FEE IMPACT

BILL:	**HOUSE SUBSTITUTE NO. 1 FOR 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 biennial fee of $100 to ship up to 200 cases of wine to Delaware residents and $400 to ship more than 200 cases per year. For a common carrier license, there is a biennial fee of $500 to transport wine from a wine direct shipper licensee. The OABCC estimates the office will receive 800-1,000 direct shipper license applications and approximately 10 common carrier license applications. Total revenue generated is estimated between $1,215,000 to $1,515,000. Revenue projections are provided below:

License Type	Fee Category	Fee Amount	Condition	Estimated Applicants	Total Estimated Revenue
Direct Shipper	Application Processing Fee	$1,000	Per application	800-1,000	$800,000 – $1,000,000
Direct Shipper	Biennial License Fee	$100	If shipping up to 200 Cases	800-1,000	$80,000 $100,000
Direct Shipper	Biennial License Fee	$400	If shipping more than 200 Cases	800-1,000	$320,000 – $400,000
Common Carrier	Application Processing Fee	$1,000	Per application	10	$10,000
Common Carrier	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