



**153rd GENERAL ASSEMBLY  
FEE IMPACT**

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<b>BILL:</b>	<b>HOUSE SUBSTITUTE NO. 2 FOR HOUSE BILL NO. 187</b>
<b>SPONSOR:</b>	<b>Representative Michael Smith</b>
<b>DESCRIPTION:</b>	<b>AN ACT TO AMEND TITLE 4 OF THE DELAWARE CODE RELATING TO DIRECT PURCHASING AND SHIPMENT OF WINE.</b>

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*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 \$400 to ship up to 200 cases of wine to Delaware residents and \$3,600 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 \$4,015,000 to \$5,015,000. Revenue projections are provided below:

<b>License Type</b>	<b>Fee Category</b>	<b>Fee Amount</b>	<b>Condition</b>	<b>Estimated Applicants</b>	<b>Total Estimated Revenue</b>
Direct Shipper	Application Processing Fee	\$1,000	Per application	800-1,000	\$800,000 – \$1,000,000
Direct Shipper	Biennial License Fee	\$400	If shipping up to 200 Cases	800-1,000	\$320,000 \$400,000
Direct Shipper	Biennial License Fee	\$3,600	If shipping more than 200 Cases	800-1,000	\$2,880,000 – \$3,600,000
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.

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Office of the Controller General