



**HOUSE OF REPRESENTATIVES
STATE OF DELAWARE
411 LEGISLATIVE AVENUE
DOVER, DELAWARE 19901**

COMMITTEES
Economic Development, Banking,
Insurance & Commerce, Chair
Energy, Chair
Agriculture, Vice-Chair
Education
Judiciary
Natural Resources
Public Safety & Homeland Security
Transportation, Land Use & Infrastructure
Veterans Affairs

House Economic Development, Banking, Insurance & Commerce Meeting Minutes
4.27.21

Chair Bush called the virtual meeting to order at 3:00 p.m. He stated that the meeting was planned in accordance with HCR 1 and took the roll call of the committee's members. Members present included Vice-Chair Bennett, and Reps. Griffith, Dorsey Walker, Baumbach, Wilson-Anton, Lambert, Ramone, Smith, and Yearick. For a list of guests present, please see the speaker list below.

Chair Bush introduced **SB 85, AN ACT TO AMEND TITLE 12 OF THE DELAWARE CODE RELATING TO THE PUBLIC GUARDIAN**. He referred to House prime sponsor, Rep. Bentz, to explain the bill.

Rep. Bentz explained the bill allows the Public Guardian to collect fees for services rendered. He clarified fees are only collected when individuals are deemed to have sufficient resources as established by the Guardianship Commission and the Court of Chancery.

Chair Bush opened the floor for public comment.

Christina Bryan, on behalf of the Delaware Healthcare Association, voiced support for the bill. She stated the bill increases the efficacy of patient transfers to appropriate care settings for patients without medical guardians.

Alexander McFassel, on behalf of the Office of the Public Guardian, voiced support for the bill. She stated the bill helps with acute care transition and noted several other states implement fees to support Public Guardianship programs.

A motion was made by Rep. Baumbach and seconded by Rep. Wilson-Anton to release SB 85 from committee; motion carried. Yes= 7 (Bush, Baumbach, Wilson-Anton, Lambert, Ramone, Smith, and Yearick); No= 0; Absent= 6 (Bennett, Griffith, Bolden, Dorsey Walker, Hensley, and Spiegelman). SB 85 was released from committee with a F= 2, M= 8, U= 0 vote.

Chair Bush introduced **HB 132, AN ACT TO AMEND TITLE 4 OF THE DELAWARE CODE RELATING TO TAVERNS**. He referred to the bill's sponsor, Rep. Williams, to explain the bill.

Rep. Williams explained the bill allows taverns to sell wine in addition to beer.

Rep. Baumbach voiced support as a co-sponsor of the bill.

Rep. Williams thanked Rep. Ramone for his assistance with the bill.

Chair Bush opened the floor for public comment.

A motion was made by Rep. Baumbach and seconded by Rep. Ramone to release HB 132 from committee; motion carried. Yes= 7 (Bush, Baumbach, Wilson-Anton, Lambert, Ramone, Smith, and Yearick); No= 0; Absent= 6 (Bennett, Griffith, Bolden, Dorsey Walker, Hensley, and Spiegelman). HB 132 was released from committee with a F= 1, M= 9, U= 0 vote.

Chair Bush introduced **HB 143, AN ACT TO AMEND TITLE 4 OF THE DELAWARE CODE RELATING TO ALCOHOLIC LIQUORS**. He referred to the sponsor, Rep. Williams, to explain the bill.

Rep. Williams explained the bill removes distance restrictions for taprooms. She noted SB 56 in 2019 removed distance requirements for hotels, restaurants, and taverns, but not taprooms.

Erik Williams stated his taproom business shut down due to COVID restrictions and the bill permits him to reopen near the closed location.

Rep. Baumbach asked the difference between a tavern and a taproom.

Rep. Williams stated taprooms may serve food as well as alcohol and taverns only sells beer.

At the request of the Chair, John Cordrey, Commissioner of the Office of the Delaware Alcoholic Beverage Control, explained taverns are permitted to sell food and beer while taprooms are permitted to sell beer, wine, or spirits and food.

Rep. Baumbach asked why taprooms were not included in SB 56.

Commissioner Cordrey explained SB 56 took out restaurant, hotels, and taverns, but the law was not changed. He noted exemptions were made for clubs, hotels, and restaurants for on-premises consumption. The bill removed inconsistencies in bill language. He stated distance restrictions exist for entities with off-premises alcohol consumption, including package stores and other off-premises licensees.

Rep. Baumbach asked if taverns were previously prohibited from building next to each other.

Commissioner Cordrey voiced uncertainty and stated his belief that taverns have always had distance restrictions. He noted prior to SB 56, exemptions for distance requirements were limited to on-premises consumption of restaurants, hotels and clubs. He shared his opinion that taverns had distance restrictions prior to the adoption of SB 56 and are now permitted to build next to each other.

Rep. Baumbach asked if taprooms must abide by distance restrictions and taverns do not.

Commissioner Cordrey confirmed Rep. Baumbach's statement to be true.

Rep. Baumbach asked the operational differences between a tavern and a taproom.

Commissioner Cordrey stated taverns only sell beer while taprooms sell any alcohol, including spirits and wines with higher alcohol contents. He noted the difference is contingent on HB 132.

At the request on the sponsor, Paul Ogden, a taproom owner, spoke on the bill. He noted taprooms and taverns have age requirements for entrance. He stated increased distance restrictions has made it difficult to open new taprooms in New Castle County. He explained taprooms are the only on-premises consumption license with distance restrictions.

At the request of the sponsor, Adam Balick, attorney and former Chair of Delaware's Alcoholic Beverage Control Commission, stated distance restrictions were implemented to limit the consumption of alcohol. He noted taprooms are an important starter business and echoed concerns over limited location availability in New Castle County.

Rep. Ramone stated the exclusion of taprooms was an error and noted the bill was overdue.

Commissioner Cordrey stated restaurants lack distance restrictions because they derive a majority of their revenue from food sales. He explained restaurants are not in direct competition with taprooms due to various restrictions and different purposes, as the purpose of taprooms, taverns, and package stores is to sell alcohol.

Rep. Baumbach asked if municipalities have authority to establish distance restrictions.

Commissioner Cordrey stated municipalities are not permitted to set distance limits. He noted a second factor for license approval is determined by convenience to the public or a community need for that establishment type.

Rep. Baumbach voiced concerns for an oversaturation of bars in his district and hoped to work with sponsor to make changes.

Rep. Ramone stated the bill promotes job creation and equality between establishment types.

Chair Bush opened the floor for public comment.

Chief John Yeomans of the Division of Alcohol and Tobacco Enforcement shared that increases in alcohol density is associated with increased levels of interpersonal harm and adolescent alcohol consumption.

Chair Bush asked the sponsor to find a compromise for communities and businesses.

A motion was made by Rep. Ramone and seconded by Rep. Bennett to release HB 143 from committee; motion carried. Yes= 10 (Bush, Bennett, Griffith, Dorsey Walker, Baumbach, Wilson-Anton, Lambert, Ramone, Smith, and Yearick); No= 0; Absent= 3 (Bolden, Hensley, and Spiegelman). HB 143 was released from committee with a F= 0, M= 10, U= 0 vote.

Chair Bush introduced **HB 91, AN ACT TO AMEND TITLE 6 OF THE DELAWARE CODE RELATING TO PROHIBITED TRADE PRACTICES**. He referred to the bill's sponsor, Rep. Bentz, to explain the bill.

Rep. Bentz explained the bill amends the consumer fraud act to include the phrase 'unfair acts and practices' to protect consumers. He stated the amendment defines the term unfairness as any act or practice that is likely to cause substantial injury which is not reasonably avoidable by the consumer. He emphasized that business community input was considered when drafting the bill's language.

With permission from the chair, Owen Lefkon, Director of Fraud and Consumer Division of the Delaware Department of Justice emphasized the importance of the bill to the division.

Rep. Yearick voiced concerns over the pre-amendment language.

Rep. Bentz stated an amendment is filed and noted the language now closely aligns with federal law.

Rep. Yearick clarified his concerns were with lines five through eight of the original bill.

Mr. Lefkon noted the bill's original language was based on Supreme Court case law and the current language is based on Federal Trade Commission law.

Rep. Ramone voiced party concerns for impact on businesses.

Rep. Bentz stated the amendment addresses concerns in the business community.

Rep. Griffith voiced support for the bill. She stated the bill supports honest businesses.

Rep. Smith echoed Rep. Griffith's sentiments and suggested bringing the bill before the Small Business Association.

Chair Bush opened the floor for public comment.

Sheila Grant, on behalf of AARP, voiced support for the bill. She stated Delaware ranks third for reported fraud and highlighted the disproportionate impact of fraud on elderly populations.

James Dechene, on behalf of the State Chamber of Commerce, voiced support for the bill. He noted over 20 representatives from the business community gave input on the bill.

Scott Kidner, on behalf of Comcast, voiced support for the bill.

Joseph Fitzgerald, on behalf of New Castle County Chamber of Commerce, voiced support for the bill.

A motion was made by Rep. Bennett and seconded by Rep. Smith to release HB 91 from

committee; motion carried. Yes= 10 (Bush, Bennett, Griffith, Dorsey Walker, Baumbach, Wilson-Anton, Lambert, Ramone, Smith, and Yearick); No= 0; Absent= 3 (Bolden, Hensley, and Spiegelman). HB 91 was released from committee with a F= 2, M= 8, U= 0 vote.

Chair Bush introduced **SB 79, AN ACT TO AMEND TITLE 18 OF THE DELAWARE CODE RELATING TO PROPERTY INSURANCE POLICIES**. As the bill's House prime sponsor, he explained the bill requires property insurers to provide a thirty-day notice prior to policy cancellation or a ten-day notice for policies cancelled due to non-payment of premiums.

Chair Bush opened the floor for public comment.

A motion was made by Rep. Bennett and seconded by Rep. Baumbach to release SB 79 from committee; motion carried. Yes= 10 (Bush, Bennett, Griffith, Bolden, Dorsey Walker, Baumbach, Wilson-Anton, Lambert, Hensley, Ramone, Smith, Spiegelman, and Yearick); No= 0; Absent= 3 (Bolden, Hensley, and Spiegelman). SB 79 was released from committee with a F= 2, M= 8, U= 0 vote.

Chair Bush adjourned the meeting at 4:18 p.m.

Respectfully submitted by:

A'lece Moore

Speaker List:

- Christina Bryan (Delaware Healthcare Association)
- Alexander McFassel (Office of the Public Guardian)
- Erik Williams
- John Cordrey (Office of the Delaware Alcoholic Beverage Control)
- Paul Ogden
- Adam Balick
- John Yeomans (Division of Alcohol and Tobacco Enforcement)
- Owen Lefkon (Delaware Department of Justice)
- Sheila Grant (AARP)
- James Dechene (State Chamber of Commerce)
- Scott Kidner (Comcast)
- Joseph Fitzgerald (New Castle County Chamber of Commerce)

Attendance List:

- Amanda Kelly Thompson
- Carrie Cole
- Chris DiPietro
- Christine Schiltz
- Dylan Tepper
- Hollie Parrish
- James Nutter
- Jonathan Patterson
- Kathleen Rutherford
- Kim Gomes
- Laird Stabler III
- Lincoln Willis
- Mary Kate McLaughlin
- Patricia Key
- Rebecca Kidner
- Sarah Barnaby
- Tom Collins
- Verity Watson