

SB 243 -- Redline

SA 1 to SB 243 to Bill Text -- AN ACT TO AMEND TITLE 4 OF THE DELAWARE CODE RELATING TO ALCOHOL.

Deletions ~~struck~~ · Insertions underlined

Cruce ~~DELAWARE& STATERep. SENATE 153rd GENERAL ASSEMBLY SENATE AMENDMENT NO.~~

~~1Bush TO~~Sens. SENATE BILL NO.

~~243Hoffner, AMENDWalsh; Senate Bill No.~~

~~243Reps. on lines 42 through 43 by deleting "with at least 60% of the establishment's gross receipts resulting from the sale of food," as it appears therein.~~

~~SYNOPSISBerry, ThisCarson, AmendmentGriffith, removesHarris, fromHeffernan, theSnyder-Hall, definitionYearick ofDELAWARE "restaurant"STATE theSENATE requirement153rd thatGENERAL 60%ASSEMBLY ofSENATE aBILL restaurant'sNO. gross receipts must result from the sale of food for the restaurant to be eligible to be granted a license to sell alcoholic liquors for on-premises consumption.~~

243 AN ACT TO AMEND TITLE 4 OF THE DELAWARE CODE RELATING TO ALCOHOL.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Three-fifths of all members elected to each house thereof concurring therein):

Section 1.

Amend Sec. 101, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows and by redesignating accordingly:

Sec. 101.

Definitions.

As used in this title, in addition to their usual meaning:

(9) "Cabaret" means an establishment where patrons are entertained by performers who dance, sing, play instruments instruments, or perform other legal acts for entertainment, but not to include a dinner theater, and where such entertainment may be performed during or after service or dinner, and where a minor, as defined in Sec. 708 of this title, is to be denied admission to or permission to remain on premises after 9:00 p.m.

11:00 p.m.

(official eastern time) unless accompanied by a parent or by a legal guardian.

"Cabaret" includes a dinner theater.

(14) "Concert hall" shall mean means an indoor facility used to host live entertainment that is owned, leased, under easement, and/or operated by any person and that has capacity for at least 600 500 patrons for any single event.

In order for a facility to be licensed as a concert hall, the facility shall must, host a minimum of 250 200 live music events in any biennial licensing period.

A facility meeting this definition may license the entire building, including patio, with the concert hall license.

(17) "Disorderly house" means house, or reputed house, of prostitution, ill-fame or assignation.

(22) "Gathering of persons" or "gathering" means a banquet, picnic, bazaar, fair fair, or similar private gathering or similar public gathering where food or drink are sold, served or dispensed by that is all of the following:

a.

Organized and hosted by an Internal Revenue Service-recognized Sec. 501(c)(3) nonprofit organizations organization or a similar organization serving the public good, such as churches, colleges and universities, volunteer fire companies, political parties parties, or other similar nonprofit groups having a common civic, social, educational educational, or religious purpose, purpose.

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Where food or drink are sold, served, or dispensed or where entrance tickets are sold or entrance fees are required by those the nonprofit organizations.

organization.

(25) "Importer" (25)a.

"Importer", "distributor", or "wholesaler" means the person a person, whether the person is a resident of this State or not, transporting alcoholic liquors, or ordering, authorizing authorizing, or arranging the transportation or shipment of alcoholic liquors liquors, into this State, whether the person is a resident or citizen of this State or not, said State, the person being permitted to sell said the

alcoholic liquors only to those persons licensed to resell alcoholic liquors;
provided, however, that nothing liquors.

b.

Nothing contained in this definition shall may be construed as prohibiting an importer from selling such the alcoholic liquors to either an active owner of that business importer for that person's owner's use and not for resale or to a full-time, bona fide employee of that business importer for that person's employee's use and not for resale;

and provided further, that nothing resale.

c.

Nothing contained in this definition shall may be construed as prohibiting an importer from selling beer in "half-barrel" or "quarter-barrel" "half-barrel", "quarter barrel", or "sixtel" containers to the holders of a personal license.

license to resell alcoholic liquors.

d.

The Commissioner may enact such rules regulating the sale of alcoholic liquor to active owners and employees of licensed importers as it the Commissioner deems necessary.

(36) "Package store" or "store" means an establishment whose principal business is the sale of alcoholic liquors for consumption off the establishment's premises.

"Package store" or "store" does not include a grocery store, convenience store, drug store, hotel, restaurant, club, delicatessen, tobacco retailer, or cigar store.

(40) "Restaurant" means any establishment which that is regularly used and kept open principally for the purpose of serving complete meals to persons for consideration consideration, with at least 60% of the establishment's gross receipts resulting from the sale of food, and which has seating at tables for 12 or more persons at tables and suitable kitchen facilities connected therewith to the establishment for cooking an assortment of foods for complete meals under the charge of a chef or cook.

(41) "Retailer" means the person permitted to sell alcoholic liquors in a store in the State, not for consumption on the premises.

(43) "Special event venue" means an establishment that holds public or private gatherings of more than 250 persons, including festival, convention, rally, art festival, music event, or other similar open-air event, where food or drink are sold, served, or dispensed and which requires an entrance ticket or fee to attend.

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02/25/2026 03:53 PM (46) "Supplier" means an out-of-state manufacturer licensed by the federal government, or an entity licensed by the federal government as an importer, that acts as an agent of a manufacturer by facilitating sales between the manufacturer and a Delaware licensed importer.

Section 2.

Amend Sec. 304, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 304.

Duties and powers of the Commissioner.

(a) The Commissioner, in accordance with the Delaware Administrative Procedures Act, shall: has the duty and power to do all of the following:

(1)a.

Adopt and promulgate rules and regulations not inconsistent with this title or of any other law of the this State, and all such rules and regulations shall have the force and effect of law; provided, however, that no such law.

b.

A rule or regulation shall may not extend, modify modify, or conflict with any law of this State or the reasonable implications thereof;

and provided further, however, that such of a law.

c.

The rules and regulations, as established by the Commissioner, shall must focus primarily on public safety and the best interests of the consumer and shall may not unduly restrict competition within the alcoholic beverage industry;

industry.

(2) Establish by rules and regulations an effective control of the business of manufacture, sale, dispensation, distribution distribution, and importation of alcoholic liquors within and into the this

State, including the time, place place, and manner in which alcoholic liquors shall be are sold and dispensed, not inconsistent with this title or with any other law of this State.

However, such the rules and regulations, as regulations established by the Commissioner, shall Commissioner may not control or regulate:

regulate any of the following:

a.

Recreational equipment located on the business premises of any business selling alcoholic beverages; beverages.

b.

Credit transactions between licensed wholesalers and licensed retailers, package stores, to the extent permitted by federal law;

law.

(3)a.

Control the manufacture, possession, sale sale, and delivery of alcoholic liquors in accordance with this title;

and control the purchase, possession, transportation transportation, and sale of alcoholic liquors by those licensed to manufacture or to sell;

provided, however, that the sell.

b.

The Commissioner's power to control the sale of alcoholic liquors shall may not be exercised in such a manner as to prevent any holder of a retail package store license for the sale of alcoholic liquors not for DLS :

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02/25/2026 03:53 PM 80 consumption on the premises where sold from giving a retail purchaser of a case or more of spirits and/or wine spirits, wine, or both a discount not to exceed 10% of the total dollar sale;

sale.

(4) Grant, refuse refuse, or cancel licenses required by this title for the manufacture or sale of alcoholic liquor, or other licenses required by this title in regard thereto, and to transfer any license granted;

granted.

(5)a.

On petition signed by at least 10 individuals who are residents of the neighborhood, hear complaints in regard to regarding the appointments of, or the conduct of business in, any establishment where alcoholic liquor is licensed to be sold.

Ten b.

The Commissioner's office shall give 10 days' notice of such hearings, a hearing by sending the notice, together with a recital of the complaint, shall be sent by registered first-class mail by the Commissioner's office to the address of the holder of the license for the establishment and like notice shall be delivered at the establishment by affixing the notice addressed to the holder of the license to the outside of an entrance door to the establishment.

The hearings shall c.

A hearing must be conducted by the Commissioner and shall must be public.

The For the purpose of a hearing, the Commissioner shall for the purpose of such hearings have has the power to issue subpoenas, compel the attendance of witnesses, administer oaths, take testimony testimony, and compel the production of pertinent books, payrolls, accounts, papers, records records, and documents.

In case any d.

Whenever a person summoned to testify or to produce any such written or printed evidence shall refuse, refuses, without reasonable cause, to be examined or to examined, answer a legal and pertinent question question, or to produce any such written or printed evidence, the Commissioner conducting the hearing may certify the fact of any such refusal to the Superior Court of the county in which such the hearing is held and the court may proceed against the person so refusing as for a contempt and punish such the person in the same manner as persons are punished for contempt of court;

court.

(6) Determine and publish standards for the manner in which the a dining room or dining rooms of a hotel, restaurant restaurant, or club shall must be equipped in order to be allowed to exercise the privilege of the sale of alcoholic liquors therein;

in the dining room;

and examine the plans or premises proposed for use as a dining room and authorize their use in connection with a license to sell alcoholic liquors, but such the Commissioner's authorization shall does not prevent the requirement by the Commissioner of from requiring future alterations in accordance with published standards;

standards.

(7)a.

Compel the attendance of witnesses and the production of contracts, papers, books, accounts accounts, and other documents.

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Subpoenas issued shall must be signed by the Commissioner and Commissioner.

Subpoenas may be served by any sheriff, deputy sheriff, constable constable, or any agent of the Division and return thereof made to the Commissioner.

c.

The Commissioner may enforce compliance with a subpoena issued pursuant to under this subsection by filing a motion to compel in the Superior Court, which shall have Court that has jurisdiction over the matter.

The court may award costs and attorney fees if it the court determines that noncompliance with a Commissioner subpoena was unjustified, intentional, or in bad faith.

(8) Act, for For purposes of this Title, title, act as the competent authority in connection with other matters pertinent thereto;

thereto.

(9) Make an annual report submitted to the Governor and members of the General Assembly Annually publish license information on the Commissioner's publicly available website setting forth all matters of interest and all statistics concerning liquor regulation and control in the this State, including: including all of the following:

a.

The number of licenses of each variety issued within the State; this State.

b.

The name and address of each person licensed to manufacture or to sell alcohol, spirits, wine wine, and beer; beer.

c.

The amount of alcohol, spirits, wine wine, and beer sold within the State; this State.

d.

The number of licenses of each kind granted and the number cancelled during the year; and year.

e.

Such other Other data as may make that makes a complete report to the people of this State; State.

(10) Negotiate and, with the approval of the Governor, enter into reciprocal agreements with the duly authorized officials of other states of the United States relative to the manufacture, importation, sale sale, and transportation of alcoholic liquors in the several states; states.

(11) Provide such special seals, labels and wrappers as deemed necessary for protection of the public against imitations, adulterations and frauds, and prescribe the proper use of the seals, labels and wrappers;

and (12) (11) Provide such warning signs as may be required by Sec.?903(16) of this title and title, distribute such the warning signs to license holders holders, and promulgate regulations with respect to the posting of said the warning signs.

A nominal fee may be charged by the Commissioner to cover printing, handling handling, and distribution costs.

(b) The Commissioner's decision shall be final and is conclusive unless, within 30 days after the

Commissioner's office mails notice thereof has been mailed by the Commissioner's office, of the decision, a party to such the hearing files an appeal in the office of the Commissioner.

Upon receipt of the appeal, the Commissioner shall cause the Chairperson of the Appeals Commission to be advised of the pending appeal and the appeal.

The Chairperson shall cause the Appeals DLS :

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02/25/2026 03:53 PM Commission to be convened convened, with at least 20 days days' notice to all parties.

The appeal shall must be heard by the Appeals Commission, who shall, shall review, in accordance with the Administrative Procedures Act, Title 29 of the Delaware Code, review Chapter 101 of Title 29, the matter on the record and affirm, reverse reverse, or modify the decision of the Commissioner.

Commissioner's decision.

Section 3.

Amend Sec. 310, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 310.

Deposit of receipts with Division of Revenue.

the Office of the State Treasurer.

All moneys received by the Commissioner shall must be paid to the Division of Revenue of the Department of Finance.

A monthly report of all receipts of the Commissioner shall be made to the State Treasurer.

state bank accounts custodied with the Office of the State Treasurer.

The Commissioner shall maintain a record of all receipts and make records available to the Department of Finance, Division of Accounting, upon request.

Section 4.

Amend Sec. 313, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 313.

Annual audit.

Audit.

The operation of the office of the Commissioner shall annually must be examined and audited by the State Auditor of Accounts.

Accounts, as often as the Auditor of Accounts considers necessary.

Section 5.

Amend Sec. 501, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 501.

Supplier and representative licenses;

importer;

delivery and storage at in-state warehouse.

(a)(1) Before any a person sells any alcoholic liquor intended for importation into this State, such the person shall procure do all of the following:

a.

Obtain from the Commissioner a supplier's license in the form to be prescribed by the Commissioner and shall pay therefor Commissioner.

b.

Pay a biennial license fee in the amount of \$100 to be permitted to sell not more than 200 cases of alcoholic liquors for importation into the this State during the calendar year or a biennial fee in the amount of \$1,000 to be permitted to sell more than 200 cases of alcoholic liquors for importation into this State during the calendar year.

(2) This subsection shall does not apply to any of the following:

a.

A person licensed under subsection (b) of this section or to any section.

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A person who either is licensed by the Commissioner and has a place of business in this State for the manufacture or sale of alcoholic liquors or liquors.

C.

A person who is an officer, director, or employee of a person, person who is licensed by the Commissioner, having Commissioner and has a place of business in this State for the manufacture or sale of alcoholic liquors.

(b)(1) Before any a person shall may do any business in this State in any manner whatsoever as a sales representative of a person who sells any alcoholic liquors intended for importation into this State, such the person shall first obtain do all of the following:

a.

Obtain from the Commissioner a sales representative license in the form to be prescribed by the Commissioner and shall pay Commissioner.

b.

Pay a \$50 biennial fee therefor in the amount of \$50.
license fee.

(2) Unless employed in any way by a person required to be licensed under subsection (a) of this section above, section, this subsection shall does not apply to any person, who either is licensed of the following:

a.

A person who is licensed by the Commissioner and shall not apply to any person, who either is licensed by the Commissioner and has a place of business in this State for the manufacture or sale of alcoholic liquors or is liquors.

b.

A person who is an officer, director director, or employee of a person, person who is licensed by the Commissioner, having Commissioner and has a place of business in this State for the manufacture or sale of alcoholic liquors.

(c)(1) This section shall does not apply to a daily importation into the this State of a quantity of alcoholic liquor which that does not exceed that the amount which of alcoholic liquor the United states States government permits to be imported into the United States without payment of any duty thereon, provided such alcoholic liquor is imported by as follows:

a.

By a person permitted by the laws of this State to purchase and consume alcoholic liquor and that such alcoholic liquor is imported solely liquor.

b.

Solely for consumption by the person importing it or the person's family or guests.

(2) If such importation is by motor vehicle, the alcoholic liquor shall must be transported in an area of the motor vehicle not immediately accessible to the driver or to any passenger therein.
passenger in the motor vehicle.

(d) Persons licensed by the Commissioner as suppliers pursuant to under this section shall be are authorized only to sell, ship ship, or deliver alcoholic liquors to licensed Delaware importers or manufacturers, and persons licensed by the DLS :

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02/25/2026 03:53 PM Commissioner as sales representatives pursuant to under this section shall be are authorized only to solicit orders, on behalf of licensed Delaware importers or manufacturers, from persons licensed by the Commissioner to sell alcoholic liquors.

(e) The Commissioner may promulgate such rules and regulations as it the Commissioner deems necessary for the enforcement or furtherance of the objectives of this section and it may section.

The Commissioner may provide by such rules or regulations that the applicant for a supplier's license may pay a fee for each calendar year or pay the increased fee during any calendar year without the filing of an additional application.

(f) No (f)(1) A person may not import into this State any alcoholic liquor into this State, unless it the alcoholic liquor is delivered directly to a licensed warehouse or warehouses in Delaware this State owned, leased leased, or operated by a licensed Delaware importer and is unloaded and physically stored in said warehouse or warehouses.

the warehouse (2) An importer licensed as a supplier by the Commissioner must deliver alcoholic liquors directly to a licensed warehouse in this State owned, leased, or operated by a licensed Delaware importer and unload and physically store the alcoholic liquors in the warehouse.

Section 6.

Amend Sec. 508, Title 4 of the Delaware Code by making deletions as shown by strike through and

insertions as shown by underline as follows:

Sec. 508.

Filing of price schedules required.

(a) All manufacturers and distilleries offering for sale in the State alcoholic liquors other than beer or wine, for sale in this State shall annually file by January 15 of each year or within 30 days of the first time they become licensed in the State to sell such alcoholic liquors, a verified schedule, in writing, in the number of copies and on the form required by the Commissioner, which Commissioner.

A verified schedule shall must contain all of the following information as to each item they the manufacturers and distilleries are offering for sale at that time, in the this State, by brand or trade name:

(1) The capacity of each package thereof so of an item offered for sale;
sale.

(2) The nature of the contents thereof;
of an item.

(3) The age and proof thereof of an item where stated on the container label;
label.

(4) The number of bottles thereof of an item contained in a case of such items;
the item.

(5) The individual bottle and case price to the Delaware wholesaler or importer, which prices in each such instance shall be individual for each item and not in combination with any other item;
and item.

(6) The discount given for quantity or time of payment, if any.

Any such (b) A verified schedule need not contain any such information as to any brand which that is owned exclusively by a retailer package store and sold at retail in Delaware this State exclusively by such a retailer.

the package store.

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02/25/2026 03:53 PM (b) Such (c) A schedule of prices or price of an individual item need not be filed at any time other than provided for in subsection (a) of this section and need not be updated any time a manufacturer or distillery changes such prices between such required filing times.

Section 7.

Amend Sec. 512A, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 512A.

Farm wineries.

(b) A farm winery licensee shall also be authorized to may store and sell wine, mead, and cider on the premises by the bottle or by the glass for consumption on or off the premises where sold.

A farm winery licensee shall be permitted to may purchase and store product from a Delaware licensed importer or retailer package store, licensed under Sec. 516 of this title, and sell said the product to its retail customers for consumption on the premises where sold sold, so long as the product is manufactured by an entity that holds a Delaware license pursuant to under Sec. 512A, Sec. 512B, Sec. 512C Sec.512C, or Sec. 512E of this title or the manufacturer, as determined by the Commissioner, would qualify for a license under said 1 or more of these sections if it the manufacturer were physically located in the this State.

(j) A farm winery licensee shall be prohibited from owning or operating may not own, operate, or being be affiliated with any importer or retailer of alcoholic liquor either package store, within or without this State.

Notwithstanding the foregoing, it shall be permissible for But a farm winery to may apply to the Commissioner for a license, under Sec. 512(g)(1) of this title, for use of a portion of the farm winery premises as a caterer, caterer or to apply to the Commissioner for a license, under this title generally, for use of a portion of the farm winery premises as a restaurant.

Section 8.

Amend Sec. 512C, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 512C.

Microbreweries;

license;

alternating premises.

(c) Notwithstanding any provision of this title to the contrary, a microbrewery license allows the licensee to do all of the following:

(5) To purchase and store product from a Delaware licensed importer or retailer package store licensed under Sec. 516 of this title, and sell the product to its retail customers for consumption on the premises where sold, so long as the product is manufactured by an entity that holds a Delaware license under Sec. 512A, Sec. 512B, Sec. 512C, or Sec. 512E of this title or the manufacturer, as determined by the Commissioner, would qualify for a license under 1 or more of these sections if the manufacturer were physically located in the this State.

Section 9.

Amend Sec. 512E, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

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02/25/2026 03:53 PM Sec. 512E.

Craft distillery.

(c) Notwithstanding any provision of this title to the contrary, a craft distillery license shall allow the licensee:

allows the licensee to do all of the following:

(1) To manufacture Manufacture, on the licensed premises premises, and sell not more than 750,000 proof gallons of distilled spirits in any a calendar year;
year.

(2) To manufacture Manufacture spirits, on the licensed premises, for persons other than the licensee who are licensed under this title or for persons outside this State;
State.

(3) To sell, deliver Sell, deliver, and ship such spirits in labeled barrels, bottles bottles, or other closed containers to persons licensed under the provisions of this title to import spirits;
and to sell and ship spirits to persons outside of the this State in accordance with this title;
title.

(4) To store Store and sell spirits on the premises by the bottle or by the glass for consumption on or off the premises where sold;

and to purchase alcoholic beverages from licensed Delaware importers or retailers package stores to add to product manufactured by the craft distillery to sell to patrons for on premises on-premises consumption only.

The amount of spirits sold for off-premises consumption shall must be limited to a maximum of 1 case (i.e., not more than 12-750 ml (12 750-milliliter bottles) per day to each retail customer for consumption off the premises;

premises.

(5) To purchase Purchase and store product from a Delaware licensed importer or retailer package store licensed under Sec. 516 of this title, and sell said the product to its retail customers for consumption on the premises where sold, so long as the product is manufactured by an entity that holds a Delaware license pursuant to under Sec. 512A, Sec. 512B, Sec. 512C Sec. 512C, or Sec. 512E of this title or the manufacturer, as determined by the Commissioner, would qualify for a license under said 1 or more of these sections if it the manufacturer were physically located in the State;

and this State.

(6) To sell, Sell, on the licensed premises, food items, souvenirs, spirit-related supplies supplies, and educational material as approved by the Commissioner.

(m) The provisions of Sec. 2506 of this title to the contrary notwithstanding, the holder of a craft distillery license shall be permitted to may have an interest in, be affiliated with, or own another supplier or manufacturer, whether located inside or outside the State, provided that the total domestic sales of all affiliated suppliers or manufacturers shall not exceed 750,000 proof gallons in any calendar year.

this State.

Section 10.

Amend Subchapter II, Chapter 5, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 512H.

Special event license.

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02/25/2026 03:53 PM (a)(1) Subject to the provisions, restrictions, and prohibitions of this title, the Commissioner may grant a special event license to a qualified applicant, upon the applicant paying the application process fee set forth in Sec. 554 of this title and submitting all documentation required by the Commissioner.

Subject to rules and regulations established by the Commissioner, a special event license permits a licensee to sell and serve alcoholic liquors on the licensed premises at each special event the licensee hosts on the licensed premises for consumption on the licensed premises.

(2) A qualified applicant may not be granted more than 1 special event license.

(b)(1) The licensee may have an office outside this State, but the licensed premises where the special event will take place and where alcoholic liquors will be sold, served, dispensed, or consumed must be located in this State.

(2) In addition to the requirements of paragraph (b)(1) of this section, the licensed premises must meet all of the following requirements:

a.

The licensed premises must be owned or leased by the licensee.

b.

The licensed premises must not be more than 3 acres in size.

c.

The licensed premises must be sufficiently designated, enclosed, secured, and maintained.

d.

The licensed premises must contain fencing or a wall not less than 30 inches high that, at a minimum, encloses the area where alcoholic beverages will be sold, served, dispensed, and consumed.

e.

The licensed premises must be maintained in compliance with all applicable zoning, health, and fire safety requirements.

(3) If a licensee fails to comply with paragraph (b)(2) of this section, the licensee's special event license is suspended, under Sec. 561 of this title, until the licensee complies with paragraph (b)(2) of this section.

(c) At least 30 days before the date of a special event, a licensee must report the special event to the Commissioner for the Commissioner's review and approval.

For each special event, all of the following conditions apply:

(1) Sufficient restrooms or enclosed portable toilets must be provided within the licensed premises during the special event.

(2)a.

Sufficient food must be available to consumers for consumption on the licensed premises during all hours that the licensee is selling and serving alcoholic liquors.

Items like bags of chips and pretzels are insufficient.

b.

The food may be prepared on the licensed premises, provided by a food truck or a caterer, or consist of prepackaged items, such as sandwiches, burgers, and hot dogs of sufficient quantity in relation to the alcoholic liquors being sold and served.

(3) Tents, mobile units, and other temporary fixtures located on the licensed premises must be approved by the appropriate political subdivision and reported to the Commissioner at least 20 days before the special event.

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02/25/2026 03:53 PM (4) The appropriate political subdivision responsible for regulating the licensed premises must have provided written approval for the special event.

(d) A licensee must purchase all alcoholic liquors sold and served at a special event from importers licensed under Sec. 501 of this title.

Notwithstanding any provision of this title to the contrary, an importer may buy back any unopened and resalable bottles of alcoholic liquors at the end of a special event.

An importer shall keep all records, as required by the Commissioner, necessary to document the purchase of products under this subsection.

(e)(1) Notwithstanding any provisions of this title to the contrary, whenever the Commissioner finds

that a licensee fails to meet any of the requirements of this section or that the licensee misrepresented information in its application, the Commissioner may do 1 or more of the following:

a.

Suspend the licensee's special event license.

b.

Deny any future applications for a special event license for a period of up to 2 years after the Commissioner finds that a failure or misrepresentation has occurred.

c.

Impose a fine of up to \$10,000 per violation.

(2) Before any new special event license may be issued, all penalties imposed by the Commissioner under this subsection must be resolved.

(f) Licensees are subject to the restrictions on the hours of sale of alcoholic liquors set forth in Sec. 709(c) of this title, to the prohibitions of overservice, and the prohibition of sales to minors set forth in Sec. 708 of this title.

(g) A licensee is permitted to enter into a concessionaire agreement, but a concessionaire agreement may not permit the sharing of proceeds from alcohol sales.

Section 11.

Amend Sec. 514, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 514.

Gathering licenses;

consumption on premises.

(a) If alcoholic liquors are to be sold during a gathering of persons, the manager or person in charge of such the gathering, gathering of persons, or the owner, tenant tenant, or person in charge of the premises in which the gathering of persons is being held, must obtain 1 of the types of gathering licenses provided for in this section.

Either of said Both types of gathering licenses shall permit consumption of alcohol alcoholic liquors on the premises where sold and shall permit sale of alcohol alcoholic liquors for consumption off the premises where sold by way of a raffle or auction, live or silent, so long as the amount of alcohol alcoholic liquors sold for consumption off of the premises where sold does not exceed 10 gallons (or 38 liters) in a single day.

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02/25/2026 03:53 PM (b) There shall be The 2 types of gathering licenses which that may be granted hereunder:

under this section are as follows:

(1) Gathering License -- Group.

-- The manager or person in charge of a gathering of persons at which alcoholic liquors are to be sold shall apply for a group type gathering license, which license, license that, if granted, shall be is valid only for the time, and time and at the location, location specified in the application therefor. license application.

A group gathering license shall is not be required if the said gathering of persons is being held on premises which that are validly licensed under a biennial premises gathering license issued pursuant to under paragraph (2) of this subsection.

(2) Gathering License -- Biennial Premises.

-- The owner, tenant tenant, or person in charge of the premises, other than a residence, on which gatherings of persons are held, may apply for a biennial premises type gathering license, which license shall be license that is valid for the entire 2 years for gatherings of persons at the location specified in the application therefor. license application.

(c) A holder of a gathering license may purchase alcoholic liquors for sale at a gathering of persons from either retailers package stores, or importers and such retailers the package stores, and importers shall be permitted to may make deliveries to persons holding a gathering licenses. license.

A holder of a gathering license granted pursuant to under this section shall be is exempt from paying the application process fee as provided in subsection (x) of Sec.?554 Sec. 554(x) of this title.

(d) For purposes of this section only, the price paid for alcoholic liquors to be sold at a gathering of persons licensed under this section shall must be a price agreed upon between the said licensee and the

retailer package store, in- state manufacturer, or importer from whom said the alcoholic liquors are purchased.

It is permissible for a retailer A package store, in-state manufacturer, or importer to may donate some or all of the alcoholic liquor to the gathering licensee so long as a license has been granted for the gathering of persons by the Commissioner prior to the donation.

(e) Any person holding a biennial premises gathering license granted hereunder under this section must report each gathering of persons to be held in on its facilities premises to the Commissioner, which Commissioner.

The report may be made in person, in writing, or by telephone and the telephone.

The report must be received by the Commissioner not later than 12:00 noon of on the day on which the gathering of persons is to be held, unless it held.

But if the gathering of persons is to be held on a day on which the Commissioner shall be Commissioner's office is closed, in which case it the gathering of persons must be so reported on the last day on which the Commissioner is open immediately preceding such gathering.

the gathering of persons.

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02/25/2026 03:53 PM (f) Any A person holding a gathering license of either type granted hereunder under this section who has purchased alcoholic liquors for sale at a gathering of persons may return any unopened bottles so purchased to the licensee from whom they were purchased and shall receive therefor the amount paid for each said bottle, so long as such return is made the bottles are returned within 30 days of the date of the gathering of persons for which they the bottles were purchased.

A biennial premises type gathering licensee shall is not be required to return bottles it has purchased for sale during such gathering, the gathering of persons, but may store them the bottles in a suitable storage facility for sale at a future gathering of persons to be held within its facilities.

on the licensee's premises.

(g) All holders of gathering licenses hereunder shall be under this section are subject to the restrictions on the hours of sale of alcoholic liquors set forth in Sec.?709(c) of this title and to the prohibitions of sales to minors set forth in Sec.? 708 of this title.

(h) It shall is not be necessary to obtain a license to dispense alcoholic liquors at a gathering of persons if no alcoholic liquors are to be sold at that gathering of persons.

Importers may sell and deliver beer directly to persons for dispensing at a gathering of persons and not for resale.

(i) An applicant for a biennial premises type gathering license, as defined in Sec. 554 of this title, must give notice of the application as required by Sec. 524 of this title, but an applicant who has previously been granted a license under this section and has no violations is not required to give notice.

Section 12.

Amend Sec. 515A, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 515A.

Licenses for bottle clubs.

(c) The Commissioner may only grant a bottle club license only to the following:

(1) A person doing business in an establishment meeting the standards of a restaurant.

The license permits the establishment to operate as a bottle club on every day of the week and on holidays, except between the hours of 2:00 a.m.

and 9:00 a.m.

during which time alcoholic liquors may not be consumed on the premises of the establishment.

(2) A person renting premises to customers for holding weddings or other social gatherings where there is adequate food, as determined by the Commissioner, provided by the customer or a caterer.

The license permits the establishment to operate as a bottle club on every day of the week and on holidays, except between the hours of 2:00 a.m.

and 9:00 a.m.

during which time alcoholic liquors may not be consumed on the premises of the establishment.

If a bottle club licensed under this paragraph (c)(2) has a function that utilizes an a licensed off-site caterer, all alcohol must be provided by the licensed off-site caterer.

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02/25/2026 03:53 PM (3) A person doing business in a licensed establishment where persons pay a fee to participate in a creative arts experience, including painting, pottery-making, candle-making, and other similar activities, and where sufficient food is provided by the establishment's owner or by the customer while alcoholic liquors are being consumed.

Prepackaged chips, pretzels, and other similar food items are not sufficient food.

The license permits the establishment to operate as a bottle club on every day of the week and on holidays, except between the hours of 11:00 p.m.

and 9:00 a.m., during which time alcoholic liquors may not be consumed on the premises of the establishment.

Section 13.

Amend Sec. 516, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 516.

Consumption off the premises of a package store, hotel, restaurant, club, store or taproom.

(a) (1)a.

Any person in charge of a hotel, restaurant, club or package store (other than a grocery, delicatessen or cigar store), whether owner, lessee, or manager, and recognized as such by the Commissioner, may apply to the Commissioner for a license to purchase from an importer and to keep and sell and deliver on the premises only spirits, wine, or beer by the bottle, half bottle, keg, half keg, quarter keg, or sixtel, but not for consumption on the premises where sold, or in any dependency thereof.

b.

All vessels so sold shall must be delivered to the purchaser and shall must be removed from the premises where sold with the seals of such the vessels unbroken, with the exception of those licenses that are unless a license is approved by the Commissioner for a growler filler permit which permit.

A growler filler permit allows a licensee to purchase beer by the keg or partial keg and fill containers at time of purchase which will then be capped to leave the licensed premises for consumption off of the premises.

c.

For purposes of issuing a new license under this section, all establishments licensed for the sale of alcoholic liquors, but not for consumption on the premises where sold, shall be are considered as being of the same type;

provided, however, type.

But this shall paragraph (a)(1)c.

does not apply to the transfer of ownership or the renewal of an existing license.

(2) Any A person in charge of a store (other than a grocery, delicatessen or cigar store), package store, whether owner, lessee, or manager, and recognized as such by the Commissioner with a valid license for consumption off premises issued pursuant to under this section may sell spirits, wine, or beer pursuant to under paragraph (a)(1) of this section section, including sales for curbside service.

Any An entity with a valid off premise off-premises license pursuant to Sec. Sec. issued under Sec. 512A through Sec. 512E of this title may sell alcoholic liquor pursuant to its license for curbside service. service under the entity's off-premises license.

All sales for curbside service must do all of the following:

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Comply with Chapter 7 of this title title, including Sec. 706 of this title, which prohibits sales to intoxicated individuals, and Sec. 708 of this title, which prohibits sales to individuals who have not reached the age of 21 years.

b.

Be completed and delivered by a person certified as a responsible alcoholic beverage server pursuant to under Sec. 1205 of this title.

(b) Notwithstanding the provisions of subsection (a) of this section, any person, firm, or corporation duly licensed by the government of the United States as a ship's chandler, may apply to the Commissioner for a license to purchase and to keep, sell, and deliver off the premises, spirits, wine, or beer.

The Commissioner may issue said the license if it the Commissioner is satisfied that:

(1) that all of the following conditions are met:

(1) The applicant is a ship's chandler operating a customs bonded warehouse under a license issued by the United States government, and (2) sales government.

(2) Sales by ships a ship's chandler are limited to vessels of the United States or of a foreign country engaged in foreign trade pursuant to Sec. 1309 of Title 19 of the United States Code.

under 19 U.S.C.

Sec. 1309.

(c) No A person in charge of a taproom, restaurant, or club, whether as owner, lessee, manager manager, or otherwise, may not apply for a license to sell alcoholic liquors for consumption off the premises where sold, and the Commissioner shall may not issue such a license for use in a taproom.

Provided, however, that any taproom, restaurant, or club, except as follows:

(1) A person issued a license which that authorizes the person to sell alcoholic liquors in a taproom for consumption off the premises prior to July 6, 1983, shall be permitted to may retain said the license, unless revoked by the Commissioner pursuant to under this title;

and provided further, that any title.

(2) A person issued a license that authorizes the person to sell alcoholic liquors in a restaurant or club for consumption off the premises before [the effective date of this Act] may retain the licenses, unless revoked by the Commissioner under this title.

(3) A person issued a license which that authorizes the person to sell alcoholic liquors in a taproom for consumption off the premises prior to July 6, 1983, shall be permitted to and person issued a license that authorizes the person to sell alcoholic liquors in a restaurant or club for consumption off-the-premises before [the effective date of this Act] may transfer said the license with the approval of the Commissioner as provided in Sec. 571 of this title.

Section 14.

Amend Sec. 524, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 524.

Notice of application.

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02/25/2026 03:53 PM (d) The notices referred to in subsections (b) and (c) of this section shall must provide such information as determined by the Commissioner either through duly adopted rules or on a case by case case-by-case basis.

The following notice will, notice, in addition to the aforesaid Commissioner approved Commissioner-approved notice, satisfy satisfies this notice provision:

"[Name of applicant] has on [Date of application] applied with the Alcoholic Beverage Control Commissioner ("Commissioner") for [Nature of application] [type of license] for a premises located at [Location of the premises, including street and city].

[Applicant may include additional information about the application].

Persons who are against this application should provide written notice of their objections ("protest") to the Commissioner.

For the Commissioner to be required to hold a hearing to consider additional input from persons against the application, the Commissioner must receive one 1 or more documents containing a total of at least 10 signatures of residents or property owners located within 1 mile of the premises or in any incorporated areas located within 1 mile of the premises.

The protest(s) must be filed with the Alcoholic Beverage Control Commissioner at the 3rd?Floor, Carvel State Office Building, 820 North French Street, Wilmington, DE 19801.

premises and at least 5 residents or property owners who filed a protest and who reside or own property within 1 mile of the premises where the license is to operate or in any incorporated areas located within 1 mile of the premises where the license is to operate must pre-register to provide testimony at the hearing.

The protest(s) must be received by the Commissioner's office on or before [state a date at least 30 days after the application is filed].

The protest(s) can be emailed to the email address provided on the Commissioner's website or delivered or mailed to the Office of the Alcohol Beverage Control Commissioner, Carvel State Office Building, 820 North French Street, Wilmington, DE 19801.

Failure to file such a protest may result in the Commissioner considering the application without further notice, input or hearing.

If you have questions regarding this matter please contact the Commissioner's Office." Office by

emailing the email address provided on the Commissioner's website." Section 15.

Amend Sec. 525, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 525.

Spirits, wine wine, and beer tasting.

A license to permit spirits, wine wine, and beer tasting may be granted by the Commissioner to any person holding a license under this title as a retailer.

as a package store under Sec. 516 of this title.

Spirits, wine wine, and beer tasting may take place only in a separate portion of a licensee's premises where alcoholic beverages are not sold.

The separate portion of the premises shall must be an area designated for spirits, wine wine, and beer tasting by the Commissioner.

No charge There may not be a charge made for the spirits, wine wine, and beer tasting.

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02/25/2026 03:53 PM Section 16.

Amend Sec. 541, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 541.

Procedural requirements governing Commissioner's action;

hearing;

appeal.

(b) If 10 (b)(1) A hearing must be held to consider the application and protest and, specifically, the concerns of the members of the community within which the license is to operate if all of the following conditions are met:

a.

Ten or more persons who reside or own property within 1 mile of the premises where the license is to operate or in any incorporated areas located within 1 mile of the premises where the license is to operate file a protest against the issuance of the license with the Commissioner within 30 days from the filing of the application, then a hearing must be held to consider the application and protest and, specifically, the concerns of the members of the community within which the license is to operate. application.

b.

Five or more of the persons who filed a protest under paragraph (b)(1)a.

of this section and who reside or own property within 1 mile of the premises where the license is to operate or in any incorporated areas located within 1 mile of the premises where the license is to operate pre-register to provide testimony.

(2) The Commissioner may hold a hearing in the absence of a protest.

(3) The Commissioner shall cause notice of the time and location of the hearing to be published in 2 consecutive issues of the same newspapers within which the applicant published notice of the applicant's application for the license.

posted on the State Public Meeting Calendar.

The Commissioner shall send notice of the time and location of the hearing to the applicant and to each of the persons who signed the protest and provided a legible name and address; provided, however, that it address.

It is sufficient for the Commissioner to send notice to the attorney of a person who is represented by legal counsel.

(4) The Commissioner shall conduct the hearing and shall make and keep a record of the hearing.

The record must include the evidence, the Commissioner's findings of fact, the Commissioner's decision decision, and a brief statement of the reasons therefor.

The Commissioner's decision must show the manner in which the Commissioner construed the law and applied it to the facts, must recite any objections presented by the community, and must show how and the extent to which the Commissioner took community concerns into account and gave them due consideration when making the decision.

(c) The Commissioner's decision must be in writing and shall be final and is conclusive unless, within 30 days from the date of the postmark on the Commissioner's decision, a party to the hearing files a written appeal in the office of the Commissioner.

Upon receipt of the appeal, the Commissioner shall cause the Chairperson of the Appeals Commission to be

advised of the pending appeal and the appeal.

The Chairperson shall cause the Appeals Commission to be convened DLS :

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02/25/2026 03:53 PM with at least 20 days' notice to all parties.

The Appeals Commission's review of an appeal from the Commissioner's final decision shall must be on the record and in accordance with the Administrative Procedures Act, subchapter III of Chapter 101 of Title 29.

A decision of the Commissioner shall may be reversed only upon a finding of abuse of discretion.

(d) A party who is aggrieved by a final decision of the Appeals Commission may file a written appeal with the Superior Court within 30 days of the date that the Appeals Commission's decision was mailed.

The Superior Court's review of an appeal shall must be on the record and in accordance with the Administrative Procedures Act, subchapter V of Chapter 101 of Title 29.

The Superior Court's review shall must take into account the experience and specialized competence of the agency and the purpose under which the agency acted.

Further, the Superior Court's review, in In the absence of fraud, shall be the Superior Court's review is limited to whether the agency's decision is supported by substantial evidence on the record and is free from legal error.

Section 17.

Amend Sec. 546, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Sec. 546.

Limit on number of retail package store licenses.

(a)(1) The General Assembly finds that, in order for the Delaware Alcoholic Beverage Control Commissioner to maintain effective control of the importation, distribution distribution, and sale of alcoholic liquor into and within this State, and in order to prevent geographical price fixing of alcoholic liquor at the retail level, there shall must be a limitation placed on the number of retail package store licenses issued, held, controlled controlled, or acquired directly or indirectly by 1 person.

(2) The General Assembly further finds that a limitation on the number of retail package store licenses held by 1 person is necessary to ensure a stable system for the lawful distribution of alcoholic liquor, serve the public need and convenience convenience, and prevent the public harm associated with a monopoly of the retail package store alcoholic liquor trade by any person or group of persons, whether such the package store licenses are held by a corporation, partnership, association, proprietorship, individual individual, or other entity.

(3) The General Assembly further finds that a reasonable restriction on the number of retail package store licenses held by 1 person will further the State's interest in maintaining a 3-tier system for the importation, distribution distribution, and sale of alcoholic liquor by minimizing or limiting absentee ownership and the domination of retail establishments package stores by suppliers, manufacturers, importers importers, or other economically powerful interests.

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02/25/2026 03:53 PM (4) Therefore, it is declared to be the public policy of this State that limitations, as hereinafter specified, specified under this section, be placed on the number of retail package store licenses that any a person may at 1 time hold, directly or indirectly, and that the Commissioner shall actively supervise and enforce these limitations.

(b)(1) The Commissioner shall refuse to grant a license for the sale of alcoholic liquor by any restaurant, taproom, hotel, store package store, or other establishment for consumption off the premises where sold if the Commissioner has substantial evidence that would reasonably support a belief that the applicant, or applicant;

any of the applicant's directors, officers officers, or shareholders, shareholders;

or any of the applicant's partners, corporations, proprietorships proprietorships, or other legal entities engaged in any undertaking, industry industry, or business is singularly, or in combination with the applicant, the holder of 2 or more retail package store licenses, or has any financial, pecuniary, beneficial, management, supervisory supervisory, or other interest whatsoever, direct or indirect, and however small, in 2 or more retail licenses;

provided, however, that nothing herein shall require package store licenses.

(2) Nothing in this section requires any person who, prior to April 1, 1992, acquired an interest in more than 2 retail package store licenses to surrender, dispose of, or release their the person's

interest in any such license;

nor shall anything herein affect such license and nothing in this section affects the person's right to continue to hold, use use, and renew any such license.

(c)(1) For the purposes of this section, a person shall be is deemed to acquire a financial, pecuniary, beneficial, management, supervisory supervisory, or other interest in a retail package store license to purchase and re-sell resell or dispense alcoholic liquor if such the person or person's spouse or child under 21 years of age has either (i) any 1 or more of the following:

a.

Any interest whatsoever, direct or indirect, and however small, as a director, officer, shareholder, partner, associate, employee employee, or member in any corporation, partnership, association, proprietorship proprietorship, or other entity engaged in any undertaking, industry industry, or business which that holds a retail package store license pursuant to under this chapter, or (ii) any chapter.