# TITLE 4 ALCOHOLIC BEVERAGES AND MARIJUANA DELAWARE ADMINISTRATIVE CODE

## **DEPARTMENT OF STATE**

OFFICE OF THE ALCOHOLIC BEVERAGE CONTROL COMMISSIONER
700 Renewal and Alterations of Licenses

# 702 (Formerly Rule 51.1) A Rule Requiring the Biennial Renewal of Supplier's Licenses

### 1.0 Background

All suppliers are required by the Delaware Liquor Control Act to be licensed by the Delaware Alcoholic Beverage Control Commissioner. All new licensees, including those who have allowed their license to lapse, are required to pay an application processing fee pursuant to 4 **Del.C.** §554(x); however, any supplier applicant seeking a license to import 200 cases or less per year shall not require a hearing and not be required to pay the application processing fee. Should the holder of a license to import 200 cases or less per year apply for a license to import over 200 cases, the license holder will be required to pay the full \$1,000 application processing fee.

28 DE Reg. 320 (10/01/24)

#### 2.0 Purpose

The purpose of this regulation is to establish a procedure for the renewal of suppliers that are licensed under 4 **Del.C.** §501(a).

28 DE Reg. 320 (10/01/24)

#### 3.0 Procedure

- 3.1 The Commissioner shall provide notice of license renewal to all suppliers whose name (corporate, partnership, or proprietary name, and not trade name) starts with an alphabetical letter of "A" to "K" by November 15 of each odd numbered year, and payment of the renewal fee from the licensee is due within 30 days. All licenses issued by the Commissioner to Suppliers (A to K) shall be for a period of 2 years beginning January 1 of each even-numbered year and ending December 31 of the following odd-numbered year.
- 3.2 The Commissioner shall provide notice of license renewal to all suppliers whose name (corporate, partnership, or proprietary name, and not trade name) starts with an alphabetical letter of "L" to "Z" by November 15 of each even numbered year, and payment of the renewal fee from the licensee is due within 30 days. All licenses issued by the Commissioner to Suppliers (L to Z) shall be for a period of 2 years beginning January 1 of each odd-numbered year and ending December 31 of the following even-numbered year.
- 3.3 If the supplier fails to comply with subsection 3.2 of this regulation, but renews its license prior to December 31, it will be subject to a \$100 late renewal penalty.
- 3.4 If a supplier whose name begins with the letter A to K fails to submit a renewal application, along with the fee, by December 31 of odd numbered years, the license will expire, and the supplier will be prohibited by law from shipping alcoholic liquor into the state as of January 1.
- 3.5 If a supplier whose name begins with the letter L to Z fails to submit a renewal application, along with the fee, by December 31 of even numbered years, the license will expire, and the supplier will be prohibited by law from shipping alcoholic liquor into the state as of January 1.
- 3.6 If alcoholic liquor is shipped into the state by an unlicensed supplier, all alcoholic liquor may be seized under the provisions of 4 **Del.C.** Ch. 11.
- 3.7 Suppliers who allow their license to expire shall be required to file a complete application, including the \$1,000 processing fee, before being issued a new license unless they apply for a license to ship 200 cases or less per year.

28 DE Reg. 320 (10/01/24)

## 4.0 Failure to File Applications as Required

- 4.1 Any supplier who does not timely file an application by December 31 for renewal as required by subsections 3.1 or 3.2, or does not file the application for renewal in the form required by the Commissioner including the fee, or both, shall pay a fine as outlined in 4 **DE Admin. Code** 804 implementing the voluntary fine assessment plan.
  - 4.1.1 First Violation: \$250 fine and administrative costs.

# TITLE 4 ALCOHOLIC BEVERAGES AND MARIJUANA DELAWARE ADMINISTRATIVE CODE

- 4.1.2 Second Violation: \$500 fine and administrative costs.
- 4.1.3 Any application for renewal of a licensee who has committed a third or subsequent offense under this rule shall be cited for a violation of this rule and the matter shall be heard by the Commissioner.
- 4.2 Collection of Fine and Right to Hearing. The fine shall be collected as outlined in 4 **DE Admin. Code** 804, Section 3.0, Procedure. If a licensee chooses a hearing before the Commissioner, then 4 **DE Admin. Code** 804, Section 4.0, Penalties and Administrative Costs, will be implemented.
- 4.3 Non-Renewal of License Until Fine is Paid. When a fine is validly imposed under this rule, the license shall not be renewed until the fine is paid in full.
- 4.4 Meaning of "Timely Filing". In order for an application to be timely filed under this rule, it must be received by the Commissioner, or clearly marked with a post office cancellation, on or before the deadline required by this rule.
- 4.5 Nothing in this rule shall affect or limit the authority of the Commissioner to revoke, cancel, or suspend a license, to impose a fine, or to issue a license for a period of time less than 1 year. Further, nothing in this rule shall prohibit a licensee from surrendering the license or allowing it to expire.

19 DE Reg. 775 (02/01/16) 28 DE Reg. 320 (10/01/24)