



## **Legislative Watch 147<sup>th</sup> General Assembly**

### **BUSINESS & TAXES**

#### **January**

\*SB 6 Minimum Wage, January 30, 2014, increased the state's minimum wage to \$8.00 per hour effective July 1, 2014, and to \$8.75 per hour July 1, 2015 **(signed into law)**

\*Gov. Markell is proposing a Statewide Infrastructure Fund by raising Gas tax 10 cents a gallon and borrowing \$50,000,000 a year for a total of \$100,000,000 a year to address our failing infrastructure and creating jobs. **(Proposed, no legislation yet)**

#### **February**

\*Workers compensation rates:

The Insurance Commissioner approved a 11.7 % increase in the residual market and a 14% in the voluntary market, retro-active to Dec 1, 2013. Down from the original proposal of over 43%.

#### **March**

\*Gov. Jack Markell proposed an \$800 million program to clean Delaware waterways, curb storm water runoff and flooding, and protect drinking water. He intends to fund this with a statewide tax that would cost most homeowners approx. \$45 a year.

The governor's plan relies on new proposed taxes for property owners, which would generate \$30 million annually, and \$60 million each year in new state borrowing or state-assisted loans by others. That money

would be added to the current \$30 million set aside for state water projects.

The water tax would differ for large residential properties and multi-family sites; they could be assessed as high as \$25,000 annually for the large commercial or industrial properties.

This plan would automatically increase the tax each year for inflation.

**(Proposed, no legislation yet)**

\*Senator Marshal unveiled a proposal where Delaware could see an increase again in the minimum wage to \$10.10 in June 2016.

**(Proposed, no legislation yet)**

## **April**

\*HB 265 w/HA 1, HA 3 AN ACT TO AMEND TITLE 6 AND TITLE 8 OF THE DELAWARE CODE RELATING TO VARIOUS FEES AND TAXES CHARGED BY THE SECRETARY OF STATE.

Synopsis: This Act increases the annual tax assessed on partnerships, limited partnerships and limited liability companies on file with the Secretary of State from \$250 to \$300 and increases the corporation franchise tax by \$100 for those corporations that file on the authorized shares method.

An amendment added with the Bill- this amendment increases the corporate franchise tax by \$100 for corporations that are not authorized to issue capital stock and are not exempt from corporation franchise tax. **(Awaiting Governor's signature)**

\*HB 294 AN ACT TO AMEND TITLE 19 OF THE DELAWARE CODE RELATING TO EMPLOYMENT PRACTICES.

This legislation requires an employer to shred or destroy employee records with personal identifying information when the employer no longer retains the records. An employee harmed by the employer's failure to comply with this section can sue for triple damages.

**(Introduced and Assigned to Labor Committee in House)**

**\*HB 295** □AN ACT TO AMEND TITLE 6 OF THE DELAWARE CODE RELATING TO COMMERCE AND TRADE AND THE SAFE DESTRUCTION OF DOCUMENTS CONTAINING PERSONAL IDENTIFYING INFORMATION.

This bill will create a new chapter regarding the safe destruction by business entities of documents containing personal information. Aggrieved customers will have a civil action to recover potential triple damages.

In addition, the Attorney General may file suit or bring an administrative enforcement proceeding against the business in violation if it is in the public interest.

Banks, financial institutions, and certain other regulated institutions are exempt, as are governments and their subdivisions, agencies and instrumentalities. **(Introduced and Assigned to Labor Committee in House)**

## **ALCOHOL BILLS**

\*HS 1 for HB 60

**AN ACT TO AMEND TITLE 4 OF THE DELAWARE CODE RELATING TO ALCOHOLIC BEVERAGE CONTROL LICENSES AND TAXES, AND DIRECT PURCHASING AND SHIPMENT OF WINE**

This bill would permit wine producers holding a valid license in this State or another state to obtain a license and ship wine directly to Delaware consumers so long as it is done through a common carrier with a "Carrier Permit". The bill requires the payment of taxes and obtaining the signature of a person 21 years of age or older before delivery of the wine.

Amendment-1 This amendment removes a reference to beer which is not part of the bill. Further, the report related to deliveries, names, and addresses, is exempted from Freedom of Information Act disclosure requirements.

Amendment-2

This Amendment makes a technical correction to the enactment clause making it 2/3.

### Amendment-3

This Amendment modifies the biennial fee that a wine direct shipper would pay. If they ship less than 201 cases annually to Delaware residents they would pay \$100 biennially and those that ship more than 200 cases annually would pay a biennial license fee of \$1,000. Wineries that ship less than 201 cases to a wholesaler pay a biennial license fee of \$100 and those who ship more than 200 cases annually pay a biennial fee of \$1,000. This amendment makes the wineries that utilize the Direct Shipper License pay the same as wineries that utilize the normal three-tier system.

**(Reported out of the House Committee)**