



Retail Alcohol Product Placement Stakeholder Feedback Sessions

Monday, March 10, 10 a.m. – Noon
Thursday, March 13, 1 p.m. – 3 p.m.

Presenter: Justin Nordhorn, Director of Policy & External Affairs

Rules Coordinator: Daniel Jacobs

rules@lcb.wa.gov



Washington State Liquor and Cannabis Board

Objective

To obtain public feedback on draft rule language on Retail Alcohol Product Placement rulemaking.

For feedback or questions, contact rules@lcb.wa.gov



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Notes

During the meeting please keep the following in mind:

- These sessions **will be recorded** and are subject to public disclosure. The purpose of the recordings is to make sure we collect all feedback, and they will be posted on the Rules webpage.
- While the Teams chat feature will be ON, any written questions submitted in chat will be saved in the rulemaking file and are **subject to public disclosure**.
- Questions and comments in the session's Team chat will not be responded to in real time, but will be **addressed at the end of the session**.
- Participants will be muted and will only be unmuted when the session's leader enables their microphone.
- To ask questions during the sessions, participants must **use the raise hand** function and they will then be unmuted to ask their question.
- If you would like to submit questions before, during or after the engagement session, feel free to email the rules team at rules@lcb.wa.gov.



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Rulemaking Timeline

Date		Stage
January 15, 2025		CR 101 Filed – Rulemaking officially begins Filed as WSR 25-03-079
March 10, 2025 March 13, 2025	<u>WE ARE HERE</u>	Stakeholder Engagements
April 21, 2025 April 24, 2025	Tentative	Stakeholder Engagement Round 2
May 21, 2025	Tentative	CR 102 Filed – Draft Rules Proposed
May 21 – July 2, 2025	Tentative	Public Feedback Period on Draft Rules
July 2, 2025	Tentative	Public Hearing
July 30, 2025	Tentative	CR 103 Filed – Final Rules filed
January 1, 2026	Tentative	Rules effective



Rulemaking Goals

We have three main goals/themes/principles that are underlying our rulemaking:

1. Reducing youth exposure and access.
2. Reducing confusion between alcohol and non-alcohol.
3. Reducing theft.



Product Placement Resources

- [August 2023 Letter to Industry](#)
- [August 2024 Research Brief](#)
- [July 2024 Distilled Spirits Council of the United States \(DISCUS\) Crossover Product Responsible Marketing and Merchandising Commitments](#)
- [Illinois Administrative Code Section 100.490 Co-branded Alcoholic Beverages, Product Adjacency Prohibited](#)



Product Placement Rule

<https://lcb.wa.gov/sites/default/files/2025-02/RDS-6195-3-SH.pdf>

New Rule Language Proposed at WAC 314-02-140



WAC 314-02-140(1): Who does this apply to?

1. Beer/wine specialty shop licensed under RCW 66.24.371;
2. Combination spirits/beer/wine off-premises specialty shop licensed under RCW 66.24.035;
3. Grocery store licensed under RCW 66.24.360;
4. Combination spirits/beer/wine off-premises grocery store licensed under RCW 66.24.035; and
5. Spirits retailer licensed under RCW 66.24.630.



WAC 314-02-140(2): Licensee Restrictions

Recognizing that licensees of different sizes face different issues, we are proposing two sets of rules for smaller vs. larger licensees but are seeking feedback on where to draw the line between larger and smaller licensees.

Illinois has proposed 2,500 square feet as the dividing line. We welcome feedback on whether this would also work in Washington or should be something different (i.e. 5,000 square feet, or 1,500 square feet.)



WAC 314-02-140(2)(a):

(2) Licensees with premises over 2,500 square feet must comply with the following:

(a) No liquor products containing one-half of one percent of alcohol by volume may be displayed next to, nor in the same aisle as, nonalcohol products as defined in this section, except for the following:



WAC 314-02-140(2)(a) Exceptions

1. Products advertised or labeled as nonalcoholic beer, wine, or spirits;
2. Nonflavored bottled water, provided that nonflavored bottled water is displayed for sale in other areas as well;
3. Products commonly known as mixers for spirituous liquor;
4. Bitters, provided that they are not displayed in the same aisle or next to nonalcoholic beverages; and
5. Cooking wine may be displayed in general food aisles;

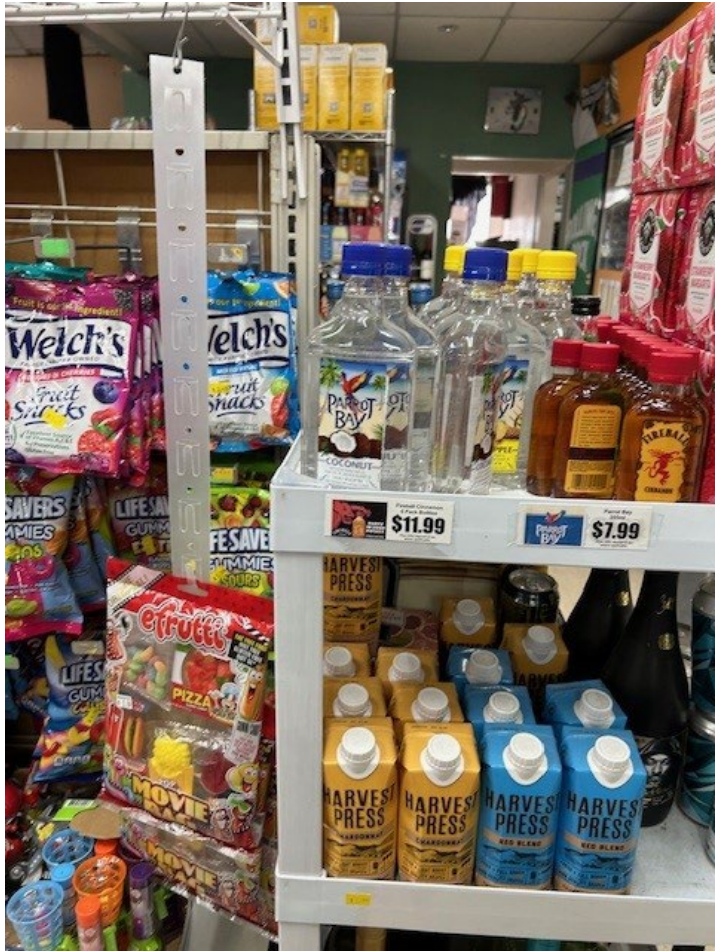


WAC 314-02-140 – Nonalcohol Products

- Soft drinks
- Soda
- Fruit juice
- Energy drinks
- Liquid Tea
- Flavored Water
- Toys
- Games
- Candy
- Snack foods with cartoons or youth-oriented images,
- Items marketed for child consumption



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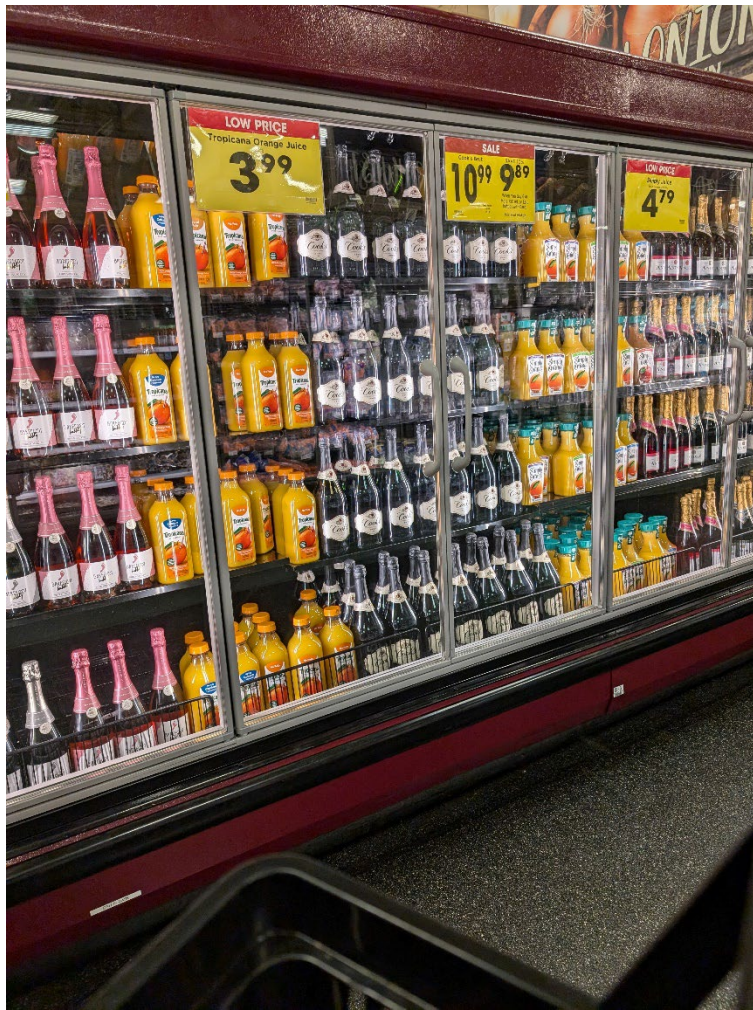


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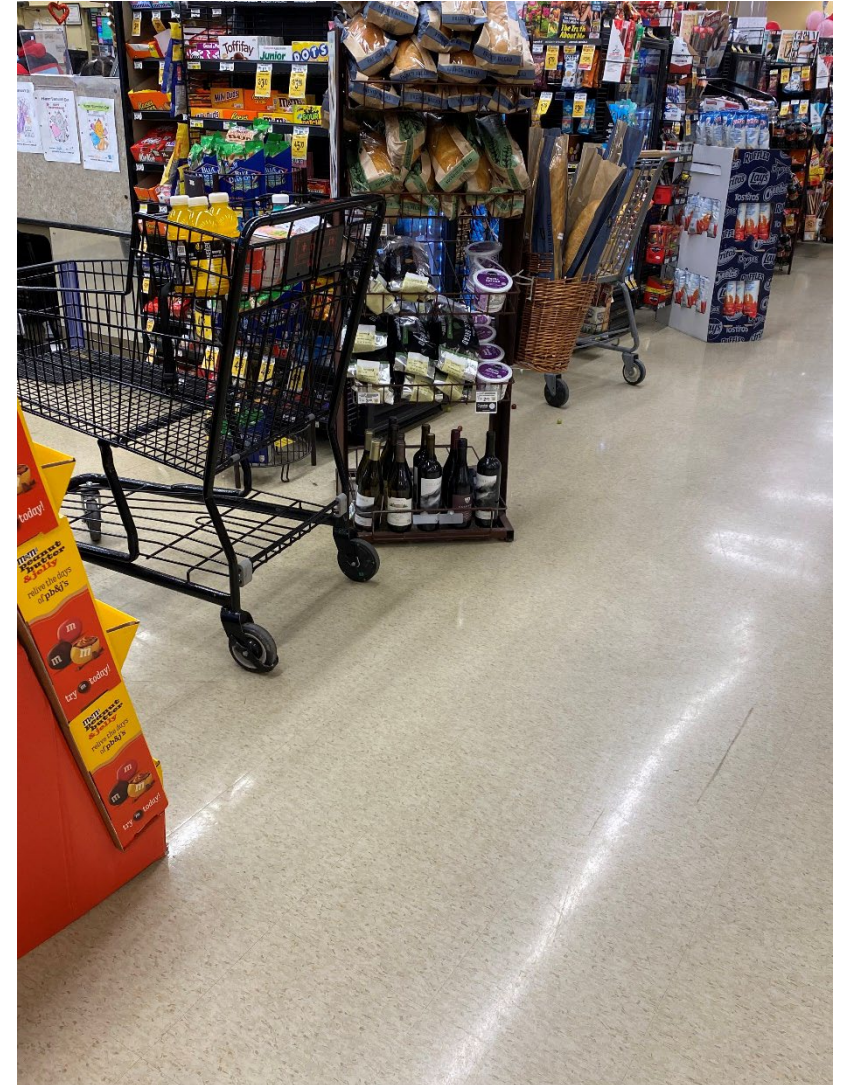




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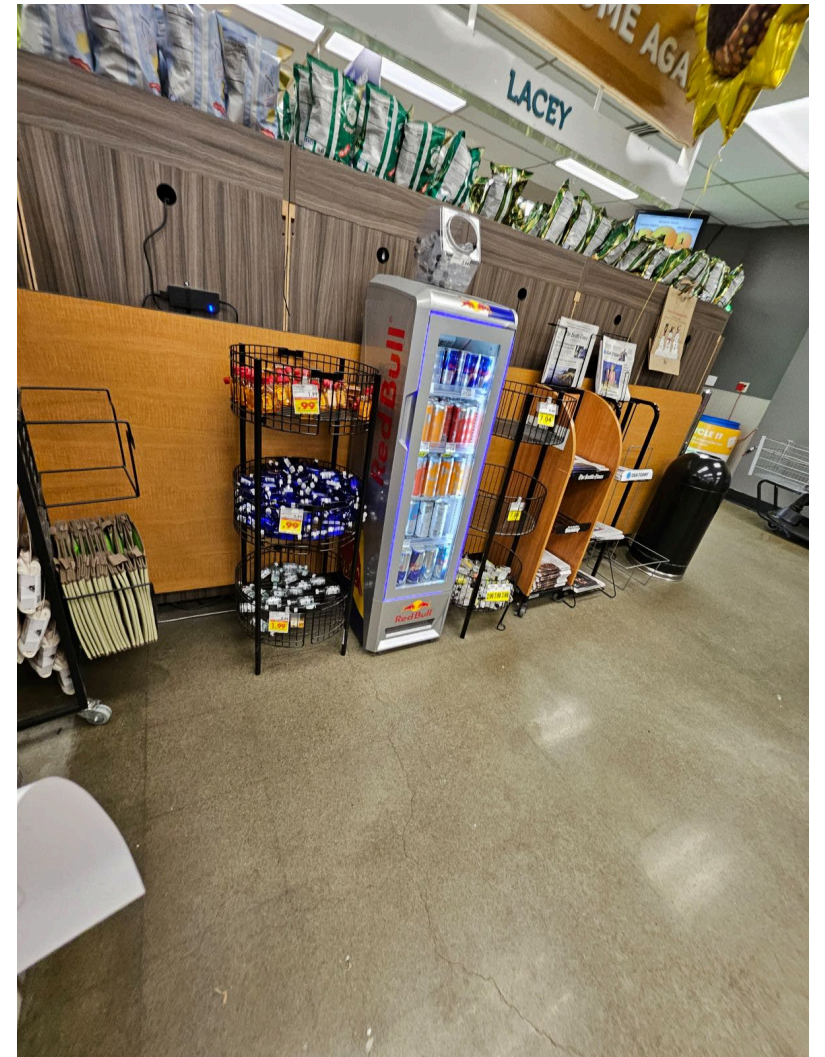
WAC 314-02-140(2)(b)

Liquor products must not be displayed within view of any point of sale or check out;





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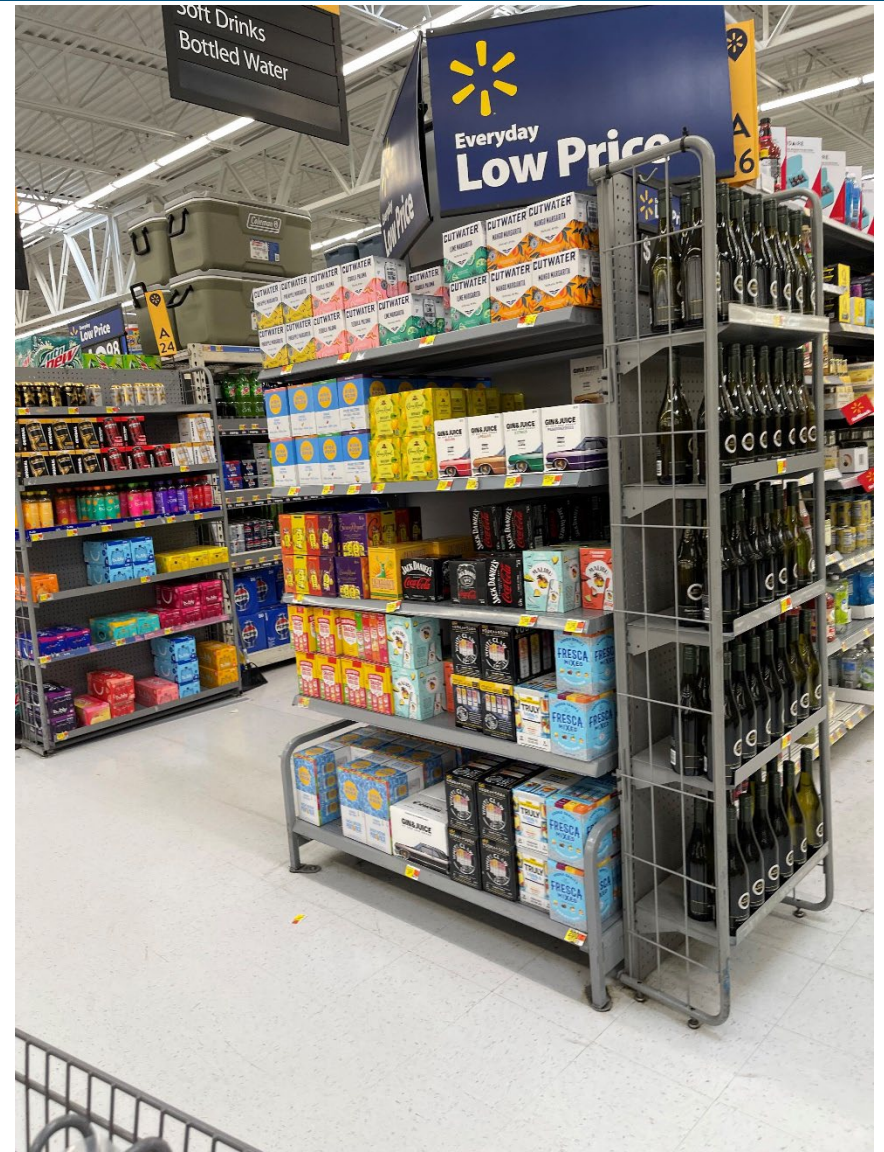


WAC 314-02-140(2)(c) **Endcaps & Free-Standing Displays**

Liquor products must not be displayed on end-caps or free-standing displays, unless the aisle or broader area of the retailer is dedicated solely to the sale of alcohol;



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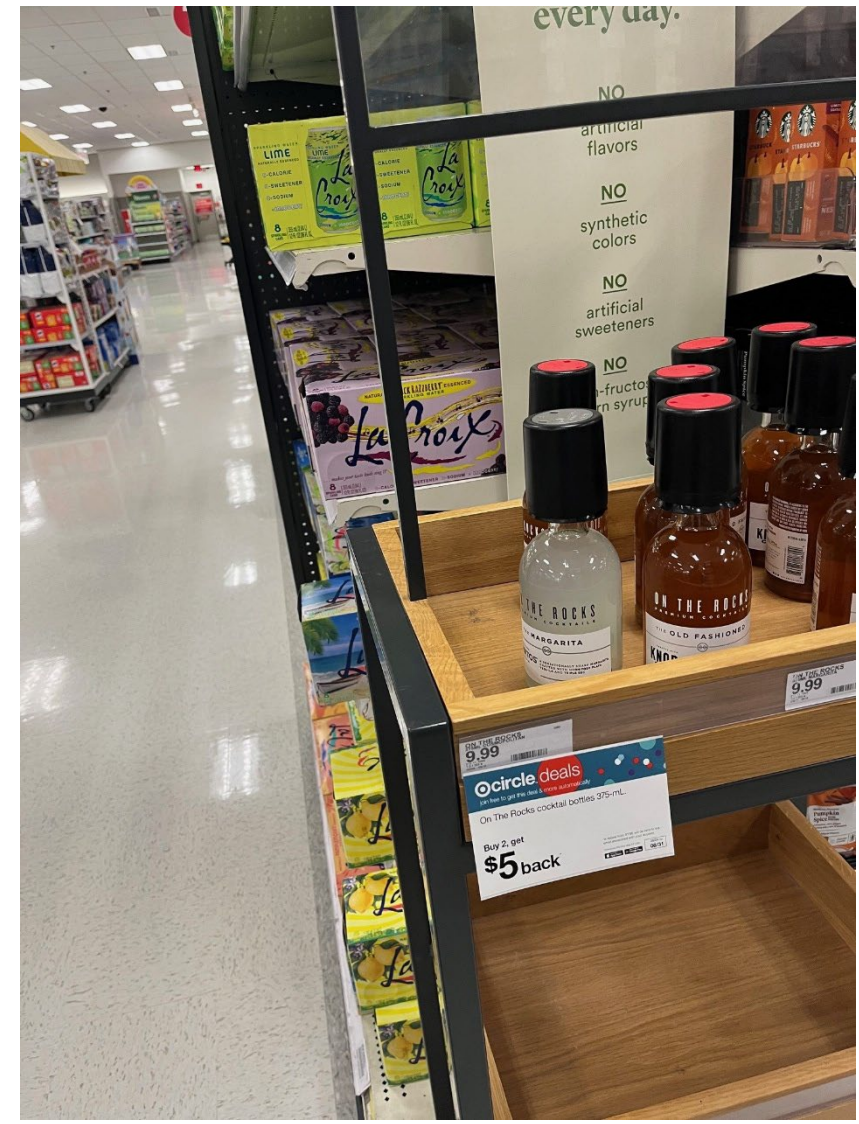


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WAC 314-02-140(2)(d) – Mini Bottles

Mini-bottles of liquor must be reasonably secured at all times.

Mini-bottles defined as container of alcohol with 200ml or less of fluid.



WAC 314-02-140

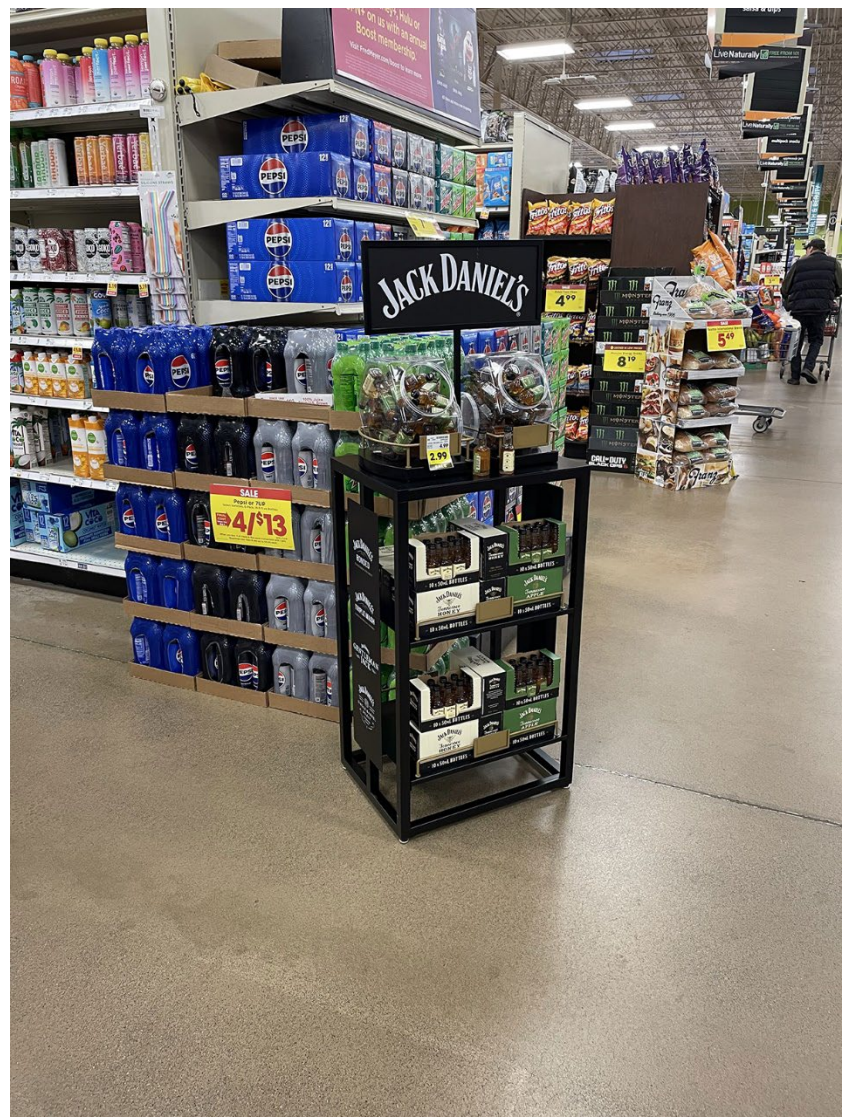
What is reasonably secured?

Including, but not limited to:

- Individual theft prevention devices attached,
- Secured behind the counter,
- Secured in a locked cabinet,
- Secured in a manner out of reach of shoppers.

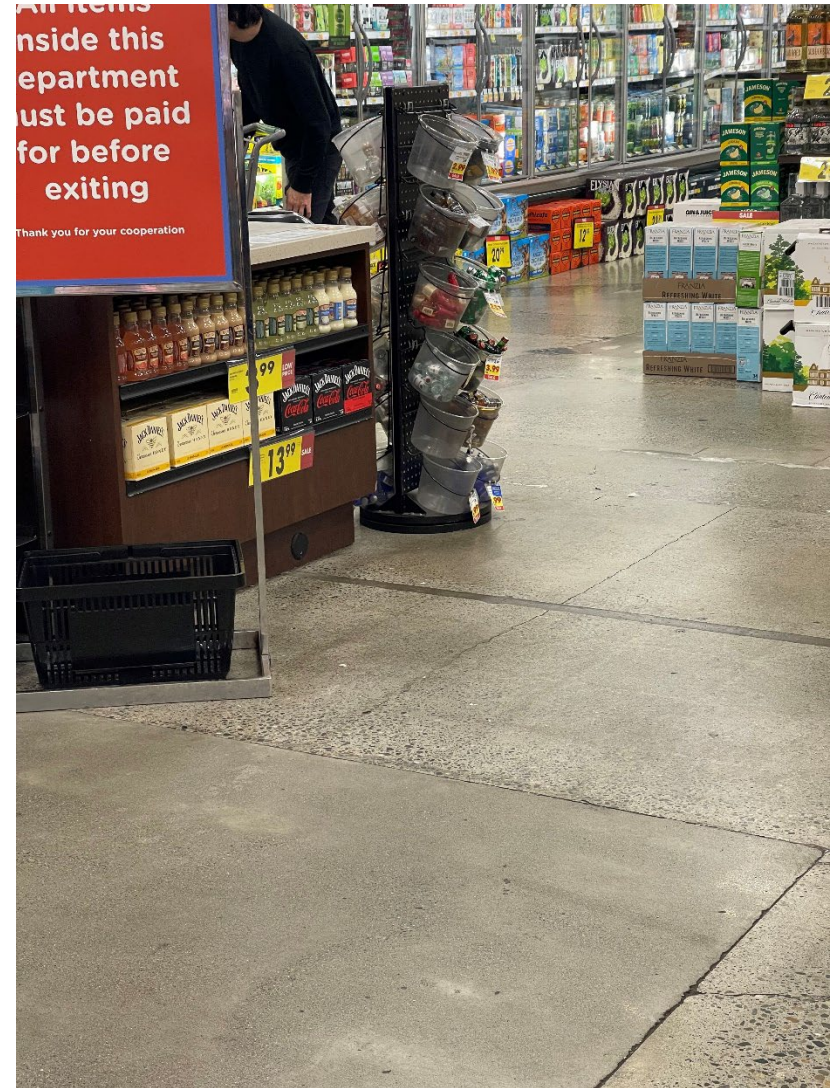


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WAC 314-02-140(3) – under 2,500 square feet

- (a) No liquor products containing one-half of one percent of alcohol by volume may be displayed next to nonalcoholic beverages except for nonflavored bottled water;
- (b) Mini-bottles of liquor must be reasonably secured at all times;
- (c) Liquor products must not be displayed on end-caps or free-standing displays;



WAC 314-02-140(3)(d) - Separation

(d) Liquor products must be physically separated from nonalcohol products. This requirement can be satisfied if liquor products are in the same display unit as nonalcohol products if the following conditions are met:

(continued on next slide)



WAC 314-02-140(3)(d) – Separation

- (i) Liquor products are kept in a visibly distinct portion of the display unit from nonalcohol products;
- (ii) Liquor products are kept at least three feet off the floor; and
- (iii) A sign is placed in a clearly visible place that reads "THESE PRODUCTS CONTAIN ALCOHOL AND ARE ONLY AVAILABLE FOR SALE TO PEOPLE 21 YEARS OF AGE AND OVER."



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Next Steps

- Collect feedback
- Meet with project team
- Determine if new draft language and second round of stakeholder engagement necessary



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Thank You!

For any questions or feedback, please contact Policy &
Rules at rules@lcb.wa.gov