



Washington State Liquor and Cannabis Board

Retail Alcohol Product Placement Stakeholder Feedback Sessions

Wednesday, September 24, 1 p.m. – 2:30 p.m.

Friday, September 26, 10 a.m. – 11:30 a.m.

Presenter: Kevin Walder, Policy & Rules Manager

Rules Coordinator: Daniel Jacobs

rules@lcb.wa.gov



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Objective

To obtain public feedback on updated draft rule language for the 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 these recordings will be posted on the Rules webpage.
- While the Teams chat feature is 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, time permitting**.
- Participants will be muted and will only be unmuted when the facilitator 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	Completed	CR 101 Filed – Rulemaking officially begins Filed as WSR 25-03-079
March 10, 2025 March 13, 2025	Completed	Stakeholder Engagements
September 24, 2025 September 26, 2025	<u>WE ARE HERE</u>	Stakeholder Engagement Round 2
November 5, 2025	Tentative	CR 102 Filed – Draft Rules Proposed
November 5 – December 11, 2025	Tentative	Official Public Comment Period on Draft Rules
December 11, 2025	Tentative	Public Hearing
January 7, 2026	Tentative	CR 103 Filed – Final Rules Adopted
February 7, 2026	Tentative	Rules effective



Product Placement Rule

<https://lcb.wa.gov/laws/current-rulemaking-activity>

New Rule Language Proposed at WAC 314-02-140



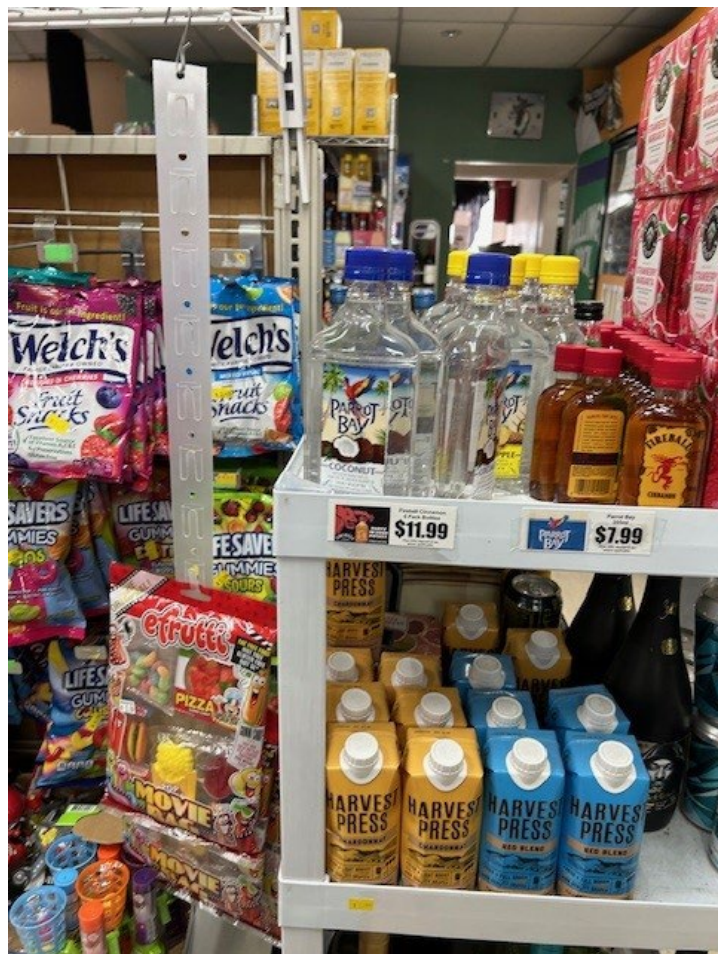
Rulemaking Goals

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

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

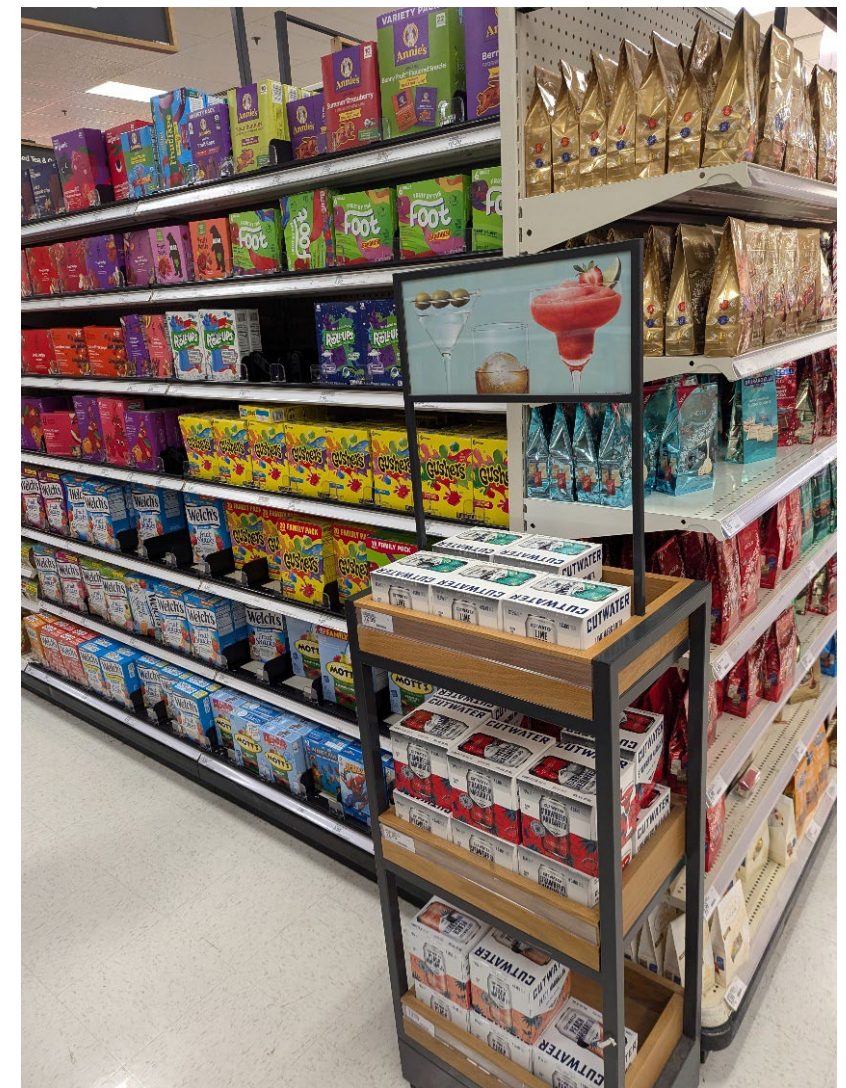


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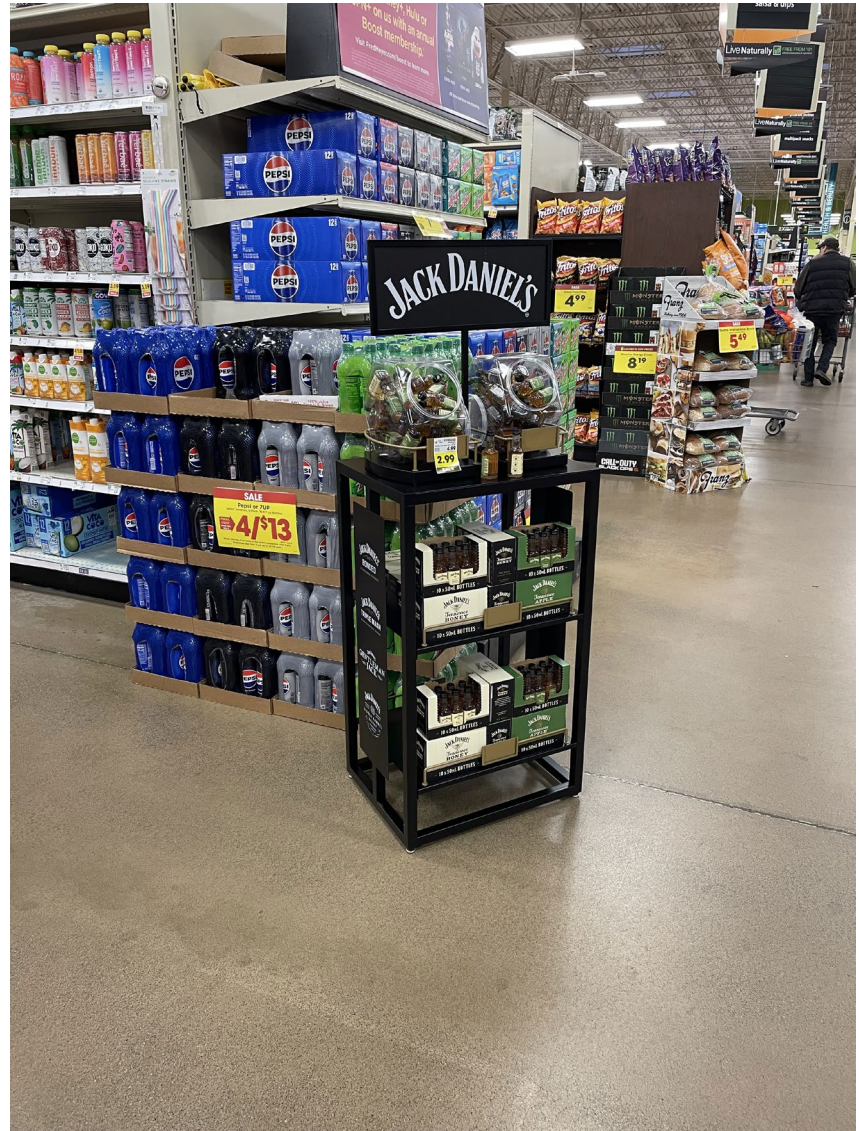


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Who will this rule apply to?

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.



Key Stakeholder Concerns with 1st Draft

- Floor displays and end-caps are critical for consumer awareness in a marketplace with so many options. Prohibitions would have a disproportionately negative impact on smaller, local producers.
- Smaller stores may not have the space to fully separate alcohol from non-alcoholic products.
- Prohibiting alcohol from being displayed in areas near check-out stands could negatively impact anti-theft strategies.



Key Stakeholder Concerns, cont.

- Different rules for licensees over and under 2,500 sq ft creates confusion. Uniform rules for all licensees would be easier to follow, but if a distinction must be made, 2,500 sq ft may be too small.
- WA voters decided that they wanted to be able to purchase liquor in grocery stores (I-1183, 2011). Significant limitations on customer access in this environment stand in opposition to the spirit of this initiative.
- Some terminology needs to be more clearly defined, concepts better articulated



Areas of Agreement

- Mini bottles located where they can easily be stolen is problematic.
- Crossover products displayed near their alcoholic counterparts can cause customer confusion and potentially encourage youth consumption.
- Ensuring that minors cannot access alcohol is a top priority.



Draft Rule Changes

- Restructured rule to apply to all Specialty shops, Grocery stores, and Spirits retailers, with additional accommodations for those under 5,000 sq ft
- Removed language broadly prohibiting any alcohol on end-caps and displays, but kept limitations on crossover products being displayed next to NA counterparts
- Eliminated the prohibition on alcohol displays near point of sale or check-out



Draft Rule Changes, cont.

- Clarified which NA products must be separated, and provided exceptions
- Updated definitions and modified rule language for greater clarity



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