



Washington State Liquor and Cannabis Board

Date: May 6, 2026

To: Jim Vollendroff, Board Chair
Ollie Garrett, Board Member
Pete Holmes, Board Member

From: Daniel Jacobs, Policy & Rules Coordinator

Copy: Will Lukela, Agency Director
Toni Hood, Agency Deputy Director
Lawerence Grant, Director of Enforcement and Education
Becky Smith, Licensing Director
Justin Nordhorn, Policy and External Affairs Director
Kevin Walder, Policy & Rules Manager

Subject: **Request for approval of final rules (CR 103) regarding repeal of Trade Practice Rules**

The Director’s Office requests that the Board adopt the final rules and approve the CR 103 to repeal three sections of Title 314 WAC: [WAC 314-23-065](#), [WAC 314-23-080](#) and [WAC 314-23-085](#).

The Board has been briefed on the rule development background for this rule making project. There were no objections or public comments received on the CR 105.

The CR 103 memorandum, CR 103 form, Concise Explanatory Statement, and rule text are attached. If approved, the Policy and Rules Coordinator will file the rules with the Office of the Code Reviser today.

Because the repeal of these rules is required for consistency with a court order, RCW 34.05.380(3)(a) allows for these rules to become effective immediately upon filing.

___ Approve ___ Disapprove _____ _____
Jim Vollendroff, Chair Date

___ Approve ___ Disapprove _____ _____
Ollie Garrett, Board Member Date

___ Approve ___ Disapprove _____ _____
Pete Holmes, Board Member Date



Washington State Liquor and Cannabis Board

Attachments: CR 103 Memorandum
Concise Explanatory Statement
RDS-6949.1



Washington State Liquor and Cannabis Board

CR 103 Memorandum: Repeal of Trade Practice Rules

Date: May 6, 2026
Presented by: Daniel Jacobs, Policy & Rules Coordinator

Background

In 2019, the Washington State Court of Appeals ruled that [WAC 314-23-065](#), [WAC 314-23-080](#), and [WAC 314-23-085](#) were invalid because they exceeded the Board's rulemaking authority and conflicted with [RCW 66.28.170](#). See Wash. Rest. Ass'n v. Wash. State Liquor & Cannabis Bd., 448 P.3d 140 (Wash. Ct. App. 2019). The Board chose not to appeal that decision. The Board has further decided that it is not necessary to replace these rules with other regulations, in part because the statutory language at RCW 66.28.170 remains in place. Therefore, these rules should be repealed.

Rule Necessity

This rulemaking is needed to repeal rules that have been found invalid by a court of proper jurisdiction and which the Board chose not to appeal that decision.

Description of Rule Changes

WAC 314-23-065, WAC 314-23-080 and WAC 314-23-085 will be repealed.

Expedited Rulemaking

Per [RCW 34.05.353\(2\)\(c\)](#), the proposed rule changes qualify for expedited rulemaking because the rules are no longer necessary because of changed circumstances. The changed circumstance in this instance is the court decision mentioned above. As previously stated, RCW 66.28.170 already addresses the topic, and therefore no further rulemaking on the subject is necessary.

Per [RCW 34.05.353\(6\)](#), any person may file a written objection to expedited rulemaking within 45 days of the CR-105 notice, which was published in the Washington State Register on March 18, 2026 as [WSR 26-06-091](#). Provided that no objections are received by May 5, 2026, the CR-103 will be filed on May 6, 2026, the earliest permissible date to do so.

Because all rule changes included in this rulemaking order are required for consistency with a court order, [RCW 34.05.380\(3\)\(a\)](#) allows for these rules to become effective immediately upon filing.



RULE-MAKING ORDER

PERMANENT RULE ONLY

CR-103P (December 2017)
(Implements RCW 34.05.360)

Agency: Washington State Liquor and Cannabis Board (LCB)

Effective date of rule:

Permanent Rules

31 days after filing.

Other (specify) Effective immediately upon filing* (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?

Yes No If Yes, explain:

Purpose: This rulemaking repeals three rules consistent with the decision in Wash. Rest. Ass'n. v. Wash. State Liquor & Cannabis Bd., 448 P.3d 140 (Wash. Ct. App. 2019). The Board chose not to appeal this decision.

The three rules to be repealed are:

- WAC 314-23-065 What are "unfair trade practices"?
- WAC 314-23-080 Are licensed distributors or other licensed suppliers of spirits and wine allowed to provide volume discounts to on-premises or off-premises retail licensees?
- WAC 314-23-085 What types of discounts are not allowed?

* Because the repeal of these rules is required for consistency with a court order, RCW 34.05.380(3)(a) allows for these rules to become effective immediately upon filing.

Citation of rules affected by this order:

New:

Repealed: WAC 314-23-065; WAC 314-23-080; WAC 314-23-085

Amended:

Suspended:

Statutory authority for adoption: RCW 34.05.353.

Other authority: Wash. Rest. Ass'n v. Wash. State Liquor & Cannabis Bd., 448 P.3d 140 (Wash. Ct. App. 2019)

PERMANENT RULE (Including Expedited Rule Making)

Adopted under notice filed as WSR 26-06-091 on March 4, 2026 (date).

Describe any changes other than editing from proposed to adopted version: No changes

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name:

Address:

Phone:

Fax:

TTY:

Email:

Web site:

Other:

**Note: If any category is left blank, it will be calculated as zero.
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.
A section may be counted in more than one category.**

The number of sections adopted in order to comply with:

Federal statute:	New	_____	Amended	_____	Repealed	_____
Federal rules or standards:	New	_____	Amended	_____	Repealed	_____
Recently enacted state statutes:	New	_____	Amended	_____	Repealed	_____

The number of sections adopted at the request of a nongovernmental entity:

New	_____	Amended	_____	Repealed	_____
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The number of sections adopted on the agency's own initiative:

New	_____	Amended	_____	Repealed	_____
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The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New	_____	Amended	_____	Repealed	_____
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The number of sections adopted using:

Negotiated rule making:	New	_____	Amended	_____	Repealed	_____
Pilot rule making:	New	_____	Amended	_____	Repealed	_____
Other alternative rule making:	New	_____	Amended	_____	Repealed	3

Date Adopted: May 6, 2026

Name: Jim Vollendroff

Title: Chair

Signature:

Place signature here

REPEALER

The following sections of the Washington Administrative Code are repealed:

- | | |
|----------------|--|
| WAC 314-23-065 | What are "unfair trade practices"? |
| WAC 314-23-080 | Are licensed distributors or other licensed suppliers of spirits and wine allowed to provide volume discounts to on-premises or off-premises retail licensees? |
| WAC 314-23-085 | What type of discounts are not allowed? |



Notice of Permanent Rules – Repeal of Trade Practice Rules

Concise Explanatory Statement

This concise explanatory statement concerns the Washington State Liquor and Cannabis Board's (LCB) repeal of three sections of Title 314 WAC consistent with a prior court decision: [WAC 314-23-065](#), [WAC 314-23-080](#), and [WAC 314-23-085](#)

The Administrative Procedure Act (RCW 34.05.325(6)) requires agencies to complete a concise explanatory statement before filing adopted rules with the Office of the Code Reviser. The concise explanatory statement must be provided to any person upon request, or from whom the LCB received comment.

The LCB appreciates and encourages your involvement in the rule making process. If you have questions, please contact Daniel Jacobs, Policy & Rules Coordinator, at rules@lcb.wa.gov.

Background and reasons for adopting these rules:

In 2019, the Washington State Court of Appeals ruled that [WAC 314-23-065](#), [WAC 314-23-080](#), and [WAC 314-23-085](#) were invalid because they exceeded the Board's rulemaking authority and conflicted with [RCW 66.28.170](#). See Wash. Rest. Ass'n v. Wash. State Liquor & Cannabis Bd., 448 P.3d 140 (Wash. Ct. App. 2019). The Board chose not to appeal that decision. The Board has further decided that it is not necessary to replace these rules with other regulations, in part because the statutory language at RCW 66.28.170 remains in place.

A detailed explanation of the use of expedited rulemaking, consistent with [RCW 34.05.353](#), can be found in the CR-103 Memo.

Rulemaking history for this adopted rule:

CR-105: Filed March 4, 2026, as [WSR 26-06-091](#).

The effective date of the repeal is May 6, 2026.

Public comment received on the rule proposal: No public comments received on this rule.

Changes from Proposed Rules (CR-102) to the Rules as Adopted: Not applicable because no CR-102 was filed due to the use of expedited rulemaking.