Washington State Liquor and Cannabis Board

## Issue Paper Mini Spirit Bottles

Date:

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Presented by:

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## **Description of the Issue**

The purpose of this Issue Paper is to request approval from the Board to file revised proposed rules (Supplemental CR 102) to address the placement and storage of mini spirit bottles in stores frequented by minors.

## Why is rule making necessary?

The board received comments regarding placement of and access to mini spirit bottles in stores that minors frequent (grocery stores or specialty shops, for example). This rulemaking addresses those concerns by requiring grocery stores or specialty shops with less than fifty percent of their sales from alcohol to display mini spirit bottles securely. The revision to the originally proposed rule is based on comments received from stakeholders.

## What changes are being made?

Amended Section. WAC 314-02-107 What are the requirements for a spirits retail license? The proposed rule adds language to clarify requirements for placement and storage of mini spirit bottles in stores frequented by minors. The revision to the originally proposed rule removes the exemption for former state and contract liquor stores.

AMENDATORY SECTION (Amending WSR 12-12-065, filed 6/5/12, effective 7/6/12)

- WAC 314-02-107 What are the requirements for a spirits retail license? (1) The requirements for a spirits retail license are as follows:
- (a) Submit a signed acknowledgment form indicating the square footage of the premises. The premises must be at least ten thousand square feet of fully enclosed retail space within a single structure, including store rooms and other interior areas. This does not include any area encumbered by a lease or rental agreement (floor plans one-eighth inch to one foot scale may be required by the board); and
- (b) Submit a signed acknowledgment form indicating the licensee has a security plan which addresses:
  - (i) Inventory management;
  - (ii) Employee training and supervision; and
- (iii) Physical security of spirits product with respect to preventing sales to underage or apparently intoxicated persons and theft of product.
- (2) (a) A grocery store licensee or a specialty shop licensee may add a spirits retail liquor license to their current license if they meet the requirements for the spirits retail license.
- (b) A grocery store or a specialty shop licensee that adds a spirits retail liquor license must display bottled spirits fifty milliliters or less in size offered to customers for off-premises consumption in a secure manner so a licensee or employee of the licensee must unlock or otherwise access the spirits for a customer before the customer purchases the spirits.
- (i) The display of bottled spirits fifty milliliters or less in size applies whether a bottle is displayed or sold individually or in a package with other bottled spirits fifty milliliters or less in size.
- (ii) Spirits retail licensees with more than fifty percent of their sales in alcohol do not need to secure bottled spirits fifty milliliters or less.
- (3) The board may not deny a spirits retail license to qualified applicants where the premises is less than ten thousand square feet if:
- (a) The application is for a former contract liquor store location;
- (b) The application is for the holder of a former state liquor store operating rights sold at auction; or
- (c) There is no spirits retail license holder in the trade area that the applicant proposes to serve; and
- (i) The applicant meets the operational requirements in WAC 314-02-107 (1)(b); and
- (ii) If a current liquor licensee, has not committed more than one public safety violation within the last three years.