

ILCC Adopts Permanent Rule Regulating Placement and Display of Co-Branded Alcoholic Beverages in Retail Establishments

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On September 21, 2023, the Illinois Liquor Control Commission (ILCC) adopted a permanent rule regulating the placement of co-branded alcoholic beverages on retail sales floors. The Joint Committee on Administrative Rules (JCAR) issued a Certificate of No Objection on September 12, 2023, permitting the ILCC to adopt the rule by filing

with the Secretary of State. The permanent rule seeks to protect the public from confusion between alcoholic beverages and non-alcoholic beverages with similar branding and to prevent the marketing of such alcoholic beverages to children.

A "co-branded alcoholic beverage" is any alcoholic beverage containing the same or a similar brand name, logo, or packaging as a non-alcoholic beverage. The permanent rule applies to all establishments in Illinois that sell packaged alcohol for off-premise consumption.

Under the permanent rule, applicable establishments are subject to the following regulations:

• Establishments with larger retail sales floors (exceeding 2,500 square feet) are prohibited from displaying co-branded alcoholic beverages immediately adjacent to soft drinks, fruit juices, bottled water, candy, or snack foods if those snack foods portray cartoons or youth-oriented images.

• Establishments with retail sales floors of 2,500 square feet or less must either: (1) comply with the display requirements for establishments with larger retail sales floors; or (2) post clear signage on every display that contains co-branded alcoholic beverages if such co-branded alcoholic beverages are immediately adjacent to soft drinks, fruit juices, bottled water, candy, or snack foods if those snack foods portray cartoons or youth-oriented images.

The required signage can be downloaded on the <u>ILCC website</u>. Printed copies of the signage are available at the ILCC's Springfield and Chicago offices, Monday through Friday, 8:30 a.m. - 4:30 p.m.

"Mistaking alcoholic beverages for non-alcoholic beverages is especially dangerous for minors and individuals with alcohol use disorders," **said Illinois Liquor Control Commission Executive Director Lisa Gardner.** "This rule aims to safeguard the Illinois public health by preventing product confusion while also prohibiting alcohol marketing that may appeal to children."

This permanent rule replaces an Emergency Rule that was set to expire on October 23, 2023. Emergency Rules are temporary rules designed to address an immediate threat to the public interest, safety, or welfare, and they take effect immediately or up to 10 days after filing with the Secretary of State. Emergency Rules go through a bipartisan legislative committee (JCAR) for review, public comment, and passage, and remain in effect for 150 days. Permanent rules take effect only after undergoing the entire JCAR review process. The ILCC's new permanent rule is in effect as of September 21, 2023.

Establishments with questions about the permanent rule, contact LCC. IndustryEducation@illinois.gov. For media inquiries about the permanent rule, contact Nicole.Sanders2@illinois.gov.

About the Illinois Liquor Control Commission

The Illinois Liquor Control Commission's mission is to protect the health, safety, and welfare of the people of Illinois through careful control and regulation of the manufacture, distribution, and sale of alcoholic liquors. The ILCC furthers its mission with training and education to help reduce youth access to alcohol products.

To learn more about the ILCC and its divisions, visit <u>www.ILCC.Illinois.gov</u>. To submit a tip or complaint to the ILCC's Enforcement Division, click <u>here</u>.

Follow the Illinois Liquor Control Commission on social media.