



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 1222** HLS 26RS 1810
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 9, 2026	10:31 AM	Author: LYONS
Dept./Agy.: Louisiana Economic Development		
Subject: Grocery Initiative Program and Food Insecurity Study		Analyst: Noah O'Dell

ECONOMIC DEVELOPMENT OR INCREASE GF EX See Note Page 1 of 1
 Provides relative to grocery initiative grants and financial support

Proposed law requires Louisiana Economic Development (LED), subject to appropriation, to establish the Grocery Initiative program to provide grants, loans, technical assistance, or other financial assistance to eligible grocery stores (for-profit, cooperative, or not-for-profit) in food deserts in the state and areas at risk of becoming food deserts. Proposed law defines "food deserts" and allows LED to promulgate rules that may designate other areas as "food deserts" and further refine program eligibility. LED may enter into grants, contracts, or other agreements to provide technical assistance to grantees. LED is required to study food insecurity in food deserts and submit a report to the legislature by December 31, 2027.

Proposed law permits LED to provide grants, subject to appropriation, for equipment upgrades to existing independently owned or farmer-owned grocery stores or markets. LED is limited to 20% of the total program funding for this purpose.

Effective August 1, 2026.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0

Annual Total

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0

Annual Total

EXPENDITURE EXPLANATION

Proposed law is anticipated to increase SGF expenditures by \$440,000 in FY 27 and two (2) T.O. positions within Louisiana Economic Development (LED) associated with administration of the program, **in addition to an indeterminable amount of SGF (subject to appropriation) for the funding to issue grants and loans under the program.** This fiscal note assumes a separate legislative instrument provides such an appropriation. The Legislative Fiscal Office (LFO) is unable to estimate the scale of any appropriation or the number of loans or grants that may be issued annually under the program.

The bill establishes the Grocery Initiative Program within LED to offer grants, loans, technical assistance, and other financial assistance to certain grocery stores in food deserts and areas at risk of becoming food deserts. The program will also offer grants for equipment upgrades to certain grocery stores. LED is required to study food insecurity in urban and rural food deserts and submit a report to the legislature by December 31, 2027.

LED estimates the proposed legislation will require two Program Administrators at an annual cost of \$210,000 (average salary of \$70,000 and related benefits of \$35,000), with annual market rate adjustments beginning in FY 28. One-time costs include up to \$50,000 for an outside consultant to complete the required study and \$60,000-\$180,000 for the development of a program management platform. Such costs are reported on the high end of the range for this fiscal note.

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personal Services					
Program Administrators (2 T.O.)	\$210,000	\$216,300	\$222,789	\$229,473	\$236,357
Professional Services					
Development of the Program System	\$180,000	\$0	\$0	\$0	\$0
Contracted Study on Food Deserts	\$ 50,000	\$0	\$0	\$0	\$0
Total LED Administration Expenditures	\$440,000	\$216,300	\$222,789	\$229,473	\$236,357

These estimated expenditures assume the technical assistance required under the bill may be accomplished by the two full-time program administrators. To the extent program participation is higher than expected, and such responsibilities fall outside of the scope of the two employees, additional resources may be necessary to comply with the proposed legislation.

REVENUE EXPLANATION

As LED issues loans to certain grocery stores under the Grocery Initiative Program, repayment of those loans is expected to increase SGR within LED by an indeterminable amount. LFO assumes such loan repayments would be classified as SGR, given that the proposed legislation does not provide for a statutorily dedicated fund associated with the program. LFO is unable to estimate program participation, particularly in loan activity.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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