

2026 Regular Session

HOUSE BILL NO. 1222

BY REPRESENTATIVE LYONS

ECONOMIC DEVELOPMENT: Provides relative to grocery initiative grants and financial support

1 AN ACT

2 To enact Chapter 70 of Title 51 of the Louisiana Revised Statutes of 1950, to be comprised
3 of R.S. 51:3301 through 3304, relative to grocery initiative grants and financial
4 support; to provide for definitions; to provide for the responsibilities of Louisiana
5 Economic Development; to provide for grocery initiative grants and financial
6 support; to provide for technical assistance; to provide for a grocery initiative study;
7 and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. Chapter 70 of Title 51 of the Louisiana Revised Statutes of 1950,
10 comprised of R.S. 51:3301 through 3304, is hereby enacted to read as follows:

11 CHAPTER 70. GROCERY INITIATIVE ACT

12 §3301. Short title

13 This Chapter may be known as and cited as the "Grocery Initiative Act".

14 §3302. Definitions

15 For the purposes of this Chapter, the following terms have the following
16 meanings ascribed to them:

17 (1) "Department" means Louisiana Economic Development.

18 (2)(a) "Food desert" means a census tract that is both of the following:

19 (i) Meets one of the following poverty standards:

1 (aa) The census tract has a poverty rate of at least twenty percent.

2 (bb) The census tract is not located within a metropolitan statistical area and
3 has a median family income that is less than or equal to eighty percent of the
4 statewide median household income.

5 (cc) The census tract is located within a metropolitan statistical area and has
6 a median family income that is less than or equal to eighty percent of the greater of
7 the statewide median household income or the metropolitan area median family
8 income.

9 (ii) Meets one of the following population density and food accessibility
10 standards:

11 (aa) The census tract is a rural tract, and at least thirty-three percent of the
12 population of the tract or at least five hundred residents in the tract reside more than
13 ten miles from the nearest grocery store.

14 (bb) The census tract is an urban tract, and at least thirty-three percent of the
15 population of the tract or at least five hundred residents in the tract reside more than
16 one-half mile from the nearest grocery store.

17 (b) The department may also designate an area that does not meet the
18 standards set forth in this definition as a food desert if the designation is made in
19 accordance with criteria established by the department by rule using data that
20 includes but is not limited to poverty metrics and access to existing grocery stores.

21 (3) "Grocery store" means an existing or planned retail establishment that
22 is all of the following:

23 (a) Has or will have a primary business of selling a variety of grocery
24 products, including fresh produce.

25 (b) Derives or will derive no more than thirty percent of its revenue from
26 sales of tobacco and alcohol in any given year.

27 (c) Is or will be classified as a supermarket or other grocery retailer in the
28 2022 North American Industry Classification System pursuant to code 445110.

1 (d) Accepts or will accept Supplemental Nutrition Assistance Program
2 benefits and Special Supplemental Nutrition Program for Women, Infants, and
3 Children benefits.

4 (e) Provides or will provide for the retail sale of a substantial variety of
5 perishable foods, including fresh or frozen dairy products, fresh produce, and fresh
6 meats, poultry, and fish.

7 (4)(a) "Local governmental unit" means any parish, municipality, special
8 district, or unit that is designated as a unit of local government by law and exercises
9 limited governmental powers or powers in respect to limited governmental subjects.

10 (b) "Local governmental unit" also includes any school district or
11 community college district.

12 (5) "Not-for-profit corporation" means an organization or institution that is
13 organized and conducted on a not-for-profit basis with no personal profit inuring to
14 anyone as a result of the operation.

15 (6) "Rural tract" means a census tract that is not an urban tract.

16 (7) "Urban tract" means a census tract having its geographic centroid in an
17 urban area, as defined by the Bureau of the Census for the most recent year in which
18 all relevant data to identify food deserts is available.

19 §3303. Grocery initiative grants and financial support

20 A.(1) The department may establish the Grocery Initiative to expand access
21 to healthy foods in food deserts in this state and areas at risk of becoming food
22 deserts in this state by providing grants and other forms of financial assistance to
23 independently owned for-profit grocery stores, cooperative grocery stores, or
24 not-for-profit grocery stores, as well as grocery stores owned and operated by local
25 governmental units. The department may enter into contracts, grants, or other
26 agreements to administer these grants and other forms of financial assistance. The
27 department may, by rule, place limits on the size of the grocery stores that are
28 eligible for grants and other financial assistance pursuant to this Chapter, including

1 but not limited to limits on the annual revenue or projected revenue of the applicant,
2 number of full-time employees, or square footage of the facilities.

3 (2) The department may prioritize grant awards and loan funding to
4 applicants based on poverty rates, income, geographic diversity, local ownership,
5 access to grocery stores in the area surrounding proposed project locations, and other
6 factors as determined by the department. The department may award grants or
7 provide loans for any of the following:

8 (a) Market and site feasibility studies, promotional materials, and marketing.

9 (b) Salaries and benefits for workers.

10 (c) Rent or a down payment to acquire a facility.

11 (d) Purchase of ownership of a grocery store as part of establishing a new
12 grocery store.

13 (e) Capital improvements, planning, renovations, land acquisition,
14 demolition, and durable and non-durable equipment purchases.

15 (f) Other costs as determined eligible by the department.

16 B. The department may provide grants for equipment upgrades for existing
17 independently owned for-profit grocery stores, cooperative grocery stores,
18 not-for-profit grocery stores, or farmer-owned grocery stores or markets. The
19 department may use no more than twenty percent of total program funding for this
20 purpose. Equipment upgrades may be focused on providing access to equipment that
21 is energy efficient.

22 C. Nothing in this Chapter shall prevent a grocery store from receiving
23 funding, grants, or other financial support from entities other than the department for
24 reasons outlined in Paragraph (A)(2) of this Section, equipment upgrades, or
25 technical assistance to help expand access to healthy food options in food deserts.

26 §3304. Technical assistance

27 A. The department may provide technical assistance to grantees awarded
28 grants pursuant to this Chapter, and other small, independently owned grocery stores
29 to ensure their long-term viability and business success. Technical assistance, online

1 resources, and materials provided may include but are not limited to business
 2 planning, marketing, financing, supply chain management, and workforce
 3 development assistance.

4 B. The department may enter into grants, contracts, or other agreements to
 5 provide assistance.

6 Section 2. The department may study food insecurity in urban and rural food deserts.
 7 The study may include an exploration of the reasons for current market failures, potential
 8 policy solutions, geographic trends, and the need for independent grocers, and it may
 9 identify communities at risk of becoming food deserts. The study may also include a
 10 disparity study to assess the need for aspirational goals for ownership among minority,
 11 women, and persons with a disability. The department may enter into contracts, grants, or
 12 other agreements to complete this study. If the department undertakes the study provided for
 13 in this Section, it shall submit a report of its findings, conclusions, and recommendations for
 14 legislative action to the legislature as soon as practicable after concluding the study.

15 Section 3.(A) The provisions of Sections 1 and 2 of this Act shall become effective
 16 when an Act of the Louisiana Legislature containing a specific appropriation of monies for
 17 the implementation of the provisions of this Act becomes effective.

18 (B) The provisions of this Section shall become effective upon signature by the
 19 governor or, if not signed by the governor, upon expiration of the time for bills to become
 20 law without signature by the governor, as provided by Article III, Section 18 of the
 21 Constitution of Louisiana. If vetoed by the governor and subsequently approved by the
 22 legislature, the provisions of this Section shall become effective on the day following such
 23 approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 1222 Re-Reengrossed

2026 Regular Session

Lyons

Abstract: Provides relative to grocery initiative grants and financial support.

Proposed law defines "department", "food desert", "grocery store", "local government unit", "not-for-profit corporation", "rural tract", and "urban tract".

Proposed law allows Louisiana Economic Development (LED) to establish the Grocery Initiative in order to expand access to healthy foods in food deserts and areas at risk of becoming food deserts by providing grants or other financial assistance to grocery stores specified in proposed law.

Proposed law allows LED to enter into contracts, grants, or other agreements to administer any grants or other forms of financial assistance and to place any necessary limitation on the monetary amount of the grants and financial assistance.

Proposed law allows LED to prioritize grant awards and loan funding to applicants based on certain factors listed in proposed law. Proposed law also allows LED to award grants or provide loans for any of the following:

- (1) Market and site feasibility studies, promotional materials, and marketing.
- (2) Salaries and benefits for workers.
- (3) Rent or a down payment to acquire a facility.
- (4) Purchase of ownership of a grocery store as part of establishing a new grocery store.
- (5) Capital improvements, planning, renovations, land acquisition, demolition, and durable and non-durable equipment purchases.
- (6) Other costs as determined eligible by LED.

Proposed law allows LED to provide grants for equipment upgrades for grocery stores specified in proposed law.

Proposed law provides that nothing in proposed law prevents a grocery store from receiving funds, grants, or other financial support from entities other than LED for reasons outlined in proposed law, equipment upgrades, or technical assistance to help expand access to health food options in food deserts.

Proposed law allows LED to provide technical assistance to grantees and other small, independently owned grocery stores to ensure their long-term viability and business success.

Proposed law provides that technical assistance, online resources, and materials provided may include but is not limited to business planning, marketing, financing, supply chain management, and workforce development assistance.

Proposed law allows LED to study food insecurities in urban and rural food deserts. Requires submission of a report of the department's findings if the department undertakes the study.

Effective upon appropriation of funds by the legislature.

(Adds R.S. 51:3301-3304)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Make technical changes.

2. Change all requirements in proposed law to permissive.

The Committee Amendments Proposed by House Committee on Appropriations to the engrossed bill:

1. Change effectiveness of proposed law from Aug. 1 to subject to appropriation of monies by the legislature for the implementation of proposed law.
2. Change authorization for the dept. to submit a report on food insecurity to a requirement that it submit a report if the dept. undertakes such study.
3. Make conforming changes.