



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB2531

Introduced 2/4/2025, by Rep. Mary Beth Canty

SYNOPSIS AS INTRODUCED:

20 ILCS 750/5
20 ILCS 750/15

Amends the Grocery Initiative Act. Provides that Grocery Initiative Grants may be used to provide access to equipment that is needed to accept payment from the Women, Infant, Children's program (WIC). Makes changes to the definition of "grocery store" to include certain meat retailers, fruit and vegetable retailers, and fish and seafood retailers. Effective July 1, 2025.

LRB104 09581 HLH 19644 b

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Grocery Initiative Act is amended by
5 changing Sections 5 and 15 as follows:

6 (20 ILCS 750/5)

7 Sec. 5. Definitions. In this Act:

8 "Cooperative" means an organization that is organized
9 according to the Co-operative Act.

10 "Department" means the Department of Commerce and Economic
11 Opportunity.

12 "Food desert" means a census tract that:

13 (1) meets one of the following poverty standards:

14 (A) the census tract has a poverty rate of at least
15 20%; or

16 (B) the census tract is not located within a
17 metropolitan statistical area and has a median family
18 income that is less than or equal to 80% of the
19 statewide median household income; or

20 (C) the census tract is located within a
21 metropolitan statistical area and has a median family
22 income that is less than or equal to 80% of the greater
23 of (i) the statewide median household income or (ii)

1 the metropolitan area median family income; and
2 (2) meets one of the following population density and
3 food accessibility standards:

4 (A) the census tract is a rural tract, and at least
5 33% of the population of the tract or at least 500
6 residents in the tract reside more than 10 miles from
7 the nearest grocery store; or

8 (B) the census tract is an urban tract, and at
9 least 33% of the population of the tract or at least
10 500 residents in the tract reside more than one-half
11 mile from the nearest grocery store.

12 The Department may also designate an area that does not
13 meet the standards set forth in this definition as a food
14 desert if the designation is made in accordance with criteria
15 established by the Department by rule using data that
16 includes, but is not limited to, poverty metrics and access to
17 existing grocery stores.

18 "Grocery store" means an existing or planned retail
19 establishment that: (1) has or will have a primary business of
20 selling a variety of grocery products, including fresh
21 produce; (2) derives or will derive no more than 30% of its
22 revenue from sales of tobacco and alcohol in any given year;
23 (3) is or will be classified as (i) a supermarket or other
24 grocery retailer in the 2022 North American Industry
25 Classification System under code 445110, (ii) a meat retailer
26 in the 2022 North American Industry Classification System

1 under code 44524, (iii) a fruit and vegetable retailer in the
2 2022 North American Industry Classification System under code
3 44523, or (iv) a fish and seafood retailer in the 2022 North
4 American Industry Classification System under code 44525; (4)
5 accepts or will accept Supplemental Nutrition Assistance
6 Program benefits and Special Supplemental Nutrition Program
7 for Women, Infants, and Children benefits; and (5) provides or
8 will provide for the retail sale of a substantial variety of
9 perishable foods, including fresh or frozen dairy products,
10 fresh produce, and fresh meats, poultry, and fish.

11 "Local governmental unit" means any county, municipality,
12 township, special district, or unit that is designated as a
13 unit of local government by law and exercises limited
14 governmental powers or powers in respect to limited
15 governmental subjects. "Local governmental unit" also includes
16 any school district or community college district.

17 "Not-for-profit corporation" means an organization or
18 institution that is organized and conducted on a
19 not-for-profit basis with no personal profit inuring to anyone
20 as a result of the operation and that is organized according to
21 the General Not For Profit Corporation Act of 1986.

22 "Rural tract" means a census tract that is not an urban
23 tract.

24 "Urban tract" means a census tract having its geographic
25 centroid in an urban area, as defined by the Bureau of the
26 Census for the most recent year in which all relevant data to

1 identify food deserts is available.

2 (Source: P.A. 103-561, eff. 1-1-24.)

3 (20 ILCS 750/15)

4 Sec. 15. Grocery Initiative Grants and Financial Support.

5 (a) The Department shall, subject to appropriation,
6 establish the Grocery Initiative to expand access to healthy
7 foods in food deserts in Illinois and areas at risk of becoming
8 food deserts in Illinois by providing grants and other forms
9 of financial assistance to independently owned for-profit
10 grocery stores, cooperative grocery stores, or not-for-profit
11 grocery stores, as well as grocery stores owned and operated
12 by local governmental units. The Department may enter into
13 contracts, grants, or other agreements to administer these
14 grants and other forms of financial assistance. The Department
15 may, by rule, place limits on the size of the grocery stores
16 that are eligible for grants and other financial assistance
17 under this Act, including, but not limited to, limits on the
18 annual revenue or projected revenue of the applicant, number
19 of full-time employees, or square footage of the facilities.
20 The Department may prioritize grant awards and loan funding to
21 applicants based on poverty rates, income, geographic
22 diversity, local ownership, access to grocery stores in the
23 area surrounding proposed project locations, and other factors
24 as determined by the Department. The Department may award
25 grants or provide loans for any one or more of the following:

1 (1) market and site feasibility studies, promotional
2 materials, and marketing;

3 (2) salaries and benefits for workers;

4 (3) rent or a down payment to acquire a facility;

5 (4) purchase of ownership of a grocery store as part
6 of establishing a new grocery store;

7 (5) capital improvements, planning, renovations, land
8 acquisition, demolition, durable and non-durable equipment
9 purchases; or

10 (6) other costs as determined eligible by the
11 Department.

12 (b) The Department may, subject to appropriation, provide
13 grants for equipment upgrades for existing independently owned
14 for-profit grocery stores, cooperative grocery stores,
15 not-for-profit grocery stores, or farmer-owned grocery stores
16 or markets. The Department shall use no more than 20% of total
17 program funding for this purpose. Equipment upgrades shall be
18 focused on providing access to equipment that is energy
19 efficient and to provide access to equipment that is needed to
20 accept payment from the Women, Infant, Children's program
21 (WIC).

22 (Source: P.A. 103-561, eff. 1-1-24; 103-957, eff. 1-1-25.)

23 Section 99. Effective date. This Act takes effect July 1,
24 2025.