

Date of Hearing: March 25, 2026

ASSEMBLY COMMITTEE ON AGRICULTURE
Esmeralda Soria, Chair
AB 1674 (Ahrens) – As Introduced February 2, 2026

SUBJECT: Food Affordability Act

SUMMARY: This bill, the Food Affordability Act (FAA), will create the Food Desert Elimination Grant (FDEG) Program within the California Department of Food and Agriculture (CDFA). Specifically, *this bill*:

1) Makes the following definitions:

- a) “Food desert” means a census tract or component layer that meets the definitions of both low-access area and low-income area.
- b) “Large grocery store” means a retail store in this state of 15,000 or more square feet that is a retail seller of groceries, as described in Code 445110 of the North American Industry Classification System (NAICS) published by the United States Office of Management and Budget, 2022 edition.
- c) “Low-access area” means a census tract or component layer in which there are significant barriers to accessing a large grocery store, which may include, but not be limited to, a census tract or component layer with at least 33 percent of the population that lives more than one-half mile, for nonrural areas, or more than 10 miles, for rural areas, from a large grocery store.
- d) “Low-income area” means a census tract or component layer with a poverty rate of 20 percent or higher, or a census tract or component layer with a median family income less than 80 percent of median family income for the state or metropolitan area.
- e) “New housing development project” means new construction of apartments, townhomes, condominiums, or mobilehomes.
- f) “Program” means the FDEG Program.
- g) “Site capacity” means infrastructure necessary to support a large grocery store, including, but not limited to, all of the following:
 - i) Loading bays or docks accommodating pallet jacks and delivery trucks.
 - ii) Parking ratios of at least four spaces per 1,000 square feet of grocery retail space.
 - iii) Structural provisions for refrigeration, high-volume utilities, and perishable good logistics.
- h) “Small-scale grocery store” means a retail store in this state of under 15,000 square feet that is a retail seller of groceries, as described in Code 445110 of the North American Industry Classification System (NAICS) published by the United States Office of Management and Budget, 2022 edition.

- 2) Allows CDFA to adopt guidelines to implement the FAA.
- 3) Creates FDEG Program under the administration of CDFA for the purpose of expanding access to healthy foods in food deserts in the state, and areas at risk of becoming food deserts, by providing grants to developers and grocery store operators.
 - a) The Food Desert Elimination (FDE) Fund is hereby created in the State Treasury and money in the fund may be expended by the CDFA, upon appropriation by the Legislature, for the purpose of the program.
 - b) Allows CDFA to collect nonstate, federal, and private moneys for the purpose of the program, and those moneys shall be deposited into the California Equitable Food Access Account, which is hereby created within the FDE Fund. Notwithstanding Section 13340 of the Government Code, moneys in the account shall be continuously appropriated without regard to fiscal years to the department for the purpose of the program.
- 4) Allows CDFA to award a grant to a developer or grocery store operator seeking to locate a grocery store in a food desert, or to a grocery store located in a food desert, for one or more of the following purposes:
 - a) A market and site feasibility study.
 - b) Salaries and benefits to grocery store employees.
 - c) Rents or downpayments to acquire a facility located in a food desert.
 - d) Capital improvements, planning, renovations, land acquisition, demolition, and durable and nondurable equipment purchases.
 - e) Other costs determined eligible by the department, including costs specified in federal funding program requirements.
- 5) Allows CDFA to also award a grant to a grocery store operator of an existing large grocery store that provides essential food access to a low-access and low-income area, as specified.
- 6) Allows FDEG funding to be used to support the retention, stabilization, or continued operation of the large grocery store in its existing location, including, but not limited to, lease assistance, rent support, facility improvements, equipment upgrades, or other transitional operational costs deemed eligible by CDFA.
- 7) Allows CDFA, in determining eligibility for a grant, to consider whether the displacement of the existing large grocery store would increase barriers to food access for the surrounding community or contribute to the creation of a food desert.
- 8) Allows CDFA to award a grant described in subdivision (a) of Section 49041 to a small-scale grocery store.
- 9) Requires CDFA, when awarding grants pursuant to this chapter, to prioritize developers and grocery store operators seeking to locate a grocery store in a food desert, as specified, as part

of a new housing development project subject to the requirements of Section 65913.17 of the Government Code.

- 10) Allows CDFA to use up to 10 percent of total program funding for technical assistance.
- 11) Requires a developer or grocery store operator that receives a grant and opens a grocery store in a food desert to return any unused grant moneys to CDFA if the grocery store closes within two years of the date of opening.
- 12) Requires CDFA, on or before January 1, 2028, to report the number of grants awarded under the FDEG program and the location of grant recipients to the relevant policy committees of the Legislature, as specified.
- 13) Requires this chapter remain in effect only until January 1, 2031, and as of that date is repealed.
- 14) In the Government code add the following definition:
 - a) Food desert, large grocery store, low-access area, low-income area, new housing development project, site capacity has the same meaning as defined in Section 49031 to 49037 of the Food and Agricultural Code.
- 15) Requires, notwithstanding any other law, for a new housing development project proposed for approval by a local government in a food desert, or an area at risk of becoming a food desert, the local government to require the applicant to demonstrate that the new housing development project does not reduce site capacity for a large grocery store, or, if site capacity is reduced, to provide equivalent mitigation, as specified.
- 16) Requires mitigation to include, at a minimum, dedication of equivalent space and infrastructure for future grocery use, or funding contributions to the FDE Fund, as specified, that are sufficient for a replacement store within one-half mile, as determined by CDFA.
- 17) Requires local governments to report annually to CDFA on new housing development projects subject to this section, including capacity assessments and mitigation.
- 18) Requires this section to remain in effect only until January 1, 2031, and as of that date is repealed.
- 19) Makes legislative findings and declarations that ensuring access to food for people living in food deserts, low-income and low-access areas, is a matter of statewide concern and is not a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, Section 3 of this act adding Section 65913.17 to the Government Code applies to all cities, including charter cities.

EXISTING LAW:

- 1) Creates the Office of Farm to Fork (OF2F) within CDFA, and requires the OF2F, to the extent that resources are available, to work with various entities, as prescribed, to increase the amount of agricultural products available to underserved communities and schools in the state.
- 2) Requires the OF2F, among other things, to identify distribution barriers that affect limited food access and work to overcome those barriers through various actions and to coordinate with school districts and representatives to increase the nutritional profile of foods provided in schools.

FISCAL EFFECT: Unknown

COMMENTS: A food desert is defined by USDA as an area where residents have limited access to affordable and nutritious food, often due to a lack of grocery stores, farmers' markets, or other healthy food providers.

There are several key factors that contribute to food deserts in California. These include, but are not limited to economic disparities, geographic barriers, high cost of living, urban planning and zoning, and lack of programs like CalFresh. Low-income communities often lack supermarkets that sell fresh produce, while convenience stores and fast-food chains dominate, offering mostly processed and unhealthy foods.

This bill will create the FDEG Program to support grocery stores in underserved areas, especially in new housing developments. The bill requires developers to maintain or mitigate any loss of grocery store capacity in these projects, ensuring continued access to healthy food. Similar to SB 18 (Rubio of 2024), which only incentivizes opening stores in food deserts, this bill also prevents redevelopment from reducing grocery access, helping promote both housing growth and food security.

According to the author, access to healthy and affordable food should not depend on a person's ZIP code. Yet many communities across California continue to experience limited access to full-service grocery stores, particularly in low-income neighborhoods and areas experiencing rapid housing development. This bill establishes the FDEG Program to support grocery stores and developers working to bring healthy food options to underserved communities. The bill also ensures that new housing developments do not unintentionally reduce grocery access by requiring developers to maintain or mitigate the loss of grocery store capacity. By supporting food retail in underserved areas, this bill helps improve food access, strengthen local economies, and promote healthier communities throughout California.

Supporter state, this bill directs grant dollars to grocery store operators seeking to open new locations in designated food deserts, as well as to existing stores in those areas needing equipment upgrades to broaden their selection of nutritious options. The bill also streamlines local zoning and permitting processes for grocery developments in food deserts, removing regulatory barriers that have historically discouraged operators from investing in underserved neighborhoods.

REGISTERED SUPPORT / OPPOSITION:

Support

A Voice for Choice Advocacy

American Academy of Pediatrics, California

California Family Resource Association

Child Abuse Prevention Center and its Affiliates Safe Kids California, Prevent Child Abuse

California and the California Family Resource Association; the

Opposition

California Building Industry Association

California Apartment Association

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