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## FISCAL UPDATE Article

Fiscal Services Division

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### COVID-19 — IOWA SMALL BUSINESS RELIEF PROGRAM UPDATE — AUGUST 26, 2020

**Iowa Small Business Relief Program.** The Iowa Small Business Relief Program provides financial assistance to small businesses that have been impacted by the COVID-19 pandemic. The Program offers eligible small businesses grants ranging from \$5,000 to \$25,000 and permits the deferral of sales and use or withholding taxes and the waiver of penalty and interest.

**Grants.** The [Iowa Small Business Relief Grants](#) will assist eligible businesses in maintaining operations or reopening business following the COVID-19 pandemic. The grants cannot be used to pay debts incurred prior to March 17, 2020. The grant amount will be determined by the level of impact, including the loss of sales revenue and employees.

**Eligibility.** To be eligible for a grant, a business must satisfy the following requirements:

- Be experiencing business disruption due to the COVID-19 pandemic.
- Have employed between 2 and 25 people prior to March 17, 2020.

The Iowa Economic Development Authority (IEDA) initially received nearly 14,000 applications from businesses for a total of more than \$148.0 million. The Program is not first-come, first-served. The IEDA originally anticipated using the following three funding sources totaling \$124.5 million:

- \$17.0 million from Iowa's Economic Emergency Fund.
- \$7.5 million from recapture and repayments from the old Iowa Values Fund.
- \$100.0 million from federal [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#) funding.

As [reported](#) by the IEDA, approximately \$86.9 million has already been awarded to 4,621 businesses.

## Iowa Small Business Relief Grants

		<u>Current</u>		
<b>Revenue</b>				
Iowa's Economic Emergency Fund (03/24/2020)		\$		2,000,000
Iowa's Economic Emergency Fund (04/07/2020)				15,000,000
Iowa Values Fund (03/24/2020)				2,000,000
Iowa Values Fund (04/06/2020)				5,000,000
Iowa Values Fund (04/22/2020)				500,000
CARES Act Funding (04/24/2020)				35,000,000
CARES Act Funding (05/08/2020)				35,000,000
Interest (05/27/2020)				365
Interest (06/19/2020)				2,623
Interest (07/23/2020)				17,351
Interest (08/20/2020)				19,405
<b>Total Revenue</b>				<u>\$ 94,539,744</u>
<b>Expenditures</b>				
	<u>Recipients</u>	<u>Awards</u>		<u>Average Award</u>
ROUND 1 (April 7, 2020)	491	\$ 9,921,833	\$	20,207
ROUND 2 (April 8, 2020)	145	2,747,996		18,952
ROUND 3 (April 9, 2020)	354	6,262,907		17,692
ROUND 4 (April 10, 2020)	278	5,044,650		18,146
ROUND 5 (April 23, 2020)	405	7,674,383		18,949
ROUND 6 (April 24, 2020)	401	7,840,340		19,552
ROUND 7 (April 27, 2020)	485	9,225,912		19,022
ROUND 8 (April 28, 2020)	128	2,495,972		19,500
ROUND 9 (April 29, 2020)	57	1,197,781		21,014
ROUND 10 (May 1, 2020)	148	2,442,198		16,501
ROUND 11 (May 4, 2020)	88	1,340,241		15,230
ROUND 12 (May 5, 2020)	43	721,295		16,774
ROUND 13 (May 6, 2020)	224	4,656,581		20,788
ROUND 14 (May 7, 2020)	64	1,391,200		21,738
ROUND 15 (May 8, 2020)	114	2,220,567		19,479
ROUND 16 (May 11, 2020)	85	1,379,850		16,234
ROUND 17 (May 13, 2020)	143	2,568,000		17,958
ROUND 18 (May 14, 2020)	82	1,550,624		18,910
ROUND 19 (May 15, 2020)	48	889,242		18,526
ROUND 20 (May 18, 2020)	33	443,529		13,440
ROUND 21 (May 20, 2020)	130	2,401,022		18,469
ROUND 22 (May 22, 2020)	111	2,032,311		18,309
ROUND 23 (May 26, 2020)	103	1,869,345		18,149
ROUND 24 (May 27, 2020)	8	156,696		19,587
ROUND 25 (May 28, 2020)	83	1,633,668		19,683
ROUND 26 (June 1, 2020)	57	1,162,395		20,393
ROUND 27 (June 2, 2020)	41	808,107		19,710
ROUND 28 (June 5, 2020)	37	641,900		17,349
ROUND 29 (June 10, 2020)	48	884,383		18,425
ROUND 30 (June 12, 2020)	11	167,911		15,265
ROUND 31 (June 16, 2020)	43	747,494		17,384
ROUND 32 (June 18, 2020)	62	1,110,490		17,911
ROUND 33 (June 23, 2020)	62	1,140,029		18,388
ROUND 34 (July 2, 2020)	9	99,013		11,001
<b>Total Expenditures</b>	<u>4,621</u>	<u>\$ 86,869,865</u>		18,799

The table above reflects the awards made and not the awards issued.

**Fund Transfers.** Governor Kim Reynolds has made Iowa Coronavirus Relief Fund (ICRF) transfers totaling \$24.0 million related to the Iowa Small Business Relief Program:

- The Governor transferred \$7.0 million from the ICRF to the Grow Iowa Values Fund (GIVF) to reimburse the GIVF for transfers totaling \$7.0 million to the Small Business Disaster Assistance Fund that were made in March and April 2020.
- The Governor transferred \$17.0 million from the ICRF to the Economic Emergency Fund to reimburse the Fund for transfers totaling \$17.0 million to the Small Business Disaster Assistance Fund made in March and April 2020.

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