



# Federal Funds Update

As related to the COVID-19 pandemic

This document was originally published on September 4, 2020, as the State of Iowa Financial Update. All documents relating to COVID-19 federal stimulus funds are being compiled on this page for archival purposes.





# State of Iowa Financial Update

REVENUE AND BUDGET IMPLICATIONS OF  
COVID-19 with an Update on Disaster Assistance  
Due to the Derecho

September 4, 2020



# Introduction

This report is the fourth in a series designed to provide the General Assembly with updates on the State budget as Iowa responds to Coronavirus 2019 (COVID-19). **The three previous State of Iowa Financial Updates, including the last report published on July 15, 2020, can be found at the following [website](#).**

Iowa was hit by a derecho, a powerful storm system known for widespread straight-line winds, on August 10, 2020. The President issued a major disaster [declaration](#) for 16 counties on August 17, 2020. The declaration was amended on August 20, 2020, to make individual assistance available to Linn County. Information regarding derecho assistance can be found on page 36 of the subcommittee issue update.

LSA staff contacts for the sections on federal legislation, State revenues, and State budget are listed at the end of each section. Contacts for the section on subcommittee issues are listed by appropriations subcommittee. **This document provides the following updated information:**

- **More information on Federal Stimulus Awards** including a table of federal grant awards and expenditures by agency (page 4), an updated table of year-to-date revenue and expenditures of the Coronavirus Relief Fund (page 7), the Governor's planned allocations (page 8), local federal grant awards (page 11), and a detailed table of funding received to date (pages 15-23).
- **State Revenue Update** (page 24).
- **State Budget Update** including the Rebuild Iowa Infrastructure Fund, which has not changed since the previous update (page 29).
- **Subcommittee sections were updated if there was new or changed information from the July 15 document** (page 36). This includes the Governor's Economic Recovery Advisory Board (page 37); updates on various assistance programs available through the Iowa Economic Development Authority (page 41); updated enrollment information for Medicaid, Food Assistance, and the Family Investment Program (page 45).

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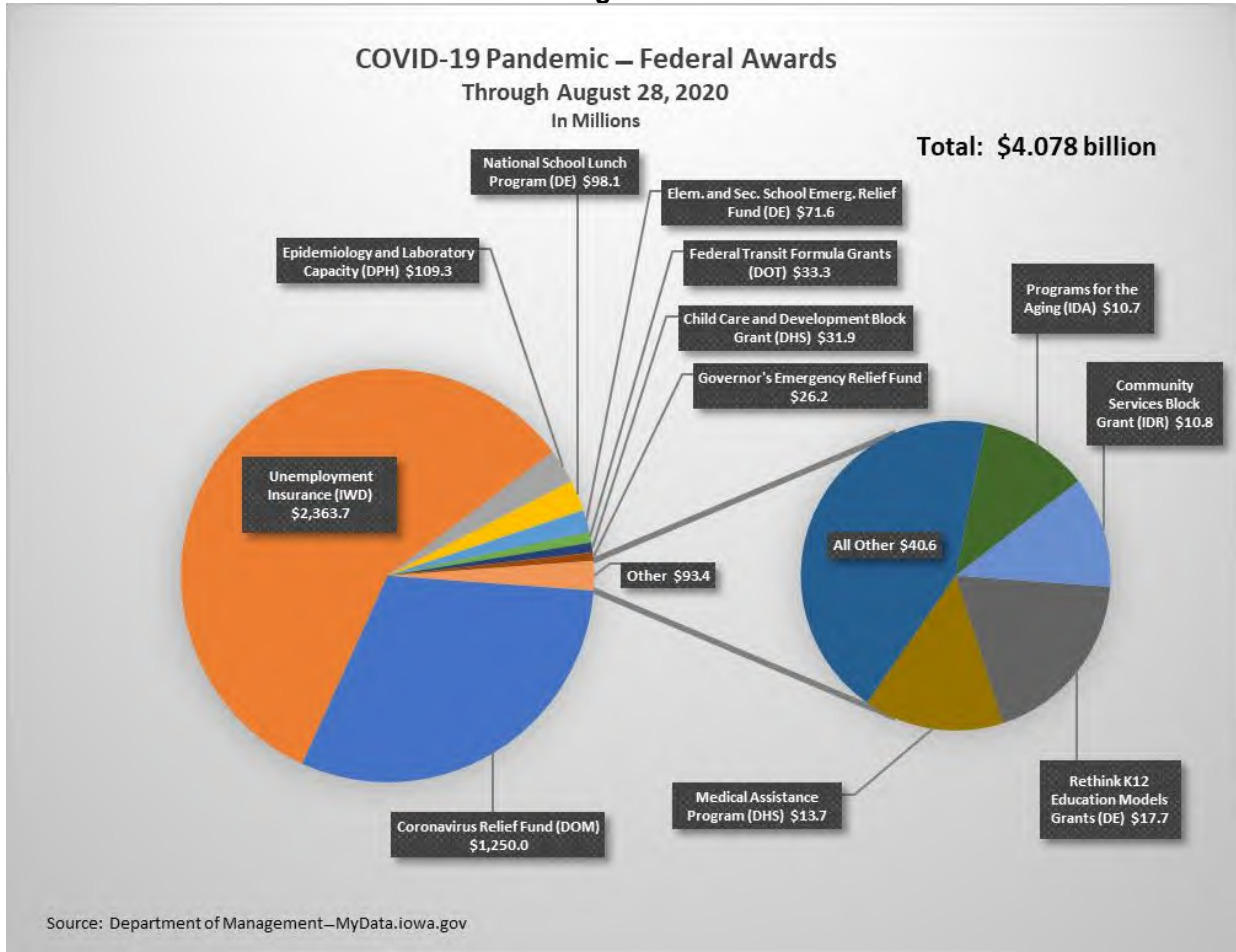
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## Federal Grant Awards Reported by State Agencies

Through August 28, 2020, State agencies have reported federal awards totaling \$4.078 billion to address a wide variety of expenses related to the COVID-19 pandemic (**Figure 1**). The numbers in the chart represent the funds awarded to State departments after notification from federal agencies that the federal grants are available for expenditure. The numbers will be updated as State departments receive additional notifications of awards.

**Figure 1**



### Iowa Departments Represented on the Above Chart

- DOM - Department of Management
- IWD - Department of Workforce Development
- DPH - Department of Public Health
- DE - Department of Education
- DOT - Department of Transportation
- DHS - Department of Human Services
- DHR - Department of Human Rights
- IDA - Department on Aging

**Figure 2** shows the federal awards by State agency. The table does not reflect all of the funding provided in the federal acts, but focuses on funding that will flow through State of Iowa government agencies. Items such as stimulus funding to individuals and families are not included. Iowa residents have received \$4.078 billion in direct federal Economic Impact Payments (EIP).

**Figure 2**  
**Federal Awards by State Agency**  
**As of August 28, 2020**  
In Millions

<b>State Department</b>	<b>Award Amount</b>
Department of Management	\$ 2,363.7
Workforce Development	1,250.0
Department of Education	213.9
Department of Public Health	129.0
Department of Human Services	48.6
Department of Transportation	33.3
Department of Human Rights	15.0
Department on Aging	10.7
Governor's Office of Drug Control Policy	5.8
Secretary of State	4.8
Homeland Security and Emergency Management	1.3
Department of Cultural Affairs	0.9
Attorney General	0.3
Department of Agriculture and Land Stewardship	0.3
<b>Total</b>	<b>\$ 4,077.5</b>

Totals may not add due to rounding.

A detailed spreadsheet (**Awarded Federal Funding to Date**) listing all of the federal awards by State agency is available at the end of this section. The federal awards listed include only funds actually awarded to departments. Additional funding allocated by the Governor through the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act is not included if the funds have not been awarded to the department yet. The LSA will continue to monitor federal funds received and expended by State agencies and report this information to the Legislature through [Fiscal Update Articles](#).

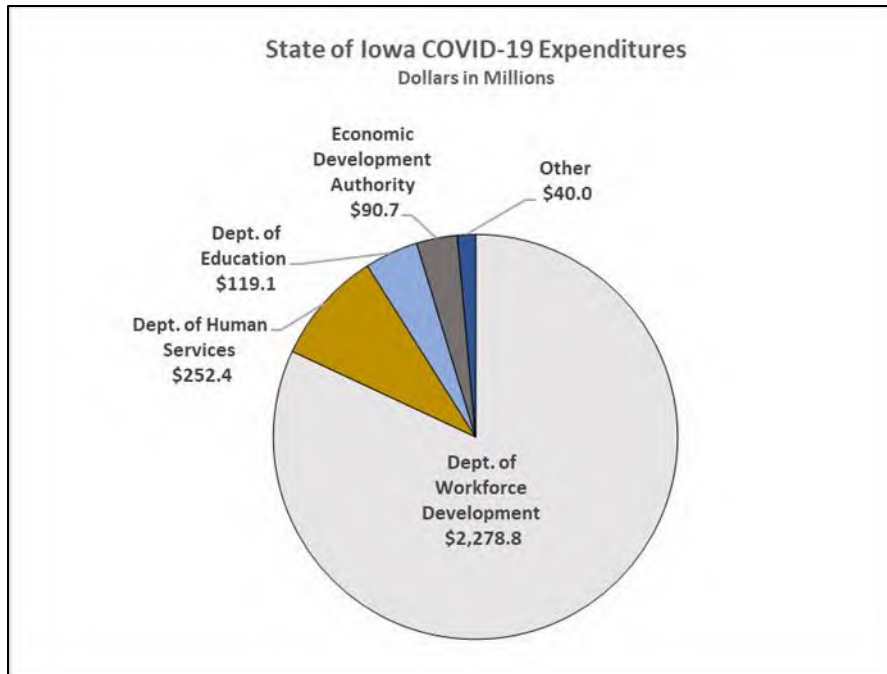
The federal awards granted to State agencies are subject to reporting requirements that vary based on the type of grant. Guidance related to proper usage and reporting requirements for each of the grants is available from the corresponding federal agency facilitating the grant.

**Federal Grant Expenditures by State Agency**

The Department of Management (DOM) and Department of Administrative Services (DAS) have established a process for tracking expenditures of federal funds that State agencies have received for costs associated with the COVID-19 pandemic. The expenditure data is available at [data.iowa.gov](https://data.iowa.gov).

To date, State agencies have been awarded in excess of \$4.078 billion in federal funds related to the COVID-19 pandemic. Of the total funds awarded, State agencies have expended \$2.781 billion through August 28, 2020, for numerous programs and purposes. Of the total year-to-date expenses, \$2.279 billion (81.9%) has been for worker unemployment benefits. **Figure 3** shows the State agencies with the most expenditures.

**Figure 3**



**Figure 4** on the next page shows the year-to-date expenditures by State department and federal program as of August 28, 2020. A description of the federal programs can be found [here](#).

Figure 4

Department Name	Federal Program Title	FY 2020	FY 2021	Total
<b>Aging, Iowa Department of</b>				
	National Family Caregiver Support, Title III, Part E	\$ 368,552	\$ 0	\$ 368,552
	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	967,310	0	967,310
	Special Programs for the Aging, Title III, Part C, Nutrition Services	4,227,661	0	4,227,661
	Special Programs for the Aging, Title VII, Chapter 2, Long-Term Care Ombudsman Services for Older Individuals	6,801	1,000	7,801
<b>Aging, Iowa Department of Total</b>		<b>5,570,324</b>	<b>1,000</b>	<b>5,571,324</b>
<b>Agriculture and Land Stewardship</b>				
	Coronavirus Relief Fund	2,585,640	30,744	2,616,384
	Plant and Animal Disease, Pest Control, and Animal Care	59,753	0	59,753
<b>Agriculture and Land Stewardship Total</b>		<b>2,645,393</b>	<b>30,744</b>	<b>2,676,138</b>
<b>Attorney General</b>				
	Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	16,264	0	16,264
<b>Attorney General Total</b>		<b>16,264</b>	<b>0</b>	<b>16,264</b>
<b>College Student Aid Commission</b>				
	Coronavirus Relief Fund	206,644	1,973,473	2,180,117
<b>College Student Aid Commission Total</b>		<b>206,644</b>	<b>1,973,473</b>	<b>2,180,117</b>
<b>Cultural Affairs, Department of</b>				
	Promotion of the Humanities Division of Preservation and Access	434,000	0	434,000
	Promotion of the Humanities Federal/State Partnership	377,500	0	377,500
<b>Cultural Affairs, Department of Total</b>		<b>811,500</b>	<b>0</b>	<b>811,500</b>
<b>Economic Development Authority</b>				
	Coronavirus Relief Fund	62,685,150	27,969,260	90,654,410
<b>Economic Development Authority Total</b>		<b>62,685,150</b>	<b>27,969,260</b>	<b>90,654,410</b>
<b>Education, Department of</b>				
	Elementary and Secondary School Emergency Relief Fund	64,391,648	0	64,391,648
	National School Lunch Program	54,417,314	107,900	54,525,214
	Grants to States	144,208	0	144,208
<b>Education, Department of Total</b>		<b>118,953,170</b>	<b>107,900</b>	<b>119,061,070</b>
<b>Governor's Office of Drug Control Policy</b>				
	Coronavirus Emergency Supplemental Funding Program	76,875	3,000	79,875
<b>Governor's Office of Drug Control Policy</b>		<b>76,875</b>	<b>3,000</b>	<b>79,875</b>
<b>Homeland Security and Emergency Management</b>				
	Coronavirus Relief Fund	21,417	0	21,417
	Emergency Performance Management Grant	7,745	1,152	8,896
<b>Homeland Security and Emergency Management Total</b>		<b>29,162</b>	<b>1,152</b>	<b>30,313</b>
<b>Human Rights, Department of</b>				
	Community Services Block Grant	1,504,262	10,214	1,514,476
	Low-Income Home Energy Assistance	1,346,949	280,590	1,627,539
<b>Human Rights, Department of Total</b>		<b>2,851,211</b>	<b>290,804</b>	<b>3,142,015</b>
<b>Human Services, Department of</b>				
	Adoption Assistance	2,016,117	688,721	2,704,838
	Child Care and Development Block Grant	12,820,573	3,616,067	16,436,640
	Children's Health Insurance Program	3,922,876	2,392,358	6,315,234
	Coronavirus Relief Fund	1,000,000	30,000,000	31,000,000
	Foster Care Title IV-E	417,021	53,914	470,935
	Guardianship Assistance	993	679	1,673
	Medical Assistance Program	149,458,962	45,462,831	194,921,792
	Money Follows the Person Rebalancing Demonstration	46,287	5,149	51,436
	Providers Relief Fund	32,785	34,445	67,230
	Stephanie Tubbs Jones Child Welfare Services Program	386,250	60,500	446,750
<b>Human Services, Department of Total</b>		<b>170,101,864</b>	<b>82,314,664</b>	<b>252,416,528</b>

## Federal Stimulus

Department Name	Federal Program Title	FY 2020	FY 2021	Total
<b>Iowa Finance Authority</b>				
	Coronavirus Relief Fund	1,058,464	4,810,067	5,868,532
<b>Iowa Finance Authority Total</b>		<b>1,058,464</b>	<b>4,810,067</b>	<b>5,868,532</b>
<b>Iowa Workforce Development</b>				
	Coronavirus Relief Fund	490,000,000	0	490,000,000
	Unemployment Insurance	1,237,114,401	551,710,930	1,788,825,331
<b>Iowa Workforce Development Total</b>		<b>1,727,114,401</b>	<b>551,710,930</b>	<b>2,278,825,331</b>
<b>Public Health, Department of</b>				
	Epidemiology and Laboratory Capacity For Infectious Diseases (ELC)	113,116	156,043	269,159
	Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	3,386,598	68,723	3,455,321
	Small Rural Hospital Improvement Grant Program	4,192,848	0	4,192,848
	Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	5,362	0	5,362
	National Bioterrorism Hospital Preparedness Program	157,433	0	157,433
<b>Public Health, Department of Total</b>		<b>7,855,358</b>	<b>224,766</b>	<b>8,080,124</b>
<b>Secretary of State</b>				
	2018 HAVA Election Security Grants	1,113,749	17,451	1,131,200
<b>Secretary of State Total</b>		<b>1,113,749</b>	<b>17,451</b>	<b>1,131,200</b>
<b>Transportation, Department of</b>				
	Federal Transit Formula Grants	10,416,507	0	10,416,507
<b>Transportation, Department of Total</b>		<b>10,416,507</b>	<b>0</b>	<b>10,416,507</b>
<b>Grand Total</b>		<b>\$ 2,111,506,037</b>	<b>\$ 669,455,211</b>	<b>\$ 2,780,961,247</b>



**Coronavirus Relief Fund**

The following is an update on the status of the Iowa Coronavirus Relief Fund (ICRF), which received \$1.250 billion in federal funds through the CARES Act on April 20, 2020. As of August 31, 2020, a total of \$810.5 million has been transferred to various programs for addressing costs associated with the COVID-19 pandemic. The current balance in the Fund is \$440.5 million. **Figure 5** provides the revenues and expenditures from the ICRF as of August 31, 2020. Additional information regarding the use and purpose of the funds already transferred is available in the **Fiscal Update Article [COVID-19 — Iowa Coronavirus Relief Fund](#)**.

**Figure 5**

<b>Iowa Coronavirus Relief Fund</b>			
<b>Year-to-Date Revenues and Expenses</b>			
As of August 31, 2020			
	FY 2020	FY 2021	Total
<b>Revenues</b>			
Beginning Balance	\$ 0	\$ 612,774,908	\$ 0
Federal Support (CARES Act)	1,250,000,000	0	1,250,000,000
Interest	1,010,173	0	1,010,173
Total	<u>\$ 1,251,010,173</u>	<u>\$ 612,774,908</u>	<u>\$ 1,251,010,173</u>
<b>Expenditures</b>			
<b>Economic Development Authority</b>			
Small Business Disaster Assistance Fund	\$ 70,000,000	\$ 0	\$ 70,000,000
AmeriCorps	60,000	0	60,000
Grow Iowa Values Fund	7,000,000	0	7,000,000
<b>Agriculture &amp; Land Stewardship</b>			
			0
Feeding Iowans Initiative	500,000	340,000	840,000
Iowa Disposal Assistance Program	2,585,640	1,860,405	4,446,045
<b>Human Services</b>			
			0
Double Up Food Bucks Program	1,000,000	0	1,000,000
Commodity Supplemental Foods Program	1,000,000	0	1,000,000
Mental Health Programs & Habilitation Services	0	80,000,000	80,000,000
<b>Homeland Security &amp; Emergency Management</b>			
			0
Feeding Iowans Initiative - Food Banks	1,000,000	0	1,000,000
FEMA Public Assistance Program - State Match	20,000,000	0	20,000,000
<b>Iowa Finance Authority</b>			
			0
Iowa Eviction and Foreclosure Prevention Program	22,000,000	0	22,000,000
<b>Iowa College Student Aid Commission</b>			
			0
Last-Dollar Scholarship Program Fund	5,100,000	0	5,100,000
<b>Iowa Workforce Development</b>			
			0
Unemployment Insurance Trust Fund	490,000,000	0	490,000,000
<b>Management</b>			
			0
Economic Emergency Fund	17,000,000	0	17,000,000
<b>Office of the Chief Information Officer</b>			
			0
Technology Upgrades - Workday	989,625	20,010,375	21,000,000
Broadband Grants	0	50,000,000	50,000,000
Design & Development of Data Streams	0	13,000,000	13,000,000
Digital Access to State Government Services	0	7,050,225	7,050,225
Total	<u>\$ 638,235,265</u>	<u>\$ 172,261,005</u>	<u>\$ 810,496,270</u>
<b>Balance</b>	<u>\$ 612,774,908</u>	<u>\$ 440,513,903</u>	<u>\$ 440,513,903</u>

**Governor's Planned Allocations.** The Governor's Office released an update on planned allocations from the ICRF on August 24, 2020 (**Figure 6**). The Governor has budgeted a total of \$1.245 billion to be allocated from the Fund to seven program areas. As of August 24, 2020, the Governor has transferred and allocated a total of \$901.0 million across the various programs.

On August 25, 2020, the Governor announced that approximately \$100.0 million of federal CARES Act relief funds has been allocated for a range of agricultural programs to offset the impact of COVID-19 on farmers, producers, and agricultural industries. This funding has not yet been transferred from the Fund and is therefore not included in **Figure 6**. The \$100.0 million in allocated funding will be allocated as follows:

- **\$60.0 million: Iowa Livestock Producer Relief Fund** — Through the Iowa Economic Development Authority's (IEDA) existing small business relief program infrastructure, this program will provide grants of up to \$10,000 to eligible producers of pork, beef, chicken, turkeys, dairy, fish, or sheep to serve as working capital to stabilize livestock producers.
- **\$15.5 million: State Biofuel Grant Program** — This program will provide relief to Iowa ethanol and biodiesel producers based on gallons produced. Grants will also be awarded through the IEDA's existing small business relief program and are capped at a maximum grant of \$750,000 per producer.
- **\$7.0 million: Renewable Fuel Retail Recovery Program** — This funding will support a program that helps expand retail fueling infrastructure for higher blend renewable fuels, including E15 or higher and B11 or higher.
- **\$6.0 million: Iowa Beginning Farmer Debt Relief Fund** — This program will provide eligible beginning farmers with a long-term debt service payment of up to \$10,000, to be paid directly to their lender.
- **\$2.0 million: Meat Processing Development and Expansion Program** — Designed to aid small meat processors, this Program is focused on expanding processing capacity across the State to meet protein demand.
- **\$500,000: Farm Produce and Protein Program** — This Program is designed to help specialty ag producers in Iowa as well as the schools that purchase them. The Program supports local growers of fruits and vegetables to expand their capacity and provides grants to schools that buy produce and other local crops and protein sources.
- **Up to \$9.0 million: Iowa Disposal Assistance Program** — This Program, announced initially in May, will provide direct payments to producers to recoup expenses from the disruption to the meat supply and the disposal of livestock due to lack of market access.

Figure 6

<b>Iowa Coronavirus Relief Fund</b>			
<b>Governor's Allocations</b>			
As of August 24, 2020			
	<u>Budgeted</u>	<u>Transferred/ Allocated</u>	<u>Difference</u>
<b>Revenues</b>			
Federal Funds	<u>\$ 1,250,000,000</u>		
<b>Allocations</b>			
<b>Relief for Iowa Businesses and Families</b>			
Small Business Relief Program	\$ 94,000,000	\$ 94,000,000	\$ 0
Small Business Utilities	15,000,000	15,000,000	0
Non-profit Program	10,000,000	10,000,000	0
Housing Assistance	22,000,000	22,000,000	0
Workforce Initiatives	50,000,000	10,100,000	39,900,000
Feeding Iowa	4,000,000	4,000,000	0
Held back for Fall reevaluation	40,000,000	0	40,000,000
Total	<u>\$ 235,000,000</u>	<u>\$ 155,100,000</u>	<u>\$ 79,900,000</u>
<b>Relief for Iowa Farmers</b>			
Depopulation	\$ 9,000,000	\$ 4,408,925	\$ 4,591,075
Ethanol Relief	7,000,000	0	7,000,000
Iowa Biofuels Relief Program	15,500,000	15,500,000	0
Iowa Livestock Producer Relief Fund	60,000,000	60,000,000	0
Beginning Farmer Debt Relief Fund	6,000,000	6,000,000	0
Specialty Crops/Farm to School	500,000	0	500,000
Meat Processing Investment Program	2,000,000	0	2,000,000
Total	<u>\$ 100,000,000</u>	<u>\$ 85,908,925</u>	<u>\$ 14,091,075</u>
<b>Relief for Iowa Communities</b>			
Reimbursement for Cities and Counties	\$ 100,000,000	\$ 0	\$ 100,000,000
FEMA Reimbursement	25,000,000	0	25,000,000
Total	<u>\$ 125,000,000</u>	<u>\$ 0</u>	<u>\$ 125,000,000</u>
<b>Relief for Iowa Healthcare Providers</b>			
Home and Community Based Providers	\$ 30,000,000	\$ 30,000,000	\$ 0
Substance Use Providers	10,000,000	10,000,000	0
Mental Health Providers	10,000,000	10,000,000	0
Mental Health Relief	30,000,000	30,000,000	0
Total	<u>\$ 80,000,000</u>	<u>\$ 80,000,000</u>	<u>\$ 0</u>
<b>Expanding Access to Telework, Tele-health, Tele-learning</b>			
Broadband Expansion	\$ 50,000,000	\$ 50,000,000	\$ 0
State IT Upgrades	40,000,000	40,000,000	0
Total	<u>\$ 90,000,000</u>	<u>\$ 90,000,000</u>	<u>\$ 0</u>
<b>State Response to COVID-19</b>			
FEMA 25.0% Match	\$ 75,000,000	\$ 0	\$ 75,000,000
State Government Expenses	50,000,000	0	50,000,000
Total	<u>\$ 125,000,000</u>	<u>\$ 0</u>	<u>\$ 125,000,000</u>
<b>Unemployment Trust Fund</b>			
Unemployment Trust Fund	\$ 490,000,000	\$ 490,000,000	\$ 0
<b>Total Allocations</b>	<u>\$ 1,245,000,000</u>	<u>\$ 901,008,925</u>	<u>\$ 343,991,075</u>
<b>Balance</b>	<u>\$ 5,000,000</u>		

The LSA will continue to monitor information related to the planned use of the funding and will report this information as it becomes available in [Fiscal Update Articles](#).

#### ICRF Spending Guidelines

Provisions of the CARES Act and guidance from the U.S. Department of the Treasury provide direction to states and other grant recipients concerning the qualified uses of the Coronavirus Relief Fund (CRF) grants. The funds cover costs that are necessary expenditures incurred due to the COVID-19 public health emergency that were not previously accounted for in the budget most recently approved as of March 27, 2020, and were incurred during the period that began March 1, 2020, and ends on December 30, 2020. **Any CRF funds that are unobligated as of December 30, 2020, revert back to the federal government.**

Necessary expenditures may include expenditures incurred to allow the states to respond directly to the emergency, such as by addressing medical or public health needs. Necessary expenditures also include those incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

The funding cannot be used to backfill the loss of state revenues that have resulted from the economic impacts of COVID-19, but may be used as a cash management tool. For example, changing tax filing deadlines may cause cash flow issues for states. The U.S. Treasury has indicated that states can use CRF funds essentially as a tax anticipation note to mitigate cash flow issues.

For additional information, see the U.S. Department of the Treasury's [Guidance for State, Territorial, Local, and Tribal Governments](#) (last updated September 2, 2020) and [Coronavirus Relief Fund Frequently Asked Questions](#) (last updated September 2, 2020).

#### ICRF Spending Authority

The \$1.250 billion allocated to Iowa from the federal CRF was received by and is under the administration of the DOM. The federal CRF funds that Iowa received were deposited into the ICRF on April 20, 2020. Currently, the Governor of Iowa has the authority to allocate the funds from the ICRF to State programs through [2019 Iowa Acts, chapter 134, section 19](#) (2019 Federal Block Grant Act). However, the General Assembly also has the ability to exercise its authority to appropriate from the ICRF to State programs, should it choose to do so.

#### U.S. Department of Treasury CRF Reporting Requirements

The Department of the Treasury Office of Inspector General (OIG) is responsible for monitoring and oversight of the receipt, disbursement, and use of CRF payments. The Treasury OIG also has authority to recover funds in the event that it is determined that a recipient of a CRF payment failed to comply with the requirements of subsection [601\(d\)](#) of the federal Social Security Act, as amended.

Each prime recipient of CRF payments is required to report COVID-19-related costs incurred during the covered period. The covered period is defined as the period beginning March 1, 2020, and ending on December 30, 2020. Each prime recipient is required to report interim and quarterly data and other recipient data according to the requirements set out by the Treasury OIG. Until the quarterly reporting system is operational on September 1, 2020, each prime recipient will follow the interim reporting requirements outlined below:

By no later than July 17, 2020, each prime recipient must report costs incurred during the covered period. For the interim report, the recipient should report totals by the following broad categories:

- Amount transferred to other governments.
- Amount spent on payroll for public health and safety employees; on budgeted personnel and services diverted to a substantially different use; to improve telework capabilities of public employees; on medical expenses; on public health expenses; to facilitate distance learning; to provide economic

support; on expenses associated with the issuance of tax anticipation notes; and on other items not listed.

Once the reporting system is operational on September 1, 2020, each prime recipient is required to report COVID-19-related costs on a quarterly basis. Data required to be reported includes but is not limited to the following:

- The total amount of payments from the CRF received from the Treasury.
- The amount of funds received that were expended or obligated for each project or activity.
- A detailed list of all projects or activities for which funds were expended or obligated, including:
  - The name of the project or activity.
  - A description of the project or activity.
- Detailed information on any loans issued, contracts and grants awarded, transfers made to other government entities, and direct payments made by the recipient that are greater than \$50,000.

**Federal Grant Awards Reported to Non-State Agencies and Local Entities**

Non-State agency federal funds recipients have reported federal awards funded by the CARES Act totaling \$297.9 million to address a wide variety of expenses related to the COVID-19 pandemic. Of this amount, \$238.3 million has been awarded to local entities, including school districts, local boards of health, county hospitals, community action agencies, Area Agencies on Aging, and food banks to provide direct assistance to communities across the State (**Figure 7**). The numbers in **Figure 7** represent the funds awarded to local recipients after notification from federal and State agencies that the federal grants are available for expenditure. The numbers will be updated as these entities receive additional notifications of awards.

**Figure 7 — Federal Payments to Local Entities**

Federal Awards	Award Amount
2018 HAVA Election Security Grants*	\$ 229,200
Child Care and Development Block Grant	41,647
Community Services Block Grant	1,502,950
Coronavirus Emergency Supplemental Funding Program	67,875
Coronavirus Relief Fund	95,685,133
Elementary and Secondary School Emergency Relief Fund	64,348,803
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	16,264
Federal Transit Formula Grants	10,500,838
Low-Income Home Energy Assistance	1,627,539
National Bioterrorism Hospital Preparedness Program	157,433
National Family Caregiver Support, Title III, Part E	368,552
National School Lunch Program	51,385,292
Promotion of the Humanities Division of Preservation and Access	434,000
Promotion of the Humanities Federal/State Partnership	375,000
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	2,001,124
Small Rural Hospital Improvement Grant Program	4,192,848
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	967,310
Special Programs for the Aging, Title III, Part C, Nutrition Services	4,227,661
Stephanie Tubbs Jones Child Welfare Services Program	60,000
<b>Total</b>	<b>\$ 238,343,025</b>

Note: Awards to small businesses were omitted from State aid amounts; however, the CARES Act Child Nutrition Programs award amount includes awards to child care providers for child nutrition expenses.

\*HAVA = Help America Vote Act

HAVA Election Security Grant funds disbursed to county auditors across the State are reflected in the map on the following page (**Figure 8**). More information can be found here: [gis.legis.iowa.gov/IMG/CARES/NAT\\_AR\\_CARESact\\_ElectionSecurity\\_OTH.jpg](https://gis.legis.iowa.gov/IMG/CARES/NAT_AR_CARESact_ElectionSecurity_OTH.jpg)

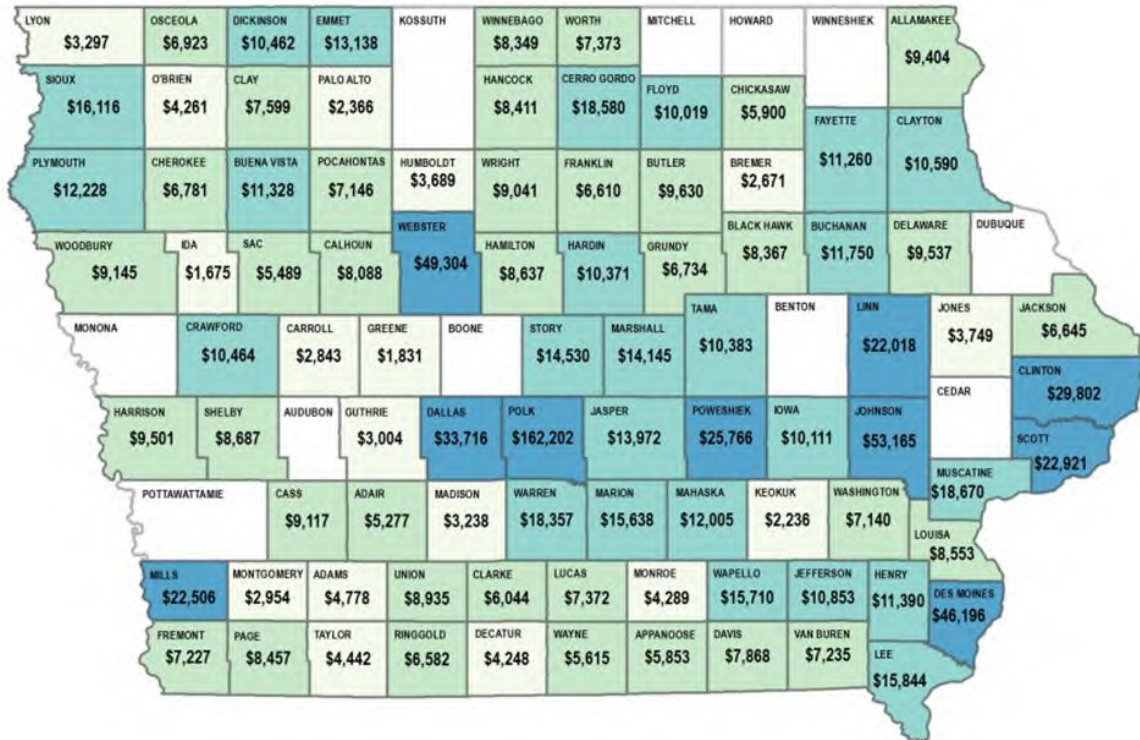
**Figure 8 — HAVA Election Security Grant Funds Distribution as of August 31, 2020**



Public Health Crisis Response funds were awarded to state and local health departments to carry out surveillance, epidemiology, laboratory capacity, infection control, mitigation, communications, and other preparedness and response activities related to COVID-19. County boards of health received a total of \$1.13 million, and the University of Iowa received \$0.68 million. A map depicting disbursed funds across the State can be found on the next page (**Figure 9**). More information can be found [here](#).



**Figure 9 — Public Health Crisis Response Funds Distributed as of August 31, 2020**



The Iowa Department of Homeland Security and Emergency Management received pass-through funds from the Federal Emergency Management Agency (FEMA) shown in (Figure 10). There are a total of 147 projects related to COVID-19 in various phases, with an estimated total cost of \$186.3 million. The entities applying for funds for these projects include cities, counties, county hospitals, and school districts. Additionally, several local entities applied for COVID-19 funds from FEMA for COVID-19 noncongregate sheltering units. The following entities have been approved for noncongregate sheltering awards as of August 25, 2020:

**Figure 10 — FEMA NonCongregate Sheltering Awards**

Local Entity	Amount	Units
Johnson County	\$ 77,160	43
University of Iowa	108,584	200
Scott County	516,663	938
Polk County	150,000	100
Des Moines County	26,550	39
City of Cedar Rapids	27,888	39
City of Dubuque	29,679	39
<b>Total</b>	<b>\$ 936,524</b>	<b>1,398</b>

**Recent Presidential COVID-19 Actions**

On August 8, 2020, President Trump issued the following executive orders and presidential memoranda related to COVID-19 response and relief:

- Executive Order on Fighting the Spread of COVID-19 by Providing Assistance to Renters and Homeowners — This order directs members of the Cabinet to consider, identify, review, and take action necessary to minimize residential evictions and foreclosures during the ongoing COVID-19 national emergency.

- Memorandum on Deferring Payroll Tax Obligations in Light of the Ongoing COVID-19 Disaster — The memorandum directs the Secretary of the Treasury to defer the withholding, deposit, and payment of the employee portion of Social Security tax on wages or compensation paid during the period of September 1, 2020, through December 31, 2020, if the employee's wages or compensation payable during any biweekly payroll period are less than \$4,000 pretax.
- Memorandum on Authorizing the Other Needs Assistance Program for Major Disaster Declarations Related to Coronavirus Disease 2019 — The memorandum directs FEMA to provide benefits from the Department of Homeland Security's Disaster Relief Fund for unemployed Americans affected by COVID-19 through an up to \$400 per week unemployment compensation payment. The federal government will fund 75.0% of the cost, and the remaining 25.0% of the funding must be provided by the state and may come from the CRF.
- Memorandum on Continued Student Loan Payment Relief During the COVID-19 Pandemic — The memorandum directs the Secretary of Education to continue the deferment of student loans for economic hardship and the waiver of all interest on student loans held by the U.S. Department of Education until December 31, 2020.

The full text of each presidential action may be found on the White House [website](#).

### **Test Iowa Update**

In April 2020, the State of Iowa contracted with the Utah-based health care company Nomi Health to establish and expand Iowa's statewide COVID-19 testing capacity. The total cost of the contract is \$26.0 million. An initial payment of \$15.1 million was made to Nomi Health in April 2020, with the remaining \$10.9 million to be paid in monthly installments through April 2021. For the remaining \$10.9 million, the contract stipulates that the State will pay \$1.3 million per month for the first six months and \$500,000 per month for the remaining six months of the contract. As of August 25, 2020, no payments have been made beyond the initial payment of \$15.1 million.

The initial TestIowa contract is being funded from federal Stafford Act Public Assistance grants received by the State to be utilized for COVID-19 treatment and prevention measures. Public assistance received under the Stafford Act requires a 75.0% federal funding match and a 25.0% State funding match, but the Department of Homeland Security and Emergency Management has submitted a request under the Program to cover the 100.0% of the \$26.0 million TestIowa contract. At this time, no confirmation for 100.0% federal funding has been received.

As of August 25, 2020, eight drive-through TestIowa sites are open and located in Black Hawk, Buena Vista, Dallas, Linn, Marshall, Polk, Pottawattamie, and Scott counties. An additional 14 TestIowa clinic sites have been established in Black Hawk, Carroll, Cass, Crawford, Des Moines, Dickinson, Dubuque, Kossuth, Mitchell, Page, Plymouth, Pottawattamie, Story, Union, and Wright counties. Additional information on drive-through TestIowa sites and TestIowa clinic sites is available at [www.testiowa.com](http://www.testiowa.com).

### **Additional information**

The following resources are available for additional information related to federal stimulus funding:

- DOM — Additional information on the federal stimulus funds awarded to State agencies is available [online](#).
- National Conference of State Legislatures (NCSL) — Information on actions taken by other states and territories related to CARES Act funding may be found on the NCSL [website](#).

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The following pages are a detailed spreadsheet (**Awarded COVID-19 Federal Funding to Date**) listing all of the federal awards by State agency.



## Awarded COVID-19 Federal Funding to Date (August 28, 2020)

State Department	Federal Program Title	Award Description	Sum of Award Amount
Cherokee Mental Health Institute (DHS)	Providers Relief Fund	To provide additional funding to help offset costs of providing services during the COVID-19 pandemic.	\$ 59,774
Governor's Office of Drug Control Policy	Coronavirus Emergency Supplemental Funding Program	To assist states, local units of government, and tribes in preventing, preparing for, and responding to the coronavirus emergency.	\$ 5,754,321
Independence Mental Health Institute (DHS)	Providers Relief Fund	To provide additional funding to help offset costs of providing services during the COVID-19 pandemic.	\$ 52,360
Iowa Department of Agriculture & Land Stewardship	Plant and Animal Disease, Pest Control, and Animal Care	Iowa Swine Depopulation Projects	\$ 266,176
Iowa Department of Cultural Affairs	Promotion of the Humanities Division of Preservation and Access	To support managing the grant program making subawards to Iowa's arts, culture, heritage and humanities organizations.	\$ 465,700
	Promotion of the Humanities Federal/State Partnership	To support arts programs, services, and activities associated with carrying out the agency's National Endowment of the Arts-approved strategic plan, as well as salaries, administration costs, and related subgranting to the nonprofit arts sector in response to the COVID-19 pandemic.	\$ 442,700
Iowa Department of Education	Elementary and Secondary School Emergency Relief Fund	To provide emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools across Iowa.	\$ 71,625,561
	Governor's Emergency Relief Fund	To provide emergency block grant funding for educational purposes. The Governor is empowered to decide how best to meet the current needs of students, schools, postsecondary institutions, and other education-related organizations in Iowa, so that faculty continue to teach and students continue to learn.	\$ 26,217,108

## Awarded COVID-19 Federal Funding to Date (August 28, 2020)

State Department	Federal Program Title	Award Description	Sum of Award Amount
Iowa Department of Education	Grants to States	To help the State Library of Iowa prevent, prepare for, and respond to coronavirus, including to expand digital network access, purchase internet access, purchase internet accessible devices, and provide technical support services.	\$ 285,087
	National School Lunch Program	To provide additional funding for the school lunch program in response to the Coronavirus Emergency.	\$ 98,070,209
	Rethink K12 Education Models Grants	Iowa e-Learning Central. A state-supported virtual learning environment to support student accelerated and sustained learning by expanding rigorous instructional opportunities.	\$ 17,681,016
Iowa Department of Human Rights	Community Services Block Grant	To help communities prevent, prepare for or respond to the Coronavirus Emergency.	\$ 10,821,398
	Low-Income Home Energy Assistance	To help prevent, prepare for, or respond to home energy needs surrounding the national emergency created by the Coronavirus Disease 2019 (COVID-19).	\$ 4,221,430
Iowa Department of Human Services (Assistance)	Adoption Assistance	To provide increased federal funding to Iowa for adoption assistance payments as a result of a percentage point increase in the federal medical assistance percentage (FMAP) authorized by the Families First Coronavirus Response Act. The expanded federal support is made effective retroactive to January 1, 2020, the first day of the calendar year quarter in which a public health emergency was declared. The increase is to remain in place until the last day of the calendar year quarter in which the public health emergency period ends. Award amount reflects reported receipts.	\$ 818
	Child Care and Development Block Grant	To provide additional support to childcare providers during the COVID-19 pandemic.	\$ 31,899,093

## Awarded COVID-19 Federal Funding to Date (August 28, 2020)

State Department	Federal Program Title	Award Description	Sum of Award Amount
Iowa Department of Human Services (Assistance)	Children's Health Insurance Program	To provide increased federal funding to Iowa for the Children's Health Insurance Program as a result of a percentage point increase in the federal medical assistance percentage (FMAP) authorized by the Families First Coronavirus Response Act. The expanded federal support is made effective retroactive to January 1, 2020, the first day of the calendar year quarter in which a public health emergency was declared. The increase is to remain in place until the last day of the calendar year quarter in which the public health emergency period ends. Award amount reflects reported receipts.	\$ 269,242
	Foster Care Title IV-E	To provide increased federal funding to Iowa for foster care maintenance payments as a result of a percentage point increase in the federal medical assistance percentage (FMAP) authorized by the Families First Coronavirus Response Act. The expanded federal support is made effective retroactive to January 1, 2020, the first day of the calendar year quarter in which a public health emergency was declared. The increase is to remain in place until the last day of the calendar year quarter in which the public health emergency period ends. Award amount reflects reported receipts.	\$ 58,631

## Awarded COVID-19 Federal Funding to Date (August 28, 2020)

State Department	Federal Program Title	Award Description	Sum of Award Amount
Iowa Department of Human Services (Assistance)	Guardianship Assistance	To provide increased federal funding to Iowa for guardian assistance payments as a result of a percentage point increase in the federal medical assistance percentage (FMAP) authorized by the Families First Coronavirus Response Act. The expanded federal support is made effective retroactive to January 1, 2020, the first day of the calendar year quarter in which a public health emergency was declared. The increase is to remain in place until the last day of the calendar year quarter in which the public health emergency period ends. Award amount reflects reported receipts.	\$ -
	Medical Assistance Program	To provide increased federal funding to Iowa for Medicaid as a result of a percentage point increase in the federal medical assistance percentage (FMAP) authorized by the Families First Coronavirus Response Act. The expanded federal support is made effective retroactive to January 1, 2020, the first day of the calendar year quarter in which a public health emergency was declared. The increase is to remain in place until the last day of the calendar year quarter in which the public health emergency period ends. Award amount reflects reported receipts.	\$ 13,669,596

## Awarded COVID-19 Federal Funding to Date (August 28, 2020)

State Department	Federal Program Title	Award Description	Sum of Award Amount
Iowa Department of Human Services (Assistance)	Money Follows the Person Rebalancing Demonstration	To provide increased federal funding to Iowa for the Money Follows the Person (MFP) Partnership for Community Integration Project as a result of a percentage point increase in the federal medical assistance percentage (FMAP) authorized by the Families First Coronavirus Response Act. The expanded federal support is made effective retroactive to January 1, 2020, the first day of the calendar year quarter in which a public health emergency was declared. The increase is to remain in place until the last day of the calendar year quarter in which the public health emergency period ends. Award amount reflects reported receipts.	\$ -
	Stephanie Tubbs Jones Child Welfare Services Program	To provide additional support for child welfare services during the Coronavirus Emergency.	\$ 476,722
Iowa Department of Human Services (Field Operations)	Refugee and Entrant Assistance State/Replacement Designee Administered Programs	To provide additional support for refugee services in response to the Coronavirus Emergency.	\$ 248,496
Iowa Department of Human Services (General Administration)	Emergency Food Assistance Program (Administrative Costs)	To provide temporary additional funding for the administration of the commodity (food assistance) program in response to the Coronavirus Emergency.	\$ 735,827
		To reimburse Food Bank additional administration expenses related to the Coronavirus Emergency.	\$ 1,103,741
Iowa Department of Management	Coronavirus Relief Fund	To assist covering necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); were expenditures were not accounted for in the budget most recently approved as of March 27, 2020 for State of Iowa; and were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.	\$ 1,250,000,000

## Awarded COVID-19 Federal Funding to Date (August 28, 2020)

State Department	Federal Program Title	Award Description	Sum of Award Amount
Iowa Department of Public Health	Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	To provide support for crisis intervention services, mental and substance abuse disorder treatment, and other related intervention services during the Coronavirus Emergency.	\$ 2,000,000
	Epidemiology and Laboratory Capacity For Infectious Diseases (ELC)	To establish or enhance the ability to identify cases, conduct contact tracking and follow up, as well as implement containment measures, improve morbidity and mortality surveillance, enhance testing capacity, control COVID-19 in high-risk settings, and work with healthcare systems to manage and monitor system capacity.	\$ 109,330,947
	HIV Care Formula Grants	To assist in accessing HIV care and treatment for low-income people living with HIV during the Coronavirus Emergency.	\$ 173,373
	Immunization Cooperative Agreements	Awarded under the Immunization and Vaccines for Children program, whose purpose is to support efforts to plan, develop, and maintain a public health workforce that helps assure high immunization coverage levels, low incidence of vaccine-preventable diseases, and maintain or improve the ability to respond to public health threats.	\$ 1,060,853
	National Bioterrorism Hospital Preparedness Program	To support hospitals, health systems, health care coalitions, emergency medical services (EMS), Ebola treatment centers, and health care workers to help them identify, isolate, assess, transport, and treat COVID-19 patients; and to prepare these entities for future special pathogen disease outbreaks. Recipients may request retroactive compensation for HCCs & health care facilities, including special pathogen treatment centers dating back to 1/20/2020.	\$ 2,464,248
	National Center for Injury Prevention and Control	To provide financial support to students at Indian Hills Community College who identify as pregnant and/or parenting students, to help with tuition, books, and fees.	\$ 33,588

## Awarded COVID-19 Federal Funding to Date (August 28, 2020)

State Department	Federal Program Title	Award Description	Sum of Award Amount
Iowa Department of Public Health	Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	To carry out surveillance, epidemiology, laboratory capacity, infection control, mitigation, communication, and other preparedness and response activities in response to the Iowa Public Health Crisis.	\$ 6,347,829
	Small Rural Hospital Improvement Grant Program	To support rural hospitals with increased demands for clinical services and equipment, and short-term financial and workforce challenges related to patients seeking care at their facilities due to COVID-19. 100% of funds will pass through to hospitals.	\$ 7,588,530
Iowa Department of Transportation	Federal Transit Formula Grants	To assist public transit organizations prevent, prepare for, and respond to coronavirus. Projects included in this grant are only operations, planning and/or capital projects, with no substantial functional, location, or capacity change.	\$ 33,288,313
Iowa Department on Aging	National Family Caregiver Support, Title III, Part E	To pay for direct support professionals, caregivers trained to help w/ ADLs, to assist disabled individuals in response to the Coronavirus Emergency.	\$ 993,985
	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	To provide home and community based services in response to the Coronavirus Emergency.	\$ 1,959,577
	Special Programs for the Aging, Title III, Part C, Nutrition Services	To provide meals in a congregate setting in response to the Coronavirus Emergency.	\$ 783,831
		To provide meals via home delivery (including drive-thru, To Go) in response to the Coronavirus Emergency.	\$ 6,270,645
	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	To provide additional funding for expanding care transitional support for at-risk populations in response to the Coronavirus Emergency.	\$ 450,000

## Awarded COVID-19 Federal Funding to Date (August 28, 2020)

State Department	Federal Program Title	Award Description	Sum of Award Amount
Iowa Department on Aging	Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	To provide additional support to long term care ombudsman activity in response to the Coronavirus Emergency.	\$ 195,958
Iowa Homeland Security and Emergency Management Department	Emergency Performance Management Grant	Fiscal Year 2020 Emergency Management Performance Grant Program COVID-19 Supplemental (EMPG-S) to assist with public health and emergency management activities supporting the prevention of, preparation for, and response to the ongoing Coronavirus Disease 2019 (COVID-19) public health emergency, in accordance with the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Div. B (Pub. L. No. 116-136)	\$ 1,320,520
Iowa Office of Attorney General	Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	Family Violence Prevention and Services Grants for Battered Women's Shelters	\$ 331,515
Iowa Office of the Secretary of State	2018 HAVA Election Security Grants	To improve the administration of elections, and enhance technology and make certain election security improvements in response to the COVID-19 pandemic and its impact on primaries and the general election.	\$ 4,843,615
Iowa Workforce Development	Unemployment Insurance	Pandemic Emergency Unemployment Compensation (PEUC) provides unemployment insurance benefits to those individuals who have exhausted their state unemployment insurance entitlement.	\$ 28,940,000
		Pandemic Extended Benefits for unemployment claims	\$ 1,151,000



## Awarded COVID-19 Federal Funding to Date (August 28, 2020)

State Department	Federal Program Title	Award Description	Sum of Award Amount
Iowa Workforce Development	Unemployment Insurance	Pandemic Unemployment Assistance (PUA) provides temporary income to eligible individuals who became unemployed as a result of the novel COVID-19 pandemic and are either self-employed, do not have sufficient work history to be eligible for a claim, or have exhausted other forms of unemployment insurance benefits.	\$ 103,837,000
		Temporary Compensation for benefits	\$ 105,456,000
		To provide additional funding for unemployment administration during the Coronavirus Emergency.	\$ 10,053,959
		To provide additional unemployment funding for claimants in response to the Coronavirus Pandemic.	\$ 2,112,000,000
		To support Federal Pandemic Unemployment Compensation administration. (Performance period 4/1/2020 to 12/31/2020)	\$ 388,194
		To support Pandemic Emergency Unemployment Compensation administration.	\$ 449,446
		To support Pandemic Unemployment Assistance administration.	\$ 1,378,228
<b>Grand Total</b>			<b><u>\$ 4,077,516,160</u></b>

## General Fund Revenues

Figure 11

General Fund Revenues, March 19 to August 27				
Dollars in Millions				
Tax Item	2019	2020	\$ Change	% Change
Withholding	\$ 1,655.6	\$ 1,698.9	\$ 43.3	2.6%
Estimate Payments	216.0	205.2	-10.8	-5.0%
Payments with Returns	454.1	344.3	-109.8	-24.2%
<b>Individual Income Tax</b>	<b>\$ 2,325.7</b>	<b>\$ 2,248.4</b>	<b>\$ -77.3</b>	<b>-3.3%</b>
Corporate Income Tax	393.6	355.0	-38.6	-9.8%
Sales/Use Tax	1,483.3	1,482.7	-0.6	0.0%
Other Taxes	241.0	217.0	-24.0	-10.0%
<b>Total Taxes</b>	<b>\$ 4,443.6</b>	<b>\$ 4,303.1</b>	<b>\$ -140.5</b>	<b>-3.2%</b>
<b>Tax Refunds</b>				
Cash Refunds				
Individual Income Tax Refunds	\$ -630.6	\$ -634.5	\$ -3.9	0.6%
Corporate Income Tax Refunds	-48.8	-20.9	27.9	-57.2%
Sales/Use Tax Refunds	-29.8	-31.5	-1.7	5.7%
Other Refunds	-2.9	-4.8	-1.9	65.5%
<b>Total Cash Refunds</b>	<b>\$ -712.1</b>	<b>\$ -691.7</b>	<b>\$ 20.4</b>	<b>-2.9%</b>
<b>School Infrastructure Refunds</b>	<b>\$ -257.1</b>	<b>\$ -262.7</b>	<b>\$ -5.6</b>	<b>2.2%</b>
<b>Net General Fund Taxes</b>	<b>\$ 3,474.4</b>	<b>\$ 3,348.7</b>	<b>\$ -125.7</b>	<b>-3.6%</b>

Figure 11 provides a breakdown by major revenue source and associated tax refunds. The data used to develop the table includes State tax deposits made and tax refunds issued from March 19 through August 27 for calendar years 2019 and 2020. Over that time frame, net State General Fund tax revenue declined \$125.7 million (3.6%) year-over-year. The following discusses significant impacts by tax type as displayed in Figure 11.

### Individual Income Tax Withholding — Increase due to unemployment insurance.

Individual income tax withholding increased \$43.3 million (2.6%) over the period. The single factor keeping withholding tax revenue from experiencing a decrease is the transfer from the Unemployment Trust Fund of income tax withheld from unemployment payment checks. That source has provided an additional \$87.1 million for the State General Fund over the period when compared to last year. In addition, a deposit timing issue is also providing a year-over-year \$20.0 million boost to withholding; this issue will reverse in the first half of September.

### Individual Income Tax Payments with Returns — Tax year 2019 decline.

Payments with tax returns declined \$109.8 million (24.2%) over the period. Since the payments represent tax year 2019 tax payments, this decline is not a result of COVID-19.

### Sales/Use Tax — No change over the period.

Sales/use tax gross deposits were essentially unchanged (\$-0.6 million) over the period, indicating that the COVID-19 impact on sales subject to the sales/use taxes has been minor.

**Corporate Income Tax — Minor decrease.**

Corporate income tax gross deposits declined \$38.6 million (-9.8%). Since corporate income tax refunds were lower by \$27.9 million over the same period, the impact on net corporate income tax revenue (\$-10.7 million) has been minor.

**Iowa Economic Indicator Data**

**Iowa Unemployment Applications — Unprecedented levels.**

The Department of Labor (DOL) August 27, 2020, weekly unemployment insurance report shows continued elevated initial unemployment claim counts at both the State and national levels (summarized in **Figure 12**), with a U.S. year-over-year increase in initial claims of 364.5% and an Iowa increase of 231.3%. The substantial increase in initial claims reported since the week ending March 14, 2020, has produced a large increase in continued claims for the week ending August 15, 2020, when compared to the same week last year. National continued claims increased 760.9% compared to the same week last year, while Iowa continued claims increased 473.8%.

**Figure 12** provides U.S. and Iowa initial and continued claims numbers for the most recent report week as well as the previous week and the same week last year. Please note that the claims reported are actual claims numbers and have not been seasonally adjusted. The initial claims numbers represent preliminary (advanced) reporting and the numbers are subject to revision the following week. In many instances, the preliminary number is revised lower one week later.

**Figure 12**

<b>Weekly Continued Claims</b> Week ending 8/15/2020		<b>Weekly Initial Claims</b> Week ending 8/22/2020	
Time Period	U.S. Continued Claims	Time Period	U.S. Initial Claims
Last Year	1,615,803	Last Year	176,867
Last Week	14,182,813	Last Week	889,549
This Week	13,909,872	This Week	821,591
Iowa Continued Claims		Iowa Initial Claims	
Time Period	Iowa Continued Claims	Time Period	Iowa Initial Claims
Last Year	14,682	Last Year	2,099
Last Week	82,442	Last Week	5,997
This Week	84,248	This Week	6,954

Claim numbers are not seasonally adjusted.

**Figure 13** displays the number of Iowa continued claims over each of the past 25 weeks for 2019 and 2020. Iowa continued claims have declined by 105,395 claims since the week ending May 2, 2020. However, continued claims remain significantly higher than last year, with claims for the week ending August 15, 2020, exceeding claims for the week ending August 22, 2019, by 69,566 claims. The pre-COVID-19 Iowa continued claims record (68,112) occurred in January 2010.

Figure 13

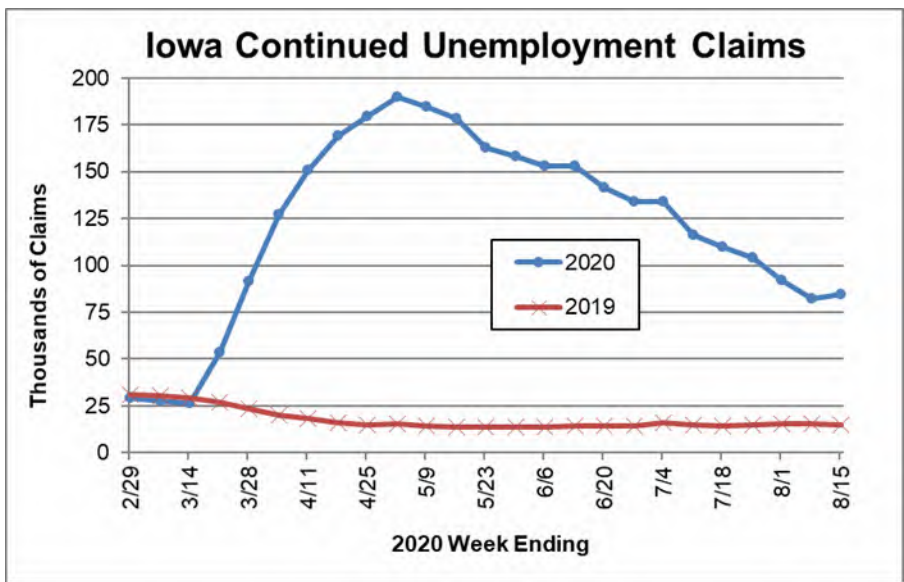
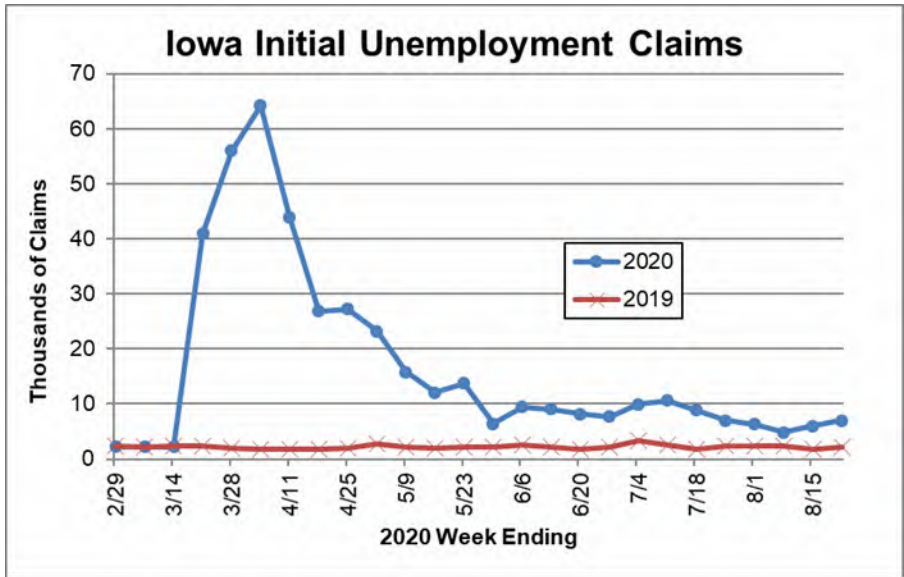


Figure 14 displays Iowa initial unemployment claims over each of the past 26 weeks for 2019 and 2020. Initial claims for the most recent 12 weeks have averaged 7,921. For a similar 12-week period of 2019, the weekly average was 2,273. The recent peak in the number of initial claims was 64,194 for the week ending April 4, 2020. The pre-COVID-19 Iowa initial claims record (14,603) occurred in December 2001.

Figure 14



**Other Tax Revenues****Figure 15**

<b>Other Fund Tax Revenues, March 19 to August 27</b>				
Dollars in Millions				
<b>Other Fund Taxes</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>\$ Change</b>	<b>% Change</b>
Gambling Tax	\$ 135.5	\$ 67.8	\$ -67.7	-50.0%
Fuel Tax	304.7	275.4	-29.3	-9.6%
Vehicle Sales Tax	177.4	165.0	-12.4	-7.0%
Cigarette/Tobacco Tax	96.1	97.0	0.9	0.9%
Other Taxes	40.9	20.9	-20.0	-48.9%
Tax Refunds	-27.4	-24.5	2.9	-10.6%
<b>Total Other Fund Taxes</b>	<b>\$ 727.2</b>	<b>\$ 601.6</b>	<b>\$ -125.6</b>	<b>-17.3%</b>

**Gambling Tax — Down modestly since reopening.**

Gambling tax deposits declined \$67.7 million (-50.0%) (**Figure 15**). The Governor's March 17, 2020, order closed Iowa's State-regulated gambling casinos. The reduction in gambling revenue is a direct result of this action. The casinos began to reopen starting June 1, 2020. Twelve weekly deposits have been made since the industry reopened, totaling \$61.4 million. Deposits on similar dates in 2019 totaled \$54.3 million.

**Vehicle Sales Tax (Fee for New Registration) — \$12.4 million below last year.**

Vehicle sales tax declined \$12.4 million (-7.0%) over the period (**Figure 15**). The tax is collected by counties when the vehicle is first registered by the new owner and is remitted to the State around the 10th of each month. The May 10 deposit in 2020 was \$22.9 million, while the same deposit in 2019 was \$35.5 million. The June 10 deposit in 2020 was \$28.0 million, while the same deposit in 2019 was \$37.6 million. The July and August 2020 deposits made up for some of the reduction over the previous two months, as the 2020 deposits totaled \$81.8 million, while the same deposits in 2019 totaled \$71.8 million.

**NCSL — State Actions to Close Budget Shortfalls Database**

The National Conference of State Legislatures (NCSL), with support from the Pew Charitable Trusts, has created a [new database](#) detailing revenue-increasing and budget-cutting measures states are taking to close the gap in state revenue collections due to the COVID-19 pandemic. The database relies on government sources and media outlet coverage of the revenues and budgets in each state. Information is updated daily that covers actions that are enacted, ordered, or proposed by policy makers. The database illustrates cuts by budget areas, revenue increases by source, or reserve fund transfers. The following is a brief summary of actions taken by contiguous states:

- **Illinois** — The Governor signed a \$42.900 billion budget on June 10, 2020. The budget is 7.5% higher than the FY 2020 budget but relies on billions of dollars in federal assistance that has yet to be approved, and authorizes borrowing of up to \$5.0 billion from the federal COVID-19 relief fund if the grant funding is not provided. The Governor stated at a press conference on August 3, 2020, that deep cuts to essential services and state jobs could be coming if Congress fails to act.
- **Kansas** — The Governor is implementing a plan to cut approximately \$700.0 million from the state budget by reducing spending, delaying loan payments, and taking advantage of other one-time savings. The plan avoids general operations reductions to state agencies. Several items may need to be approved by the legislature when it returns in January.
- **Minnesota** — New estimates by the Minnesota Management and Budget Office are projecting a potential \$4.700 billion deficit for state fiscal years 2022 and 2023. The state has already begun cuts and layoffs while closing two prison facilities under the Department of Corrections. The Governor noted

that there will be additional cuts to come within the Department of Human Services and elsewhere in state government.

- **Missouri** — The Governor signed a \$35.300 billion budget enacted by the legislature on June 30, 2020. The budget cut \$448.0 million from the FY 2021 budget due to the economic downturn. The cuts were on top of \$430.0 million in withholdings from the FY 2020 budget. Budget reductions mainly targeted public schools, colleges, and universities.
- **Nebraska** — The legislature adjourned its legislative session on August 13, 2020. The budget was mainly status quo with increases for correctional services pay, Medicaid provider rate increases, and funding for several other projects. The budget leaves \$442.0 million in the state's rainy day fund.
- **South Dakota** — South Dakota ended FY 2020 with a \$19.1 million surplus; however, the state had reduced revenues and expenditures due to the pandemic. Sales tax revenues were 8.0% higher than the legislature estimated for July, but they warned that the increase could be short lived with the \$600 unemployment increase expiring. South Dakota declined to participate in the \$300 unemployment boost offered by the federal government.
- **Wisconsin** — The Governor ordered state agencies to cut \$250.0 million from their budgets for FY 2021 due to declining revenues as a result of COVID-19. The cuts are in addition to \$70.0 million in cuts ordered for FY 2020, of which \$41.0 million came from the University of Wisconsin system.

### **Additional Iowa-Related Information**

Revenue Estimates website: [www.legis.iowa.gov/publications/fiscal/quarterlyRevenueEstimate](http://www.legis.iowa.gov/publications/fiscal/quarterlyRevenueEstimate)

Iowa Economic Trends website: [www.legis.iowa.gov/publications/fiscal/economicTrends](http://www.legis.iowa.gov/publications/fiscal/economicTrends)

COVID-19 Analysis and Resources website:  
[www.legis.iowa.gov/publications/information/covid19Resources](http://www.legis.iowa.gov/publications/information/covid19Resources)

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# State Budget Update

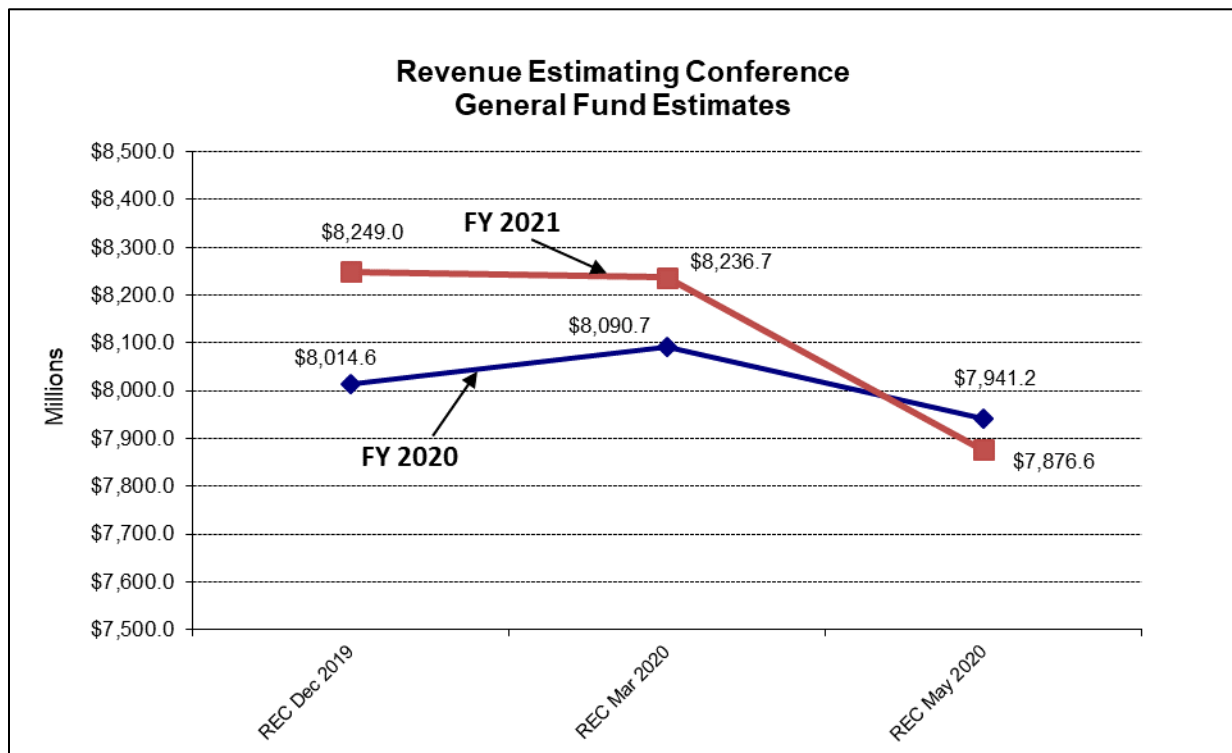
The 2020 Legislative Session proved to be a unique and challenging session because of the COVID-19 pandemic. Due to concerns over COVID-19, the General Assembly recessed the Legislative Session on March 17, 2020, for approximately two and a half months. The Session resumed on June 3, and the General Assembly adjourned the 2020 Legislative Session on June 14, 2020.

The Revenue Estimating Conference (REC) met in December 2019 and March 2020 prior to the economic slowdown brought on by the COVID-19 pandemic. The REC met for a third time on May 29, 2020, to revise the FY 2020 and FY 2021 revenue estimates to incorporate potential impacts of the economic crisis.

Despite the challenges associated with declining State tax revenues that stemmed from the economic slowdown, the 2020 General Assembly passed a balanced budget for FY 2021 and revised the FY 2020 General Fund budget. The information below provides a summary of the status of the State's General Fund budget for FY 2020 and FY 2021.

**Revenue Estimating Conference (REC).** The REC met on May 29, 2020, and lowered the FY 2020 and FY 2021 revenue estimates by 1.8% and 4.4%, respectively. This represents revenue reductions of \$149.5 million for FY 2020 and \$360.1 million for FY 2021, compared to the FY 2021 March estimates (Figure 16).

Figure 16





The REC also lowered the FY 2020 State wagering tax revenue estimate by \$72.9 million (a reduction of 24.3%) due to the mandatory closure of Iowa’s 19 casinos in response to the COVID-19 pandemic. The reduced revenue caused the Rebuild Iowa Infrastructure Fund (RIIF) budget to have an estimated shortfall of \$68.2 million.

**Fiscal Year 2020 Budget.** The total resources available for the FY 2020 General Fund budget are estimated at \$8.132 billion. This includes the May REC estimate of \$7.941 billion, revenue adjustments passed by the 2020 General Assembly of negative \$4.5 million, and a carryforward balance of \$195.6 million.

In addition, the General Assembly passed supplemental appropriations totaling \$185.6 million for FY 2020 (**Figure 17**), which included a \$70.0 million appropriation to the RIIF to eliminate the estimated shortfall in the Fund, due to the mandatory closure of the casinos. Other significant supplemental appropriations included \$89.0 million for the Medicaid program and \$21.0 million to assist local governments with flood mitigation. The General Fund ending balance for FY 2020 is estimated at \$312.9 million.

**Figure 17**

<b>FY 2020 General Fund Supplemental Appropriations</b>		
<b>(In Millions)</b>		
<u>Bill Number</u>		<u>Enacted FY 2020</u>
SF 2408	Human Services - Medicaid	\$ 89.0
HF 2642	Appropriation to RIIF	70.0
SF 2144	Flood Mitigation	21.0
HF 2643	Public Safety - Overtime	2.4
SF 2408	State Children's Health Insurance	1.7
SF 2408	Human Services - Glenwood Supplemental	0.6
SF 2408	Regents - University of Iowa Hygenic Lab	0.5
SF 2144	Human Services - Glenwood Supplemental	0.3
	<b>Total</b>	<b>\$ 185.6</b>

\*Numbers may not equal totals due to rounding.

The State finances for FY 2020 are not yet final. As of August 31, 2020, gross General Fund revenue was \$66.0 million above March Revenue Estimating Conference (REC) projections. Tax refund totals should be final for FY 2020 by the August 31 date, and tax refunds for the fiscal year finished \$34.0 million above the March 2020 REC refund projection. However, some revenue collection transactions related to FY 2020 will continue to be processed into the second half of September. Three areas of accounting transactions remain to be closed:

- The transfer out of the “sixth cent” of sales tax that is devoted to local school districts. One more adjusting transaction will occur before this item is final.
- Accrued revenue needs to be calculated and deposits made in July and August must be split between FY 2020 and FY 2021. This will be completed by September 30.
- Transfer revenue to the General Fund is projected to total \$103.0 million for FY 2020 and as of August 31, transfer revenues is currently running approximately \$6.0 million ahead of projections.

At the end of September 2020, the LSA will have additional information on the FY 2020 General Fund budget that includes accrued revenues, final adjustments on standing unlimited appropriations, and reversions. The estimated General Fund ending balance of \$312.9 million provides a significant cushion for any variability in the final numbers. To date, it appears that net revenue across the two fiscal years is reasonably close to projections. Please watch the LSA’s Video Edition of the [August Monthly Revenue Memo](#) (dated September 2) for more information on FY 2020 and FY 2021.



**FY 2020 Appropriation Transfers.** Two agencies have transferred funds between their General Fund appropriations during FY 2020 (**Figure 18**). The Department of Administrative Services transferred \$18,800 from their operations to Utilities (\$18,000) and Terrace Hill Operations (\$800). The Department of Corrections transferred a total of \$561,000 funds from six appropriations to the Iowa Medical Classification Center in Oakdale. For additional information on these transfers see the Fiscal Update Articles, [Transfer of Funds – Department of Administrative Services](#) and [FY2020 Reallocation of Appropriations – Department of Corrections](#)

**Figure 18**

<b>General Fund</b>		
<b>FY 2020 Appropriation Transfers</b>		
	Transfers In	Transfers Out
<b>Section 8.39 Transfers</b>		
<b>Department of Administrative Services</b>		
Operations	\$ 0	\$ -18,793
Utilities	17,988	0
Terrace Hill Operations	805	0
<b>Subtotal</b>	<b>\$ 18,793</b>	<b>\$ -18,793</b>
<b>Reallocations</b>		
<b>Department of Corrections</b>		
Clarinda Institution	\$ 0	\$ -70,000
Corrections Administration	0	-20,499
Federal Prisoners/Contractual	0	-50,000
Ft. Dodge Institution	0	-100,000
Ft. Madison Institution	0	-300,000
Rockwell City Institution	0	-20,000
Oakdale Institution	560,499	0
<b>Subtotal</b>	<b>\$ 560,499</b>	<b>\$ -560,499</b>
<b>Total All Transfers</b>	<b>\$ 579,292</b>	<b>\$ -579,292</b>

**Fiscal Year 2021 Budget.** The total resources available for the FY 2021 General Fund budget are estimated at \$8.102 billion, which is a reduction of \$30.5 million (0.4%) compared to revised FY 2020. This includes the May REC estimate of \$7.877 billion, net revenue adjustments passed by the 2020 General Assembly of negative \$39.1 million, and a carryforward balance of \$264.3 million. The expenditure limitation for FY 2021 was \$8.023 billion, which is 99.0% of the total available resources.

The General Assembly appropriated a total of \$7.779 billion from the General Fund for FY 2021, which is a reduction of \$45.9 million (0.6%) compared to the revised FY 2020 appropriations after factoring in the supplemental appropriations. The FY 2021 appropriations are also \$244.4 million below the expenditure limitation. The General Fund ending balance for FY 2021 is estimated at \$328.3 million (**Figure 19**).

The General Assembly passed [HF 2641](#) (Department of Revenue Omnibus Act), which is estimated to reduce General Fund revenues by a net total of \$41.9 million in FY 2021 (**Figure 20**). The Act reduces revenues from personal and corporate income taxes and the State sales/use tax.

Figure 19

<b>State of Iowa</b>			
<b>Projected Condition of the General Fund</b>			
(In Millions)			
	Actual FY 2019	Revised FY 2020	Enacted FY 2021
<b>Resources</b>			
Receipts (Mar 2019 Est)	\$ 7,858.9	\$ 8,090.7	\$ 8,236.7
May REC Adjustment	0.0	- 149.5	- 360.1
Net Receipts	<u>7,858.9</u>	<u>7,941.2</u>	<u>7,876.6</u>
Revenue Adjustments	0.0	- 4.5	- 39.1
Subtotal Receipts	<u>7,858.9</u>	<u>7,936.7</u>	<u>7,837.5</u>
Surplus Carryforward	71.0	195.6	264.3
<b>Total Available Resources</b>	<u>\$ 7,929.9</u>	<u>\$ 8,132.3</u>	<u>\$ 8,101.8</u>
<b>Expenditure Limitation</b>			<b>\$ 8,022.9</b>
<b>Appropriations and Expenditures</b>			
Appropriations	\$ 7,480.2	\$ 7,642.6	\$ 7,778.5
Adjustment to Standing Appropriations	- 2.8	- 3.8	0.0
Supplemental/Deappropriations	<u>168.6</u>	<u>185.6</u>	<u>0.0</u>
<b>Total Appropriations</b>	<u>\$ 7,646.0</u>	<u>\$ 7,824.4</u>	<u>\$ 7,778.5</u>
Reversions	- 5.4	- 5.0	- 5.0
<b>Net Appropriations</b>	<u>\$ 7,640.6</u>	<u>\$ 7,819.4</u>	<u>\$ 7,773.5</u>
<b>Ending Balance - Surplus</b>	<u>\$ 289.3</u>	<u>\$ 312.9</u>	<u>\$ 328.3</u>
<b>Under (Over) Expenditure Limitation</b>			<u>\$ 244.4</u>

Figure 20

<b>General Fund Revenue Adjustments by Act</b>			
(In Millions)			
Act No.	Description	Enacted	
		FY 2020	FY 2021
HF 760	Hotel and Motel Local Sales Tax	\$ 0.0	\$ 2.7
HF 2340	529 Plan Out-of-State Private Schools	0.0	- 0.2
HF 2641	Department of Revenue Omnibus Act	- 4.5	- 41.9
SF 457	Criminal Surcharge and Court Fee Reform	0.0	0.3
<b>Total Revenue Adjustments</b>		<u>\$ - 4.5</u>	<u>\$ - 39.1</u>

**Significant General Fund Appropriations.** For FY 2021, there were numerous increases and decreases for State agencies and programs (**Figure 21**). The two programs that received the largest increases were State Foundation School Aid and the State Children’s Health Insurance (Hawki) Program. [Senate File 2142](#) (Supplemental State Aid Act) was signed into law on March 12, 2020, and increased the State cost per pupil (SCPP) by 2.3%. The increase in the SCPP, along with adjustments to State Foundation School Aid in other legislation, resulted in a net increase in the General Fund State Foundation School Aid appropriation of \$91.3 million (2.8%) compared to the funding for FY 2020. The Hawki Program received an increase of \$16.5 million (78.2%), which reflects the Hawki Forecasting Group’s estimate for the Program from its meeting held on May 22, 2020.

The increases were offset by appropriation reductions. The three largest reductions included two one-time appropriations made in FY 2020 that included \$21.0 million for flood mitigation assistance to local governments and the \$70.0 million supplemental appropriation to eliminate the projected budget shortfall in the RIIF. The third significant reduction was the appropriation for Medicaid which was also reduced by \$56.8 million for FY 2021 primarily due to an increase of 6.2% in the Federal Medical Assistance Percentage (FMAP).

The majority of the FY 2021 General Fund appropriations for State programs’ and agencies’ operations were status quo compared to FY 2020.

**Figure 21**

<b>Significant Changes to General Fund Appropriations</b>				
<b>(In Millions)</b>				
<b>Programs/Appropriations</b>	<b>Est Net FY 2020</b>	<b>Enacted FY 2021</b>	<b>Change</b>	<b>Percent Change</b>
State Foundation School Aid	\$ 3,285.4	\$ 3,376.8	\$ 91.3	2.8%
Human Services – State Children's Health Insurance	21.1	37.6	16.5	78.2%
Education – Transportation Equity Fund	11.2	19.0	7.8	69.6%
Human Services – Eldora Training School	13.9	16.0	2.1	15.1%
Public Safety – Overtime	2.4	0.0	-2.4	-100.0%
Regents Institutions	576.7	569.0	-7.7	-1.3%
Flood Recovery Assistance	21.0	0.0	-21.0	-100.0%
Medical Assistance (Medicaid)	1,516.4	1,459.6	-56.8	-3.7%
Appropriation to RIIF	70.0	0.0	-70.0	-100.0%
Subtotal	<u>\$ 5,518.1</u>	<u>\$ 5,478.0</u>	<u>\$ -40.1</u>	<u>-0.7%</u>
All Other Net Appropriations	2,306.2	2,300.5	-5.7	-0.2%
Total	<u>\$ 7,824.4</u>	<u>\$ 7,778.5</u>	<u>\$ -45.9</u>	<u>-0.6%</u>

\*Numbers may not equal totals due to rounding.

**State Reserve Funds.** The combined balances in the State’s reserve funds are estimated to total \$783.7 million for FY 2021, which fills the reserves to the statutory maximum of 10.0% of the adjusted revenue estimate (**Figure 22**).

Figure 22

<b>State of Iowa Reserve Funds</b>			
(In Millions)			
	Actual	Est Net	Enacted
<u>Reserve Fund Balances</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Cash Reserve Fund	\$ 571.6	\$ 587.9	\$ 587.8
Economic Emergency Fund	185.6	196.0	195.9
<b>Total</b>	<b>\$ 757.2</b>	<b>\$ 783.9</b>	<b>\$ 783.7</b>
<u>Reserve Fund Statutory Maximums</u>			
Cash Reserve Fund	\$ 571.6	\$ 587.9	\$ 587.8
Economic Emergency Fund	190.5	196.0	195.9
<b>Total</b>	<b>\$ 762.1</b>	<b>\$ 783.9</b>	<b>\$ 783.7</b>

**Taxpayer Relief Fund.** The Taxpayer Relief Fund is estimated to have a balance totaling \$105.9 million in FY 2021 (**Figure 23**). The Fund has an estimated carryforward balance of \$73.8 million and is estimated to receive an additional \$32.1 million from the FY 2020 General Fund surplus. The moneys in the Taxpayer Relief Fund can only be spent pursuant to an appropriation by the General Assembly for purposes of providing tax relief to Iowans.

Figure 23

<b>Taxpayer Relief Fund</b>			
(In Millions)			
	Actual	Estimated	Enacted
	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
<b>Funds Available</b>			
Balance Brought Forward	\$ 8.4	\$ 13.5	\$ 73.8
General Fund Surplus Transfer	13.4	60.0	32.1
Interest	0.1	0.3	0.0
<b>Total Funds Available</b>	<b>\$ 21.9</b>	<b>\$ 73.8</b>	<b>\$ 105.9</b>
<b>Expenditures</b>			
Transfer to the General Fund	\$ - 8.4	\$ 0.0	\$ 0.0
<b>Ending Balance</b>	<b>\$ 13.5</b>	<b>\$ 73.8</b>	<b>\$ 105.9</b>

[House File 2642](#) (FY 2021 Infrastructure Appropriations Act) includes a provision that changed the allocation of funds directed to the Taxpayer Relief Fund in FY 2021. Under current law, the Taxpayer Relief Fund can receive an allocation from the previous fiscal year's General Fund surplus after the two State reserve funds reach the maximum statutory balance equal to 10.0% of the adjusted revenue estimate. Once the reserve funds reach the maximum limit, the Taxpayer Relief Fund can receive a portion of the remaining surplus funds. The amount that the Taxpayer Relief Fund can receive is equal to the difference between the actual net General Fund revenue of the preceding fiscal year and the adjusted revenue estimate used in establishing the budget for the current fiscal year.

Division V of HF 2642 changed this provision for FY 2021, and allocates the surplus funds in excess of the reserve fund balances as follows:

- The first \$70.0 million is to be transferred to the General Fund.

- An amount equal to the difference between the actual net General Fund revenue and the adjusted revenue estimate for FY 2020, less the first \$70.0 million, is to be transferred to the Taxpayer Relief Fund.
- The remainder of any surplus funds is to be transferred to the General Fund.

The change made in HF 2642 is only applicable to FY 2021. Beginning in FY 2022, the allocation of funds returns to current statute.

**Rebuild Iowa Infrastructure Fund.** The majority of the revenue deposited in the Rebuild Iowa Infrastructure Fund (RIIF) is derived from State wagering taxes and fees collected from Iowa’s 19 licensed casinos. On March 17, 2020, the Governor ordered the casinos to be closed due to the COVID-19 pandemic. The casinos remained closed until June 1, 2020. Because of the closures, the estimated State wagering tax revenues to the RIIF for FY 2020 were decreased by \$69.1 million, resulting in a projected shortfall of \$68.2 million in the RIIF (**Figure 24**). To bring the Fund back into balance, the General Assembly provided a supplemental appropriation in FY 2020 of \$70.0 million from the General Fund.

**Figure 24**

<b>Rebuild Iowa Infrastructure Fund</b>				
(In Millions)				
	Actual FY 2019	FY 2020		Enacted FY 2021
		Estimated	Revised	
<b>Funds Available</b>				
Balance Brought Forward	\$ 10.9	\$ 10.9	\$ 10.9	\$ 1.8
State Wagering Taxes and Fees	163.3	159.8	159.8	138.6
Wagering Tax Reduction due to COVID-19	0.0	-69.1	-69.1	0.0
Interest	15.7	16.0	16.0	17.0
Tobacco Payments	10.9	10.9	10.9	10.8
Tobacco Litigation Settlement Payments	2.2	2.2	2.2	2.2
General Fund Appropriation	0.0	0.0	70.0	0.0
<b>Total Funds Available</b>	<b>\$ 203.0</b>	<b>\$ 130.7</b>	<b>\$ 200.7</b>	<b>\$ 170.4</b>
<b>Appropriations</b>	<b>\$ 193.7</b>	<b>\$ 198.9</b>	<b>\$ 198.9</b>	<b>\$ 170.3</b>
Reversions	-1.5	0.0	0.0	0.0
<b>Ending Balance</b>	<b>\$ 10.9</b>	<b>\$ -68.2</b>	<b>\$ 1.8</b>	<b>\$ 0.1</b>

\*Numbers may not equal totals due to rounding.

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# Subcommittee Issue Update

The following sections highlight budget issues and topics related to appropriations subcommittees. Please consult the Fiscal Services Division [staff directory](#) to contact the Division with questions or for additional information.

## Derecho Assistance

A derecho, a powerful storm system known for widespread straight-line winds, hit central and eastern Iowa on August 10, 2020, causing both significant structural and crop damage across a large part of the State. The President issued a major disaster [declaration](#) for 16 counties on August 17, 2020. The declaration was amended on August 20, 2020, to make individual assistance available to Linn County. A summary of both State and federal assistance and resources available are listed by department below. While it is unclear at this time how much federal money will be available for cleanup and recovery, the LSA will continue to update the General Assembly as more information becomes available.

### Iowa Department of Workforce Development

**Disaster Unemployment Assistance.** Disaster Unemployment Assistance ([DUA](#)) is available to eligible individuals as a result of the [federal major disaster declaration](#). The Iowa Department of Workforce Development (IWD) is accepting [applications](#) for DUA from individuals in Linn County whose employment or self-employment was lost or interrupted due to severe storms beginning August 10, 2020. DUA expands eligibility for unemployment benefits and aids the self-employed, including business owners and farmers. DUA provides temporary income to eligible individuals who become unemployed as a result of a major disaster. It is funded by the federal government, not by State unemployment taxes paid by employers. Additional information on DUA is available [here](#).

### Iowa Department of Human Services

There are a variety of food assistance and individual assistance programs available to individuals impacted by the derecho. A complete list of programs and information on how to access those programs is available here: [dhs.iowa.gov/DHS-Derecho\\_Resources](https://dhs.iowa.gov/DHS-Derecho_Resources). A summary of the programs available includes:

- **Food Assistance Replacement** – Households that currently receive Food Assistance may request replacement of food destroyed as a result of the recent storm damage, or spoilage as a result of a power outage. As a general rule, food will keep four hours if stored in a refrigerator, 24 to 48 hours if stored in a freezer. Households have until September 17, 2020, to complete the form requesting replacement of food loss. Food purchased with Pandemic Electronic Benefit Transfer (P-EBT) benefits that is destroyed or spoiled is **not** eligible to be replaced.
- **Women, Infants, and Children (WIC) Replacement** – WIC families currently receiving benefits and living in Benton, Boone, Cedar, Clinton, Dallas, Jasper, Johnson, Jones, Linn, Marshall, Muscatine, Polk, Poweshiek, Scott, Story, and Tama counties can request replacement of WIC foods. WIC foods purchased between the dates of August 1 and August 10 that were destroyed or spoiled as the result of storm damage or power outage may be replaced. Any WIC foods purchased after August 10 are not eligible for replacement. WIC families must contact their local WIC agency no later than August 31, 2020, to be considered for food replacement.
- **Hot Food Waiver** – Beginning August 24 through September 21, 2020, Electronic Benefits Transfer (EBT) and P-EBT recipients living in Linn County will be able to use their Food Assistance benefits to purchase hot foods. This waiver allows foods ordinarily excluded from eligibility, such as deli counter items, prepared pizza, and other hot meals, to be purchased at participating retailers.
- **Federal Individual Assistance** – Linn County homeowners, renters, and businesses impacted by the August 10 storm can now apply for Federal Individual Assistance. Call 1-800-621-3362 or 1-800-462-7585 (TTY), 6 a.m. to 9 p.m., or apply online at [disasterassistance.gov](https://disasterassistance.gov).
- **Iowa Individual Disaster Assistance Grant Program (IIAGP)** – IIAGP offers grants to families whose household's annual income is at 200.0% or less of the federal poverty level. Each qualifying household MAY receive up to \$5,000. The IIAGP is activated when the Governor issues a disaster proclamation turning on IIAGP for the affected counties. (Note: if a Presidential Disaster Declaration for Individual Assistance is issued for a county for the same event, the State program is automatically

canceled for that county, as the federal program then goes into effect. The federal program does not have an income restriction.)

- **Disaster Case Management** – Disaster Case Management is a time-limited resource and process that involves a partnership between a disaster case manager and a household impacted by a disaster to develop and carry out a Disaster Recovery Plan. This partnership provides the client with a point of contact to facilitate access to a range of resources, promoting sustainable assistance for individuals and a household’s recovery.
- **Disaster Behavioral Health Response Team** – The Iowa Disaster Behavioral Health Response Team (DBHRT) is a trained team of volunteers who will respond to the mental health needs of Iowa residents following disasters and critical incidents. The team provides services based on local needs that may be delivered at a disaster site in an affected community or statewide.

### Regents Institutions

The University of Iowa estimates derecho damage to the campus at \$1.6 million. Iowa State University estimates \$1.5 million in damage plus \$150,000 for tree removal. The University of Northern Iowa and the Iowa School for the Deaf report no damage from the derecho.

Iowa State is offering informational webinars for farmers coping with derecho damage. These resources can be found at [crops.extension.iastate.edu/storm-damage-resources](https://crops.extension.iastate.edu/storm-damage-resources).

### Department of Agriculture

According to early estimates, approximately 57.0 million bushels of permanently licensed grain storage were seriously damaged or destroyed by the derecho. Further information and resources can be found at [iowaagriculture.gov/derecho](https://iowaagriculture.gov/derecho).

## **Governor Reynolds Signs Executive Order 6 Establishing the Governor’s Economic Recovery Advisory Board**

**Executive Order.** Governor Kim Reynolds signed [Executive Order 6](#) on June 18, 2020, establishing the Economic Recovery Advisory Board. The Board serves as the central point of coordination for State activities related to the recovery and rebuilding efforts following the COVID-19 pandemic.

**Board.** The Board consists of a chairperson, the State’s Chief Economist, Robin Anderson, and additional members appointed by the Governor. Each appointed member serves at the pleasure of the Governor and without compensation. The Governor made the following initial appointments:

- Ben McLean, Chief Executive Officer (CEO) of Ruan Transportation Management Systems, Advisory Board Chairperson
- Nick Bowdish, President and CEO of Elite Octane
- Mary Andringa, Chairperson of the Board of Vermeer Manufacturing
- Randy Edeker, CEO of Hy-Vee
- Rosalind Fox, Factory Manager at John Deere
- Suresh Gunasekaran, CEO of University of Iowa Hospitals and Clinics
- Dan Houston, Chairperson, President, and CEO of Principal Financial Group
- A.J. Loss, CEO of Bush Construction
- Megan McKay, President of Peace Tree Brewing Company
- Emily Schmitt, General Counsel of Sukup Manufacturing
- Barbara Sloniker, Executive Vice President of the Siouxland Chamber of Commerce
- Adam Wright, President and CEO of MidAmerican Energy Company
- Diane Young, Director of Technical Services/Owner of Foundation Analytical Laboratory

**Working Groups.** The Governor has appointed working groups to assist the Board in coordinating a comprehensive recovery and growth effort. The chairpersons of the working groups and any other additional members the Governor appoints serve at the pleasure of the Governor and without compensation. Each working group will provide weekly reports on progress, and Board meeting materials



can be found [here](#). The following seven working groups have been established with individuals named to lead each group:

- [Agriculture](#) - Secretary Mike Naig, Nick Bowdish, and Diane Young
- [Connectivity](#) - Director Annette Dunn and Dan Houston
- [Economic Growth](#) - Director Debi Durham, Adam Wright, and Megan McKay, and the following subgroups:
  - Hospitality and Tourism
  - Housing
  - Innovation
  - Manufacturing
  - Supply Chain/Reshoring
- [Education](#) - Director Ann Lebo and Rosalind Fox
- [Government](#) - Director Kraig Paulsen, Barbara Sloniker, and Emily Schmitt
- [Public Health and Healthcare](#) - Director Kelly Garcia, Randy Edeker, and Suresh Gunasekaran
- [Expanding Iowa's Workforce](#) - Director Beth Townsend, Mary Andringa, and A.J. Loss

**Meetings.** The Board will hold public meetings as scheduled by the chairperson of the Board and has met four times between June 25, 2020, and August 13, 2020. The next meeting of the Advisory Board is scheduled for September 3, 2020, by teleconference.

**Website.** An [Economic Recovery website](#) has been developed and will provide the following:

- Board membership and working group leadership.
- Updates on Board activity and meeting schedules.
- Posting of any documents presented during Board meetings.
- Posting of agendas.
- An opportunity to submit economic recovery ideas.

**Staff and Support.** Staffing and administrative assistance for the Board will be provided by the Office of the Governor and by other agencies, persons, or organizations as deemed necessary or appropriate by the Board or the Office of the Governor.

**Deadline.** Recommendations are scheduled to be finalized September 17, 2020, and a deadline of October 6, 2020, has been established for the approval of final recommendations to be provided to the Governor.

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## **Agriculture and Natural Resources**

**CARES Act.** On Tuesday, August 25, 2020, the Governor allocated \$100.0 million in CARES Act funding as follows:

- Iowa Livestock Producer Relief Fund (administered by IEDA) – \$60 million.
- State Biofuel Grant Program (IEDA) – \$15.5 million.
- Renewable Fuel Retail Recovery Program (IDALS) – \$7.0 million.
- Iowa Beginning Farmer Debt Relief Fund (IEDA) – \$6.0 million.
- Meat Processing Development and Expansion Program (IDALS) – \$2.0 million.
- Farm Produce and Protein Program (IDALS) – \$500,000.
- Iowa Disposal Assistance Program (IDALS) – Up to \$9.0 million.

For more information on IEDA programs, go to [lowabusinessrecovery.com](http://lowabusinessrecovery.com).



For more information on IDALS programs, go to [iowaagriculture.gov/grants](http://iowaagriculture.gov/grants).

**State Parks.** As of August 21, 2020, campgrounds, playgrounds, bathrooms, and shower areas were opened at State parks. People can rent campsites, cabins, shelters, and lodges; however, kitchenware has been removed from the cabins and renters must bring their own dishes, pots, pans, and utensils. Playgrounds are open; however, the equipment is not sanitized. The majority of events scheduled at State parks are modified for group sizes, and many visitor centers, museums, and nature centers are closed. Visitors are encouraged to visit State parks and forests and are allowed to use trails, roads, and shorelines, as well as boat ramps for access to lakes and rivers. Current information on State park usage is available on the DNR [website](#). **Figure 25** summarizes year-to-date camping and cabin rental revenue through August, 2020, (as compared to August 2019).

**Figure 25**

<b>Camping and Cabin Rental Receipts Summary – As of August 19, 2020</b>				
<b>Description</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>\$ Change</b>	<b>% Change</b>
Camping Without Reservation System	\$ 217,122	\$ 178,257	\$ -38,865	-17.9%
Camping Using Reservation System	393,026	537,645	144,619	36.8%
Cabin Rental Using Reservation System	119,112	150,868	31,756	26.7%
<b>Total</b>	<b>\$ 729,260</b>	<b>\$ 866,770</b>	<b>\$ 137,510</b>	<b>18.9%</b>

**Hunting and Fishing Licenses.** All of Iowa’s ponds, rivers, and streams are available for fishing, and there have been no changes to fishing regulations. The DNR asks people to practice social distancing and keep groups to fewer than 10 people. As of July 31, 2020, year-to-date revenue collected for hunting and fishing licenses increased by \$5.0 million (15.6%). A hunting or fishing license can be purchased anytime [online](#) and can be printed on paper or stored electronically.

**Food Assistance.** The United States Department of Agriculture (USDA) accepted applications for the [Coronavirus Food Assistance Program](#) through August 28, 2020. Producers that have experienced losses due to a 5.0% or greater price decline may be eligible. Other losses covered by the Program include disruptions in the market supply chain and increased market costs due to COVID-19. Eligible commodities include: non-specialty crops, wool, livestock, dairy products, specialty crops, fruits, vegetables, and nuts.

**Pass the Pork Program.** The Department of Agriculture and Land Stewardship (DALs) received \$500,000 from the Iowa Coronavirus Relief Fund to fund the [Pass the Pork Program](#) on May 28, 2020. The Pass the Pork Program allows Iowa farmers to donate pigs they cannot send to slaughter to Iowa food banks. The pigs are donated to local meat lockers to process and package. The funding that the DALs received will pay for processing, transportation, and other related costs. In addition, Iowa beef producers will also be participating in the Program.

According to the Iowa Pork Producers Association, in the first phase, farmers donated 451 pigs (50,000 pounds) to local lockers for food banks. Businesses and individuals donated approximately \$140,000 to cover the cost of processing.

**Beef Up Program.** On June 19, 2020, the [Beef Up Iowa Program](#) was launched to allow Iowa beef producers to donate cattle that can be processed and donated to Iowa food banks. The Program is in partnership with the Iowa DALs, Iowa State University, and Iowa beef producers. The cattle will primarily be donated by 4-H and Future Farmers of America (FFA) participants, and Iowa State University will process the beef.

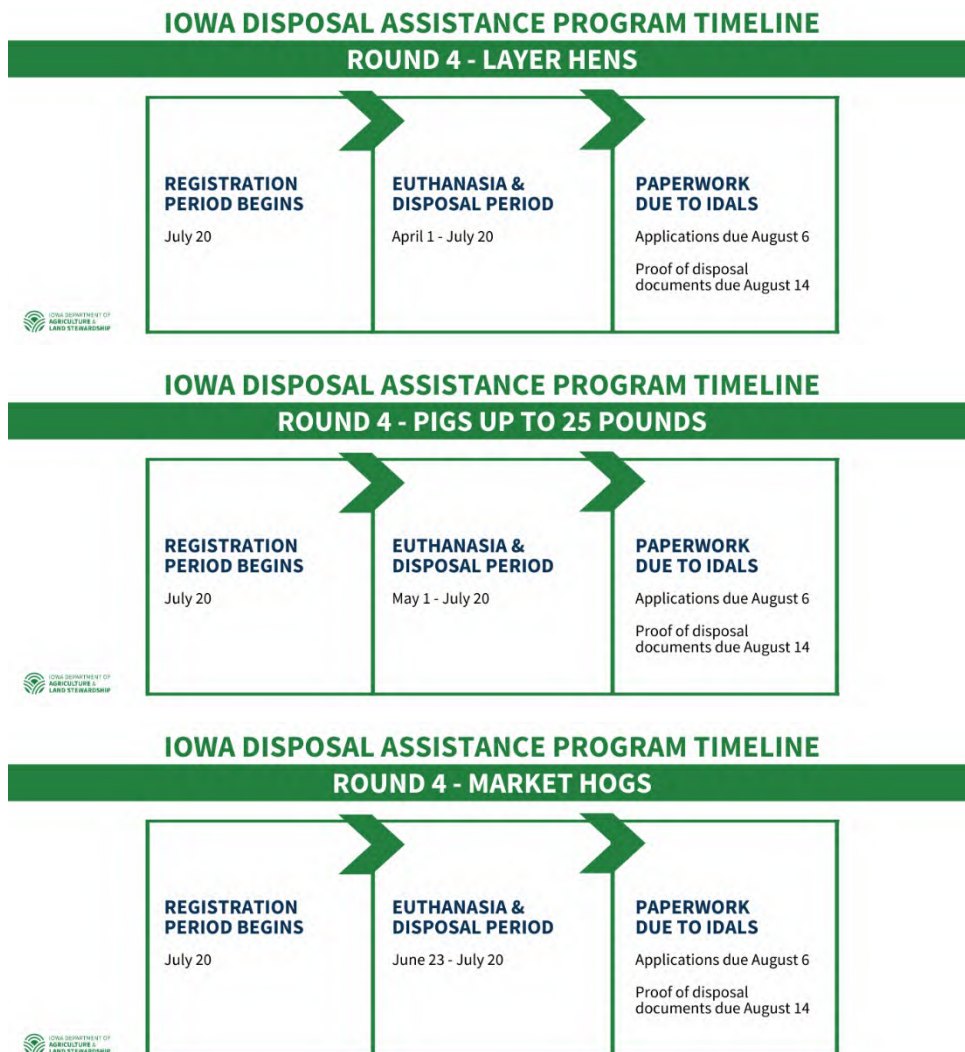
**Animal Mortality.** The USDA is assisting producers with the disposal of animals that are not being slaughtered due to the temporary closure of meat processing plants. The [Coronavirus and USDA Assistance for Farmers](#) website provides information on several programs including the Emergency Animal Mortality Management practice, which makes payments to swine producers based on the type of

disposal. Prior to payment, a swine mortality certification from a veterinarian is required. Payments include:

- Burial: \$74.28 per animal unit (\$89.14 for historically underserved producers).
- Carcass disposal other than burial: \$111.53 per animal unit (\$191.20 for historically underserved producers).
- Incineration: \$219.88 per animal unit (\$263.86 for historically underserved producers).
- Disposal at landfill or render: \$0.05 per pound (\$0.06 for historically underserved producers).

The DALs implemented the [Iowa Resource Coordination Center](#) to assist producers in animal disposal or with other related issues. The Program is no longer taking applications for assistance. The Department also launched the [Iowa Disposal Assistance Program](#) to alleviate the impact of disposal to pork producers (**Figure 26**). According to the Department, the total number of animals in the program, as of August 17, 2020, is 6.9 million valued at \$4.8 million. Since the previous version of this Report, layer hens were added to the Program. Layer hens constitute 6.7 million animals and \$1.7 million of the total value.

Figure 26



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## **Economic Development**

### **Employment/Unemployment**

**Iowa Unemployment Claims.** Information on Iowa unemployment claims can be found [here](#).

**Iowa Nonfarm Employment.** Information on Iowa nonfarm employment can be found [here](#).

**Employment-Population Ratio.** Information on Iowa's employment-population ratio can be found [here](#).

**Household Employment Survey.** Information on the Household Employment Survey for Iowa can be found [here](#).

### **Financial Assistance**

**Iowa Small Business Utility Disruption Prevention Program.** The [Small Business Utility Disruption Prevention Program](#) provides short-term relief to eligible small businesses and nonprofits that face significant hardship in the payment of utility bills for services provided during the months of economic disruption to their business as a result of COVID-19. The Program provides direct payments to utility providers to be applied to accounts of eligible small businesses and nonprofits. Request for assistance must be for a minimum of \$400 for natural gas and electric service charges combined and may not exceed \$7,500. The Governor has allocated \$14.5 million in federal [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#) funds to the Iowa Economic Development Authority (IEDA) for the Small Business Utility Disruption Prevention Program. The Program will accept applications through October 31, 2020, or until all funds have been exhausted. Eligibility criteria for the Program has been expanded to include utility assistance for eligible small businesses and nonprofits for electric or natural gas service provided between March 17, 2020, and October 15, 2020. To be eligible, small businesses and nonprofits must have experienced a COVID-19 related loss of income.

**U.S. Small Business Administration Paycheck Protection Program.** The U.S. Small Business Administration (SBA) [Paycheck Protection Program](#) (PPP) is a loan program designed in response to COVID-19 to provide a direct incentive for small businesses to keep their workers on the payroll. The federal CARES Act ([H.R. 748](#)) includes \$349.000 billion for the PPP. All small businesses with 500 or fewer employees are eligible. A PPP loan will be fully forgiven if the funds are used for payroll costs, interest on mortgages, rent, or utilities. Additional information regarding the Program is available in the [Fiscal Update Article, COVID-19 — U.S. Small Business Administration Paycheck Protection Program Update — August 27, 2020](#).

**Pandemic Unemployment Assistance Program.** The U.S. Department of Labor (DOL) announced on April 5, 2020, the publication of Unemployment Insurance Program Letter No. [16-20](#) providing guidance to states for implementation of the Pandemic Unemployment Assistance (PUA) Program. The DOL provided additional guidance with the April 27, 2020, publication of Unemployment Insurance Program Letter No. [16-20, Change 1](#), and the July 21, 2020, publication of Unemployment Insurance Program Letter No. [16-20, Change 2](#). Under the PUA, individuals who do not qualify for regular unemployment compensation and are unable to continue working as a result of COVID-19, such as self-employed workers, independent contractors, and gig economy workers, are eligible for PUA benefits. This provision is contained in Section 2102 of the federal CARES Act ([H.R. 748](#)), enacted on March 27, 2020. Funding for the PUA benefits will be provided from federal funds. Additional information regarding the Program is available in the [Fiscal Update Article, COVID-19 — Pandemic Unemployment Assistance Program — August 27, 2020](#).

**Pandemic Emergency Unemployment Compensation Program.** The U.S. Department of Labor announced on April 10, 2020, the publication of Unemployment Insurance Program Letter (UIPL) [17-20](#) providing guidance to states for implementation of the Pandemic Emergency Unemployment Compensation (PEUC) Program. This provision is contained in Section 2107 of the federal CARES Act ([H.R. 748](#)), enacted on March 27, 2020. Under the PEUC Program, states can provide up to 13 weeks of federally funded benefits to qualified individuals who:

- Have exhausted all rights to regular compensation under state law or federal law with respect to a benefit year that ended on or after July 1, 2019;

- Have no rights to regular compensation with respect to a week under any other state unemployment compensation law or federal unemployment compensation law, or to compensation under any other federal law;
- Are not receiving compensation under the unemployment compensation law of Canada; and
- Can work, are available to work, and are actively seeking work, although states must offer flexibility on “actively seeking work” where there are COVID-19 impacts and constraints.

Additional information regarding the Program is available in the *Fiscal Update Article*, [COVID-19 — Pandemic Emergency Unemployment Compensation Program — August 20, 2020](#).

**Unemployment Insurance Enrollment and Benefits Distributed in Response to COVID-19.** The federal CARES Act ([H.R. 748](#)), enacted on March 27, 2020, provides emergency administration grants to states’ unemployment trust funds and instructs states to ease eligibility requirements and access to unemployment compensation for claimants, including waiving work search requirements and the waiting week. Iowa is eligible for \$5.0 million in Administration Base grants and \$5.0 million in Supplemental Administration grants.

**U.S. Small Business Administration Economic Injury Disaster Loans Program.** The U.S. Small Business Administration (SBA) Economic Injury Disaster Loans (EIDL) Program is a loan program designed to provide states and territories low-interest federal disaster loans for working capital to small businesses suffering substantial economic injury as a result of COVID-19. Upon a request received from a state’s or territory’s governor, the SBA will issue under its own authority, as provided by the federal Coronavirus Preparedness and Response Supplemental Appropriations Act ([H.R. 6074](#)), an EIDL assistance declaration. Additional information regarding the Program is available in the *Fiscal Update Article*, [COVID-19 — U.S. Small Business Administration Economic Injury Disaster Loans Program — August 26, 2020](#).

**Federal Pandemic Unemployment Compensation Program.** The U.S. Department of Labor announced on April 4, 2020, the publication of Unemployment Insurance Program Letter No. [15-20](#) providing guidance to states for implementation of the Federal Pandemic Unemployment Compensation (FPUC) Program. The FPUC Program provided an extra \$600 per week on top of the weekly benefit amounts an employee would have otherwise received through the Unemployment Insurance Program through the end of July 2020. This provision is contained in Section 2104 of the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act ([H.R. 748](#)), enacted on March 27, 2020. Funding for the FPUC benefits was provided from federal funds. According to the Iowa Department of Workforce Development (IWD), the FPUC Program payments were not available for those individuals receiving Training Extension Benefits or Business Closing Benefits. The first week this benefit was payable was the week ending April 4, 2020. The last week of unemployment this benefit was payable was the week ending July 25, 2020. Additional information provided by the IWD can be found [here](#). The IWD [reports](#) that a total of approximately \$7.9 million in FPUC benefits has been paid for the week ending August 15, 2020. The payments were for unemployment before the Program ended. A total of approximately \$1.581 billion in FPUC benefits has been paid since April 4, 2020.

**Iowa Nonprofit Recovery Fund.** The [Iowa Nonprofit Recovery Fund](#) provides short-term relief to nonprofit organizations that have sustained a negative economic impact as a result of COVID-19. The Fund is an extension of the [Iowa Small Business Relief Program](#). The funds are to be used for short-term cash flow assistance to continue operations, provide increased services and support, or reopen. Any other use of the funds, including paying debts incurred prior to March 1, 2020, is not permitted. Eligible nonprofits may be awarded a grant of up to \$25,000, based on income, expenses, outstanding obligations, and other State and federal assistance received, including the [Paycheck Protection Program](#), Iowa’s Small Business Relief Program, [Iowa Arts and Culture Emergency Relief Fund](#), and [Iowa’s Small Business Utility Disruption Prevention Program](#). The Governor has allocated \$10.0 million in federal [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#) funds to the Iowa Economic Development Authority (IEDA) for the Iowa Nonprofit Recovery Fund. The Program will accept applications until all funds have been exhausted.

**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 taxes or withholding taxes and the waiver of penalty and interest. The [Iowa Small Business Relief Grants](#) assists 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.

The Program is not first-come, first-served, but is based on level of impact. A total of \$94.5 million has been made available. The Program has been allocated \$17.0 million from the Economic Emergency Fund (EEF), \$7.5 million from Iowa Values Fund (IVF) repayments and recaptures, \$70.0 million from the CARES Act, and interest related to the allocated funds totals approximately \$40,000 as of August 20, 2020. The Governor has transferred \$17.0 million from the Iowa Coronavirus Relief Fund (ICRF) to the EEF and \$7.0 million from the ICRF to the IVF to reimburse those funds for contribution to the Program.

As of July 8, 2020, a total of \$86.9 million has been granted to approximately 4,600 Iowa recipients. Information on the awards can be found [here](#). Additional information regarding the Program is available in the *Fiscal Update Article*, [COVID-19 — Iowa Small Business Relief Program Update — August 26, 2020](#).

**Lost Wages Assistance.** On August 8, 2020, President Donald Trump issued a [memorandum](#) authorizing Other Needs Assistance under the federal [Stafford Act](#), which governs major disaster and emergency declarations and assistance. The authorization came in response to the July (the week ending July 25, 2020, in Iowa) expiration of the \$600 per week in Federal Pandemic Unemployment Compensation (FPUC). Under the Other Needs Assistance initiative, states may access disaster relief funds administered by the Federal Emergency Management Agency ([FEMA](#)) for \$300 in weekly benefits. Additional information regarding the Program is available in the *Fiscal Update Article*, [COVID-19 — Lost Wages Assistance](#).

**Coronavirus Relief Employer Innovation Fund.** The [Iowa Employer Innovation Fund](#) was established during the 2018 Legislative Session by [HF 2458](#) (Future Ready Iowa Act). The funding is provided to the Iowa Department of Workforce Development (IWD) and is used for the Future Ready Iowa Employer Innovation Program. The Program matches eligible employer moneys to expand opportunities for education and training leading to [high-demand jobs](#), to encourage Iowa employers to provide leadership and support for regional workforce talent pools throughout the State, and to fund Future Ready Iowa education and outreach. A “high-demand job” means a job identified by the IWD Board or a community college pursuant to Iowa Code section [84A.1B\(13A\)](#). The new Coronavirus Relief Employer Innovation Fund expands opportunities for Iowans whose jobs have been impacted as a result of COVID-19. The Governor has allocated \$5.0 million in federal [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#) funds to the IWD for the [Employer Innovation Fund](#) to support the new Coronavirus Relief Employer Innovation Fund. Applications for this additional funding will be accepted through September 16, 2020. Recipients will be notified of awards by September 23, 2020. Awards must be expended by December 31, 2020. All applications must be submitted at [www.IowaGrants.gov](#). Unlike the Iowa Employer Innovation Fund, no matching funds are required from applicants for the new Coronavirus Relief Employer Innovation Fund funding.

**Unemployment Insurance Trust Fund.** The Fund finances the costs of the Unemployment Insurance Program, which pays benefits to covered workers who become involuntarily unemployed and meet specified eligibility requirements. The Governor transferred \$490.0 million from the ICRF to the Unemployment Insurance Trust Fund on June 29, 2020. The balance of the Fund, as of August 27, 2020, was approximately \$1.144 billion. For information on unemployment, please see the State Revenue section in this document.

**Iowa Eviction and Foreclosure Prevention Program.** The Program assists Iowans who have been economically impacted by COVID-19 and may be facing housing hardships. Additional information regarding the Program is available in the *Fiscal Update Article*, [Iowa Eviction and Foreclosure Prevention Program — COVID-19 — August 25, 2020](#). The [Iowa Eviction and Foreclosure Prevention Program](#) is administered by the Iowa Finance Authority.

**AmeriCorps.** AmeriCorps is a program of the federal [Corporation for National and Community Service](#), which is an independent federal agency designed to improve lives, strengthen communities, and foster civic engagement through service and volunteering. The AmeriCorps program in Iowa is coordinated through the [Volunteer Iowa](#) program. The Governor has allocated \$60,000 from the ICRF for the Iowa Commission on Volunteer Services food bank response.

**Iowa Department of Cultural Affairs COVID-19 Response.** The Iowa Department of Cultural Affairs (DCA) is providing [resources](#) for artists, cultural organizations, and small businesses, as well as an array of educational materials about Iowa art, history, film, and culture, in response to COVID-19. The DCA has distributed more than \$1.1 million in grants to Iowa cultural organizations that have been severely affected by the COVID-19 pandemic. Additional information regarding the DCA response to COVID-19 is available in the [Fiscal Update Article, Iowa Department of Cultural Affairs COVID-19 Response — June 3, 2020](#).

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## **Education**

**Iowa e-Learning Central.** Under the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act ([H.R. 748](#)), Iowa has received \$71.6 million from the Elementary and Secondary School Emergency Relief (ESSER) Fund, and the Department of Education (DE) has released [allocations](#) of the \$64.4 million that has been distributed to school districts. Nonpublic schools had the choice to participate in the ESSER Fund distribution and participating accredited nonpublic schools were allocated an equitable share, allowing them to receive services related to COVID-19 disaster relief in that amount. The DE will use the remaining CARES Act funds for up to 0.5% for administrative costs at the State level and for establishment of [Iowa e-Learning Central](#), which will provide a statewide hub of online learning opportunities, supports, and resources to help educators navigate the new virtual learning environment. Additional funding for Iowa e-Learning Central is being provided through a federal \$17.7 million [Rethink K-12 Education Model Grant](#). Course offerings provided through Iowa e-Learning Central can be found [here](#).

**Governor's Emergency Education Relief Funding for COVID-19.** Under the CARES Act, Iowa has received \$26.2 million from the Governor's Emergency Education Relief (GEER) Fund and the Governor has [determined](#) to use the GEER funds for expanding broadband access and improving access to technology in other ways, including providing hotspots and devices and remote learning professional development for educators. Under the GEER Fund, \$19.3 million in awards will be [allocated](#) to school districts and nonpublic schools and \$6.9 million will be for public and private two- and four-year colleges and universities.

**State Library of Iowa.** The State Library of Iowa has used \$129,000 from the CARES Act for the purchase of a two-year license to [Bold 360](#) chat service program. The program allows library patrons to engage in a virtual chat with librarians through a chat window deployed on a local library's website. The State Library of Iowa has used \$135,000 from the CARES Act for the purchase and distribution of [Protect and Disinfect PPE Kits](#). One kit was provided to each public library along with cleaning supplies and other PPE.

**Higher Education.** Iowa's institutions of higher education now have access to the Higher Education Emergency Relief Fund (HEERF) funding allocated to them in the CARES Act. HEERF funding for all higher education institutions in Iowa, including private nonprofit and private for-profit institutions, can be found in a [Fiscal Update Article](#) published April 20, 2020.

On August 19, 2020, Secretary of Education Betsy DeVos announced a new grant program for higher education institutions. The Institutional Resilience and Expanded Postsecondary Opportunity (IREPO) program is designed to help institutions emerge from the Coronavirus pandemic more resilient and expand educational opportunities for students. The grants can be utilized in a variety of ways, including

resuming operations, supporting students, reducing disease transmission, and developing more agile instructional delivery models for students who cannot or choose not to attend classes in person.

No information on the amount of funding available for the grants has yet been provided.

Priority for grant awards will be given to colleges and universities with the greatest unmet needs related to COVID-19. In addition, proposals will receive additional consideration if they:

- Provide dual enrollment opportunities to high school students who live or attend school in a rural community or Opportunity Zone;
- Are led by, or include as partners, Historically Black Colleges and Universities (HBCUs), Tribal Colleges, minority serving institutions (MSIs), and/or developing institutions that are eligible to participate in Title III or Title V programs; and/or
- Are committed to developing more resilient instructional delivery models, such as distance learning, that make learning possible even when students cannot be physically present on campus for any reason.

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**Health and Human Services**

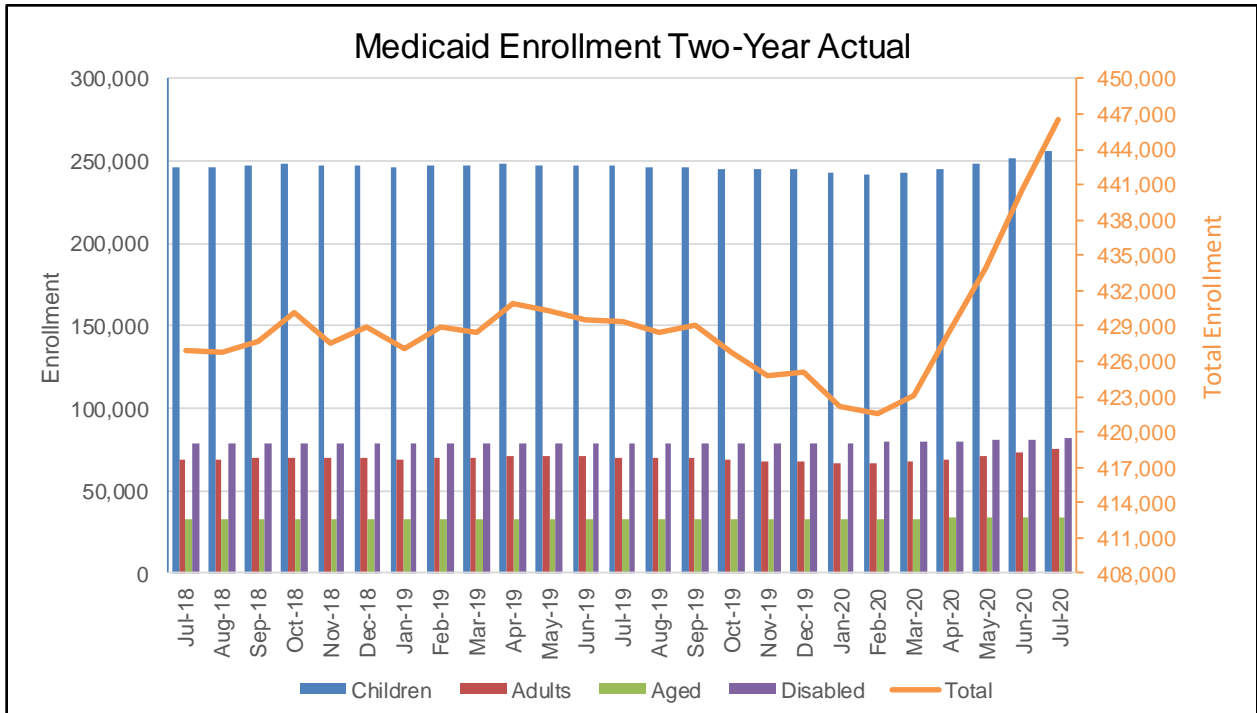
**Medicaid Enrollment.** Figure 27 shows Medicaid and IHAWP enrollment changes by month. Enrollment tends to fluctuate on a monthly basis, and those fluctuations can be as large as 3,000 individuals in Medicaid in a normal month. On average over the past four months, Medicaid enrollment grew by 5,879, with an additional 6,004 individuals in July. IHAWP enrollment grew by an average of 3,589 over the past four months, with an additional 2,255 in July. A portion of the increase in both programs is due to the federal requirement for receiving the 6.2% enhanced FMAP, which requires states not to disenroll anyone currently on a state health insurance program. The DHS estimated that there will be approximately 8,000 Medicaid and IHAWP members not disenrolled each month during the pandemic, and the program is also experiencing some normal program growth.

**Figure 27**

Changes in Medicaid and IHAWP Enrollment — FY 2020 and FY 2021						
FY 2020	Regular Medicaid				Total	IHAWP Total
	Children	Adults	Aged	Disabled		
July	124	-291	120	-85	-132	502
August	-831	-356	100	61	-1,026	380
September	205	-101	211	296	611	844
October	-1,203	-880	-2	-132	-2,217	123
November	-866	-814	-174	-225	-2,079	1,219
December	76	-252	78	396	298	1,279
January	-2,037	-855	-30	66	-2,856	-704
February	-833	46	27	194	-566	-143
March	602	212	169	465	1,448	1,223
April	3,053	1,767	404	383	5,607	5,390
May	2,752	1,963	130	486	5,331	3,522
June	3899	2328	-76	424	6,575	3,190
Total FY 2020	4,941	2,767	957	2,329	10,994	16,825
Grand Total	252,276	73,378	33,708	81,210	440,572	189,005
FY 2021	Regular Medicaid				Total	IHAWP Total
	Children	Adults	Aged	Disabled		
July	3,613	2,133	-130	388	6,004	2,255
Grand Total	255,889	75,511	33,578	81,598	446,576	0

**Figure 28** shows monthly Medicaid enrollment over the past two years. The Medicaid Program has seen a large spike in enrollment over the past four months as a result of suspending disenrollment. The Medicaid Forecasting Group anticipates enrollment will continue to grow as unemployment continues and with nobody being disenrolled. The Iowa Department of Human Services (DHS), the Iowa Department of Management, and the Legislative Services Agency (LSA) are tracking these changes and analyzing their potential impact on Medicaid for FY 2020 and FY 2021. The LSA will provide updates on enrollment and expenditure projections in this publication in the coming months.

**Figure 28**



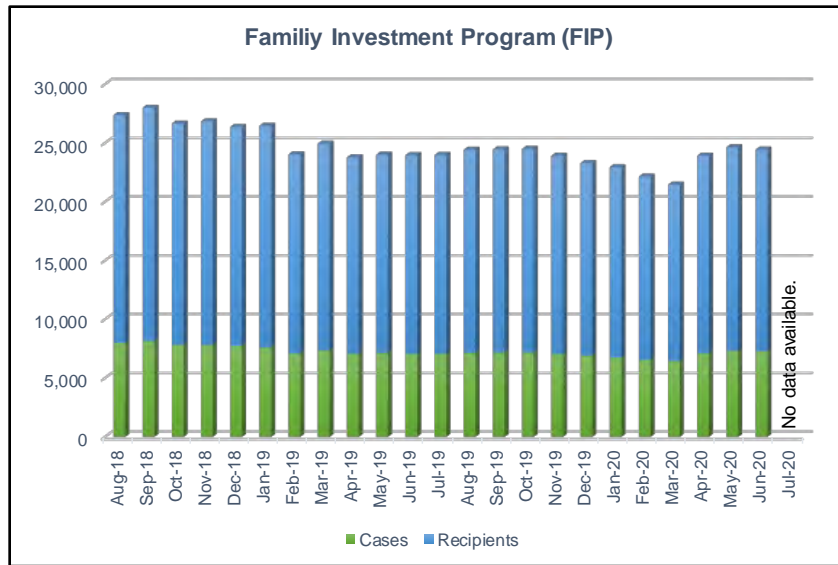
**Family Investment Program (FIP) and Supplemental Nutrition Assistance Program (SNAP)**

**FIP Enrollment.** The FIP is Iowa's Temporary Assistance to Needy Families (TANF) Program. The Program provides cash assistance to needy families as they become self-supporting so that children may be cared for in their own homes or in the homes of relatives. In FY 2019, the average monthly FIP payment was \$349.63 for one-parent households, \$447.45 for two-parent households, and \$274.75 for caretaker households.

**Figure 29** illustrates an increase of 658 cases in April (10.2%) and 200 cases in May (2.8%), ending a steady decline in both the total number of cases and total number of recipients over the past two years. The number of cases decreased slightly by 51 cases in June (0.7%) as individuals began returning to work. The DHS is in the process of reformatting their FIP report and therefore no data is available for July at this time.



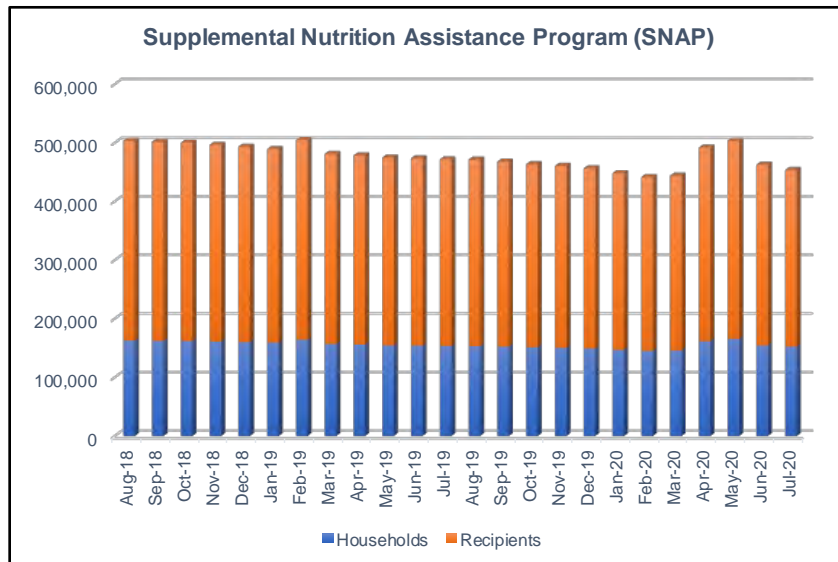
Figure 29



SNAP is a federally funded program that provides benefits to low-income lowans to purchase food. To be eligible for the Program, a family must have household income that does not exceed 160.0% of the federal poverty level. For a family of three, that equals a gross annual income of approximately \$34,752. The average benefit is \$226.90 per month per household or \$109.05 per month per individual.

Figure 30 shows a gradual decline in Program enrollment over the past two years, with a sharp increase in April of 31,918 recipients (10.7%) and May 7,894 recipients (2.4%). The Program saw a sharp decline of 29,965 recipients in June (-8.7%), with a smaller decline of 6,991 in July (-2.3%). The decreases are mainly a result of increased unemployment benefits that individuals received from the federal government which are calculated as income.

Figure 30



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## Justice System

**Judicial Branch.** Face-to-face court proceedings began July 13, 2020, and jury trials will commence September 14, 2020. On June 26, 2020, the Jumpstart Family Law Trials Task Force issued its [report and recommendations](#) for developing policies and procedures for the resumption of family law trials following COVID-19 postponements. The Iowa State Association of Counties (ISAC) and the Judicial Branch collaborated on a checklist of COVID-19 protective measures so members of the public and State and county employees can return to Iowa's courthouses. Judicial Branch officials, county elected officials, and county department heads in each courthouse can use the checklist as a guide as they prepare to resume in-person operations. A copy of the checklist can be found on the [Judicial Branch website](#).

**Department of Corrections.** The Iowa Department of Corrections (DOC) continues to implement its current strategies during the pandemic, including providing updates on its website, videos for families, a hotline for staff and the public to call, two calls a week with wardens, and daily calls with the Fort Dodge Correctional Facility; updating the master action plan as needed; canceling volunteer activities; canceling in-person visitation; permitting video visitation; and allowing inmates four free O'mails and one free phone call per week.

Additionally, the DOC notes the following updates as related to the COVID-19 response:

- **Admissions and Population Management** — Since May 18, 2020, the DOC has had over 700 admissions from county jails. As of September 3, 2020, over 200 county jail inmates are awaiting admission to the DOC. The prisons are currently 6.0% over capacity, with a population of 7,349. Since March 1, 2020, there have been 1,489 parolees and 407 work releases, and the prison population has decreased by over 1,000. Since April 1, 2020, the Board of Parole has completed 5,400 reviews. Of those reviews, 2,994 were approved.
- **Fort Dodge Correctional Facility (FDCF)** — The DOC continues to monitor the situation at FDCF. As of August 7, 2020, there were a total of 354 offenders and 32 staff who tested positive. Of those, 327 offenders and 29 staff have recovered. Director Beth Skinner stated that the FDCF is seeing a slowing down of the number of positive cases and starting to see some containment.
- **Edward Byrne Memorial Justice Assistance Grant (JAG) Funding** — The Governor's Office of Drug Control Policy has allocated \$2.3 million from the Byrne JAG program to the DOC for COVID-19 related expenses. The funding will be used for reimbursement of costs including personal protective equipment (PPE), technology costs for remote work, a housing voucher program available to 75 clients for 2 months, and a COVID-19 dashboard to provide predictive modeling for an effective response in the future.
- **Federal Emergency Management Agency (FEMA) Reimbursement** — For FY 2020, the DOC was able to utilize FEMA moneys as reimbursement for COVID-19 related expenses, including PPE purchases, thermometer purchases, and overtime. On August 27, 2020, the Legislative Services Agency (LSA) was notified by the DOC of an approximately \$60,500 reallocation in funding for FY 2020. This reallocation funded additional FY 2020 expenses arising from pharmacy and medical costs incurred at the Iowa Medical Classification Center. The DOC continues to file with FEMA, specifically at FDCF, for any amounts that are spent for COVID-19 related purposes.
- **Additional Testing and Case Information** — As of July 2020, the DOC has been providing face shields and surgical masks to all staff and inmates. Staff are required to wear both items while on duty, and inmates are required to wear PPE when outside of their cells. As of September 3, 2020, over 10,500 tests have been administered, with approximately 600 inmates and 100 staff testing positive. Of these positive cases, 485 inmates and 91 staff have fully recovered. A total of three inmate deaths have been recorded; all three individuals had preexisting medical conditions.

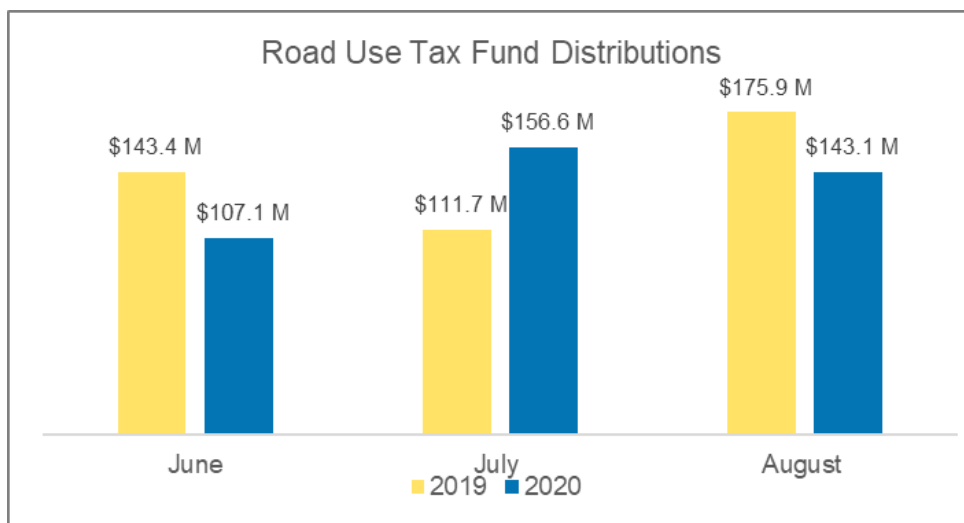
Additional testing and case data is available on the DOC website, which provides up-to-date information on offender and staff test information. Up-to-date information may be found [here](#).

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**Transportation, Infrastructure, and Capitals**

**Department of Transportation.** Due to the COVID-19 pandemic, Road Use Tax Fund (RUTF) revenue is anticipated to decrease. **Figure 31** shows cash year RUTF distributions for the three months that have been impacted by decreases in revenue from the fee for new registration and fuel taxes. The total drop for this three-month period is \$24.2 million, which is a decrease of 5.6% compared to the same period in 2019.

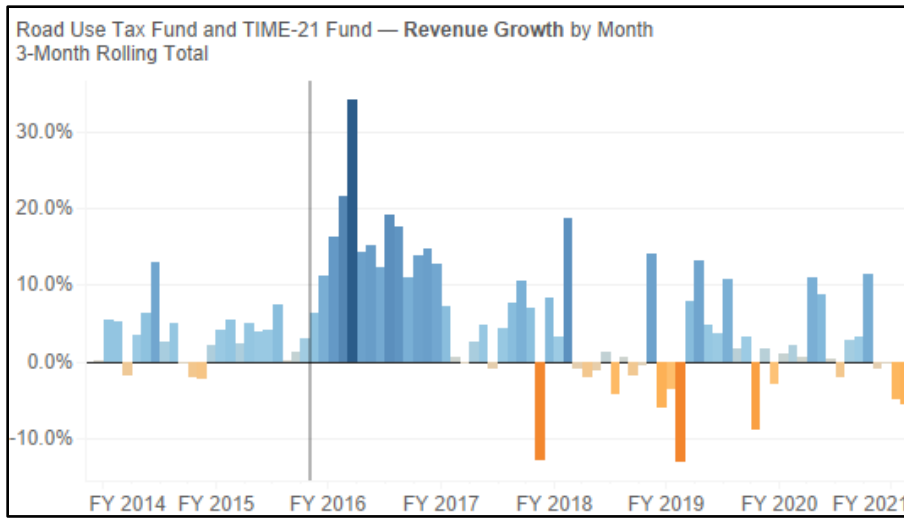
**Figure 31**



Revenues distributed in June 2020 decreased by \$40.5 million as compared to June 2019. Revenues distributed in July 2020 increased compared to July 2019, but this increase is due to relatively weak deposits in July 2019, which was among the weaker months for the RUTF since the enactment of the fuel tax changes in 2015. Distributions in August of 2020 declined by \$32.8 million compared to the prior year.

From a historical perspective, the scale drop in RUTF distributions over a three-month period is not unprecedented. **Figure 32** compares revenue growth for three-month time periods. The last four periods have declined compared to the prior year. This recent stretch is the only time period since FY 2014 where three-month sums have been weaker than the prior year for four consecutive months. Another recent decline in revenue occurred at the end of FY 2018 and beginning of FY 2019. However, revenue rebounded suddenly early in the third month of FY 2019 and remained relatively strong for the remainder of the year.

Figure 32



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