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## FISCAL UPDATE Article

Fiscal Services Division

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### COVID-19 — IOWA SMALL BUSINESS RELIEF PROGRAM UPDATE — MAY 12, 2020

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

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

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

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

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

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

As [reported](#) by the IEDA, approximately \$66.6 million has already been awarded to 3,510 business.

## Iowa Small Business Relief Grants

Current FY 2020			
<b>Revenue</b>			
Iowa's Economic Emergency Fund (03/24/2020)		\$	2,000,000
Iowa's Economic Emergency Fund (04/07/2020)			15,000,000
Iowa Values Fund (03/24/2020)			2,000,000
Iowa Values Fund (04/06/2020)			5,000,000
Iowa Values Fund (04/22/2020)			500,000
CARES Act Funding (04/24/2020)			35,000,000
CARES Act Funding (05/08/2020)			35,000,000
<b>Total Revenue</b>		\$	94,500,000
<b>Expenditures</b>			
	Recipients	Awards	Average Award
ROUND 1 (April 7, 2020)	491	\$ 9,921,833	\$ 20,207
ROUND 2 (April 8, 2020)	145	2,747,996	18,952
ROUND 3 (April 9, 2020)	354	6,262,907	17,692
ROUND 4 (April 10, 2020)	278	5,044,650	18,146
ROUND 5 (April 23, 2020)	405	7,674,383	18,949
ROUND 6 (April 24, 2020)	401	7,840,340	19,552
ROUND 7 (April 27, 2020)	485	9,225,912	19,022
ROUND 8 (April 28, 2020)	128	2,495,972	19,500
ROUND 9 (April 29, 2020)	57	1,197,781	21,014
ROUND 10 (May 1, 2020)	148	2,442,198	16,501
ROUND 11 (May 4, 2020)	88	1,340,241	15,230
ROUND 12 (May 5, 2020)	43	721,295	16,774
ROUND 13 (May 6, 2020)	224	4,656,581	20,788
ROUND 14 (May 7, 2020)	64	1,391,200	21,738
ROUND 15 (May 8, 2020)	114	2,220,567	19,479
ROUND 16 (May 11, 2020)	85	1,379,850	16,234
<b>Total Expenditures</b>	3,510	\$ 66,563,706	18,964
<b>Balance</b>		\$	27,936,294

The table above reflects the awards made and not the awards issued. The cash balance of the Fund, as of May 11, 2020, is approximately \$39.4 million.

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