
FISCAL UPDATE Article

Fiscal Services Division

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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

COVID-19 — IOWA CORONAVIRUS RELIEF FUND

Fund Update. The following provides an update on the status of the Iowa Coronavirus Relief Fund (ICRF), which received \$1.250 billion in federal funds through the [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#) on April 20, 2020. As of June 2, 2020, a total of \$95.6 million has been transferred to various programs for addressing costs associated with the COVID-19 pandemic. The current balance in the Fund is \$1.154 billion.

Iowa Coronavirus Relief Fund	
Year-to-Date Revenues and Expenses	
As of June 4, 2020	
	FY 2020
<u>Revenues</u>	
Federal Support (CARES Act)	\$ 1,250,000,000
Total	<u>\$ 1,250,000,000</u>
<u>Expenditures</u>	
Economic Development Authority	
Small Business Disaster Assistance Fund	\$ 70,000,000
AmeriCorps	60,000
Agriculture & Land Stewardship	
Pass the Pork Program	500,000
Human Services	
Double Up Food Bucks Program	1,000,000
Commodity Supplemental Foods Program	1,000,000
Homeland Security & Emergency Management	
Feeding Iowans Initiative - Food Banks	1,000,000
Iowa Finance Authority	
Iowa Eviction and Foreclosure Prevention Program	22,000,000
Total	<u>\$ 95,560,000</u>
Balance	<u><u>\$ 1,154,440,000</u></u>

To date, ICRF moneys have been transferred to seven State programs to address different aspects of the COVID-19 pandemic. These programs include:

- **Small Business Disaster Assistance Fund:** This program is administered by the Iowa Economic Development Authority and 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 deferral of sales and use taxes or withholding taxes and a waiver of penalty and interest. For additional information, see the **Fiscal Update Article** [COVID-19 — Iowa Small Business Relief Program Update — May 12, 2020](#).
- **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.

- **Pass the Pork Program:** The funds for this [Program](#) will connect Iowa pig farmers with Iowa food banks to help provide a market for pork which might otherwise go to waste due to the COVID-19 pandemic.
- **Double Up Food Bucks:** The [Double Up Food Bucks](#) program receives funding through the Department of Human Services. The program connects low-income families with healthy food grown by Iowa farmers and increases those families' access to fresh fruits and vegetables.
- **Commodity Supplemental Foods Program (CSFP):** The [CSFP](#) provides supplemental food and nutrition education for persons ages 60 and over. Available foods include canned fruits and vegetables, hot and cold cereals, cheese, peanut butter, beans, pastas, and canned and powdered milk.
- **Feeding Iowans Initiative — Food Banks:** The funds for this initiative will be used for the purchase and repackaging of bulk food products for food banks across Iowa.
- **Iowa Eviction and Foreclosure Prevention Program:** The funds for this Program will be used to assist Iowans who have been economically impacted by COVID-19 and may be facing housing hardships. The [Iowa Eviction and Foreclosure Prevention Program](#) is administered by the Iowa Finance Authority.

Coronavirus Relief Fund 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. In summary, the funds can 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 unexpended CRF funds revert back to the federal government.

Necessary expenditures may also include expenditures incurred to allow the states to respond directly to the emergency, such as by addressing medical or public health needs. In addition, necessary expenditures 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 the tax filing deadlines may cause cash flow issues for states. The U.S. Treasury has indicated that states can use CRF funds for cash flow purposes. For additional information, see the U.S. Department of the Treasury's [Guidance for State, Territorial, Local, and Tribal Governments](#).

Two transfers of \$35.0 million were made on April 24 and May 8, 2020, from the ICRF to the Small Business Disaster Assistance Fund under the purview of the Iowa Economic Development Authority. For additional information, see the **Fiscal Update Article** [COVID-19 — Iowa Small Business Relief Program Update — May 12, 2020](#).

LSA Staff Contact: Dave Reynolds (515.281.6934) dave.reynolds@legis.iowa.gov