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## FISCAL UPDATE Article

Fiscal Services Division

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### 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. 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.***

<b>Iowa Coronavirus Relief Fund</b>	
<b>Year-to-Date Revenues and Expenses</b>	
Through May 13, 2020	
In Millions	
	FY 2020
Revenues	
Federal Support	\$ 1,250.0
Total	\$ 1,250.0
Expenditures	
Transfers	
Small Business Disaster Assistance Fund	\$ 70.0
Total	\$ 70.0
Balance	\$ 1,180.0

Provisions of the CARES Act and guidance from the U.S. Department of the Treasury will 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. 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 the 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.

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