
FISCAL UPDATE Article

Fiscal Services Division

May 22, 2020



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COVID-19 — IOWA SMALL BUSINESS RELIEF PROGRAM UPDATE — MAY 20, 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 \$74.4 million has already been awarded to 3,946 business.

Iowa Small Business Relief Grants

				Current FY 2020
Revenue				
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	
Total Revenue			\$ 94,500,000	
Expenditures				
	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	
ROUND 17 (May 13, 2020)	143	2,568,000	17,958	
ROUND 18 (May 14, 2020)	82	1,550,624	18,910	
ROUND 19 (May 15, 2020)	48	889,242	18,526	
ROUND 20 (May 18, 2020)	33	443,529	13,440	
ROUND 21 (May 20, 2020)	130	2,401,022	18,469	
Total Expenditures	3,946	\$ 74,416,123	18,859	
Balance		\$ 20,083,877		

The table above reflects the awards made and not the awards issued. The cash balance of the Fund, as of May 20, 2020, is approximately \$24.0 million.

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