

FISCAL UPDATE Article

Fiscal Services Division

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COVID-19 — IOWA CORONAVIRUS RELIEF FUND UPDATE — JULY 20, 2020

Fund Update. As of July 20, 2020, a total of \$617.2 million has been transferred from the Iowa Coronavirus Relief Fund (ICRF) to various programs for addressing costs associated with the COVID-19 pandemic. The current balance in the Fund is \$632.8 million. Iowa received \$1.250 billion in federal funds through the [Coronavirus Aid, Relief, and Economic Security \(CARES\)](#) Act on April 20, 2020.

Iowa Coronavirus Relief Fund	
Year-to-Date Revenues and Expenses	
As of July 20, 2020	
	FY 2020
Revenues	
Beginning Balance	\$ 0
Federal Support (CARES Act)	1,250,000,000
Interest	33,410
Total	\$ 1,250,033,410
Expenditures	
Economic Development Authority	
Small Business Disaster Assistance Fund	\$ 70,000,000
AmeriCorps	60,000
Grow Iowa Values Fund	7,000,000
Agriculture & Land Stewardship	
Pass the Pork Program	500,000
Iowa Disposal Assistance Program	2,548,520
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
Iowa College Student Aid Commission	
Last-Dollar Scholarship Program Fund	5,100,000
Iowa Workforce Development	
Unemployment Insurance Trust Fund	490,000,000
Management	
Economic Emergency Fund	17,000,000
Total	\$ 617,208,520
Balance	\$ 632,824,890

On July 7, 2020, the Governor announced an allocation of \$50.0 million in funding from the ICRF to be invested in Iowa's mental health care system. This funding has not yet been transferred from the Fund and is therefore not included in the table above. The announced \$50.0 million in funding will be allocated to health providers.

To date, ICRF moneys have been transferred to several State agencies and programs to address different aspects of the COVID-19 pandemic. The programs are summarized below.

Economic Development Authority

- **Small Business Disaster Assistance Fund:** This 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 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 [Volunteer Iowa](#).
- **Grow Iowa Values Fund:** The Governor transferred \$7.0 million from the ICRF to the [Grow Iowa Values Fund](#) (GIVF) to reimburse the GIVF for transfers totaling \$7.0 million to the Small Business Disaster Assistance Fund that were made in March and April 2020.

Department of Agriculture and Land Stewardship

- **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.
- **Iowa Disposal Assistance Program:** The [Iowa Disposal Assistance Program](#) was created to assist Iowa pork producers who are unable to harvest pigs because of COVID-19 supply chain disruptions. In the event pork producers are forced to euthanize animals, the producers can apply for State funding to properly dispose of carcasses in an environmentally sound manner. The Program will provide producers \$40 per animal to help cover a portion of the disposal costs for qualifying hogs.

Department of Human Services

- **Double Up Food Bucks:** The [Double Up Food Bucks](#) 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.

Department of Homeland Security and Emergency Management

- **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 Finance Authority

- **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.

Iowa College Student Aid Commission

- **Last-Dollar Scholarship Program Fund:** The Last-Dollar Scholarship Program was created in 2018 in [HF 2458](#) (Future Ready Iowa Act). The Program provides financial aid to students attending community colleges or accredited private nonprofit institutions and enrolled in programs of study that lead to a postsecondary credential, up to and including an associate degree, aligned with a high-demand job as designated by Iowa Workforce Development or a community college.

Department of Workforce Development

- **Unemployment Insurance Trust Fund:** The Unemployment Insurance Trust 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.

Department of Management

- **Economic Emergency Fund:** The Governor transferred \$17.0 million from the ICRF to the Economic Emergency Fund to reimburse the Fund for transfers totaling \$17.0 million to the Small Business Disaster Assistance Fund made in March and April 2020.

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 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](#).

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