Gov. Holcomb Announces Nearly $44 Million to Aid Economic Recovery Effort

Friday, May 29, 2020 12:00am to 12:00am

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INDIANAPOLIS – Today, Governor Eric J. Holcomb announced several new economic recovery initiatives designed to bolster critical relief efforts while encouraging long-term planning and investments to stimulate Indiana's economy well into the future. Through these

initiatives, the state will allocate nearly $44 million to provide support and resources including approximately $37 million in direct funding through grants and investments to small businesses and manufacturers – two key drivers of the Hoosier economy.

"To restart Indiana's economic engine, it's critical that we provide Hoosier businesses and entrepreneurs with the support they need to grow and get back on track," Gov. Holcomb said. "These initiatives will ensure that two critical drivers of our state's economy have access to resources and technological tools that allow them to continue competing and leading in the 21st century economy, while further positioning our state for long-term economic growth."

To safely guide a return to economic activity, the state is committed to deploying federal relief funds under the CARES Act in coordination with Indiana's Economic Relief and Recovery Team, while targeting initiatives aimed at achieving long-term economic stabilization.

Small Business Restart Fund: Gov. Holcomb approved $30 million in federal funding made available through the CARES Act to small business restart grants, helping accelerate the speed of economic recovery activity by providing working capital to cover certain expenses related to the global pandemic. Indiana small businesses with fewer than 50 employees and $5 million in annual revenue that have experienced a 40% drop in revenue will be eligible to be reimbursed for up to 80% of qualified expenses, such as rent or mortgage payments, utilities, lease payments for real or personal property, and safety investments, such as personal protective equipment (PPE) and infrastructure improvements.

Eligible small businesses that demonstrate a revenue loss of at least 40% will be awarded up to $2,500 for each month while small businesses that demonstrate a revenue loss of at least 80% will be awarded up to $5,000 for each month, with grants issued up to $10,000 per company. Of the $30 million allocated to the fund, at least $5 million will be reserved for certified minority- and women-owned businesses.

More information on the program, including additional eligibility requirements, is available here.

Small Business Relief & Planning Resources: The Indiana Small Business Development Center (Indiana SBDC) received nearly $3.7 million from the U.S. Small Business Administration (SBA) through the CARES Act to support increased resources for Hoosier entrepreneurs and small businesses over the next 18 months. The funding, which will nearly double the organization’s annual federal appropriations, will enable Indiana SBDC to increase

no-cost services, such as counseling and training, for businesses that were in operation prior to and that have been impacted by COVID-19. Services will be available through the Indiana SBDC's 10 regional offices across the state and are expected to focus on financial assistance, e-commerce, business adaptation and innovation, disaster resiliency and planning, and reopening plans.

More information on Indiana SBDC resources is available online; updates on new programs or initiatives that may be added with this funding will be forthcoming.
Manufacturing Support & Long-Term Growth: The Indiana Economic Development Corporation (IEDC) board of directors approved $10 million to launch the Economic Activity Stabilization and Enhancement (EASE) program aimed at supporting technology and operational advancements in the manufacturing industry, which has long been a key driver of the state's economy. EASE, which encompasses three complimentary initiatives, is designed to stimulate manufacturing investments that will position Hoosier operations, and the sector overall, for future growth and prosperity by prioritizing startup investment and resources, technology modernization and development, and training assistance.

The three EASE initiatives include: The new Smart & Advanced Manufacturing (SAM) Focus Fund, which will make seed and early-stage investments and provide entrepreneurship resources to Indiana manufacturing-focused startups through Elevate Ventures, the state's venture development partner; Manufacturing Readiness Grants, administered in partnership with Conexus Indiana, will provide matching grants of up to $200,000 to companies committing to modernizing their operations or integrating smart technologies and processes in order to improve capacity, or to companies investing in health care manufacturing technology, providing financial assistance to manufacturers supporting critical COVID-19 response efforts; and A planned Smart Manufacturing Studio Lab, which will provide lab space and access to state-of-the-art smart manufacturing equipment, enabling businesses to train employees, validate technologies for their business models, and conduct third-party pilot manufacturing. Of these programs, the SAM Focus Fund will launch immediately while the Manufacturing Readiness Grant applications are expected to be available in July with initial grant recommendations beginning in August. The IEDC will partner with industry stakeholders to develop a project scope for the Smart Manufacturing Studio Lab, mapping out next steps and a plan to source and supply the equipment, working toward a studio launch in early 2021. More information on EASE, which is funded through the state's 21st Century Research and Technology Fund, is available here.

Indiana's manufacturing and small business sectors play critical roles in supporting the state's economy. With more than 8,500 manufacturing facilities and the highest concentration of manufacturing jobs in the U.S., manufacturing accounts for 27.8% of Indiana's total economic output. Additionally, according to the SBA, Indiana is home to approximately 104,335 small businesses that employ fewer than 150 associates, supporting 941,578 Hoosiers across the state.

Today's announcement marks another step forward for the state in providing resources and tools to Hoosier businesses and entrepreneurs impacted by COVID-19. The state recently launched the Indiana Small Business PPE Marketplace, which serves as an online hub for small businesses and nonprofits employing up to 150 associates that are in need of personal protective equipment (PPE). Since its inception, Indiana has received 26,130 orders for PPE and has fulfilled 25,500 orders, shipping bundles of hand sanitizer, face masks and face shields to companies across the state. To learn more about other COVID-19 resources, visit iedc.in.gov/response.

Click here to download public service announcements (PSAs) recorded by the state for your use: www.dropbox.com/sh/egf210ognxxyx4h/AADYd7E-tBn7P6gtiLSZUiVBa?dl=0 (https://www.dropbox.com/sh/egf210ognxxyx4h/AADYd7E-tBn7P6gtiLSZUiVBa?dl=0)

More information may be found at the ISDH website at coronavirus.in.gov and the CDC website at www.cdc.gov/coronavirus/2019-ncov/index.html (https://www.cdc.gov/coronavirus/2019-ncov/index.html).

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