Business Invest
Illinois Small Business COVID-19 Relief Program

SUMMARY

This is an impact investment loan program under which the State Treasurer would make up to $250 million in deposits available to financial institutions throughout the state, at near-zero rates, to assist Illinois small businesses and non-profits negatively affected by the COVID-19 pandemic. The purpose of this program is to provide vital economic support to small businesses and non-profits to help overcome the loss of revenue they are experiencing. Through this program, the Treasurer's Office would partner with approved financial institutions to provide loans -- either lower rate loans, or loans to a business or non-profit that would not otherwise qualify -- to Illinois small businesses impacted by the COVID-19 pandemic.

- State funds would be deposited with qualified financial institutions for a 1-year term at a near-zero deposit rate of 0.01%.
- Deposited funds would facilitate affordable loans (**not to exceed 4.75%**) to small businesses and non-profits that could be used to provide bridge funding, pay fixed debts, payroll, accounts payable and other bills.
- Deposits could be drawn in $1 million or $5 million increments, up to a maximum of $25 million per financial institution.
- Eligible Illinois businesses or non-profits must (1) have been shut down or limited due to COVID-19; (2) have less than $1 million in liquid assets or $8 million average annual receipts (per SBA standards); and (3) be headquartered in the State of Illinois or agree to use the funds in Illinois.
- Deposits would be renewable as determined by the Treasurer's Office.
- Financial institutions would be required to provide reports to the Treasurer's Office regarding the usage of program funds, including the number and types of loans provided to small businesses and non-profits and the economic impact of such loans.
- This program works with participating financial institutions – loans will not be made directly between the Treasurer's Office and businesses.

Additional information can be found on our website at **bit.ly/SmallBizRelief**, and at **illinoistreasurer.gov**.

Community Development Linked Deposits

How They Work

Impact Investment Deposits are placed with a participating financial institution based on an application request in one of the following programs: (1) Ag Invest; (2) Business Invest; or (3) Community Invest.

Financial Institution pays the Treasurer's Office a monthly below-market interest rate for the lending of the funds.

Financial Institution disperses low-cost funds to qualified borrowers for use in the program application request.

Borrower pays the Financial Institution a below-market rate for the use of the funds based on the program parameters.