What is an Essential Business?

Multiple states have issued executive orders requiring people to “stay at home” and for non-essential businesses to shut down because of the COVID-19 pandemic. To-date (March 23rd, 2020), Iowa has NOT issued a stay-at-home order related to non-retail and manufacturing businesses. This guide provides information related to understanding what the federal and most state governments consider to be an essential business.

Essential Business Determination:

To date, the stay-at-home orders that have been issued rely on a company to self-determine if they are an essential or critical business. Most of these executive orders rely on guidance put out by the federal government on Critical Infrastructure Industries/Workers related to COVID-19. The Cybersecurity and Infrastructure Security Agency (CISA), which is part of the Department of Homeland Security, has provided a definition of critical infrastructure industry for use by the states, CDC, and related entities to make decisions.

Steps to self-determinate as an essential business:

- Review the CISA Critical Infrastructure Industries list versus your industry and specific business scope. Check both the industries listed and types of services or products under that industry to see if your business qualifies as an essential or critical business.
- If your business is not included in this list but you are a supplier to a company that is included, you may still be considered an essential business by the state.
- There may or may not be a formal method to appeal the industries, products, or services included per state.
- Be aware that each state may use a slightly different method or list to determine their essential businesses.

Impact on Non-Essential Businesses:

Most stay-at-home orders have the following provisions for non-essential businesses:

- Allowed to perform minimum business activities to preserve your facility, equipment, and inventory.
- Staff may go onsite to perform necessary payroll and related functions.
- Company employees may continue to work from home, and the company can continue to maintain and support the necessary IT and communication equipment to support this.
- Proper social distancing procedures should be followed.

Cross-Border Information:

- Travel of employees living in one-state to another state for work is not affected, though non-essential travel is discouraged.
- The movement of goods and cargo is not affected by these stay at home orders.

For help responding to the COVID-19 emergency or implementing a response plan, contact:
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