

AMERICAN RESCUE PLAN

The American Rescue Plan: Impacts on Iowa

The Need for Action in Iowa

The pandemic and the associated economic crisis have had a severe impact on Iowa. The need for action is clear:

- Since the pandemic began, more than 339,500 people have been infected with COVID-19 and more than 5,500 people have died.
- The unemployment rate is 3.7%, up from 2.9% before the pandemic.
- Since February 2020, more than 118,500 fewer people are employed.
- 175,000 adults – 8% of all adults in the state – report not having enough food to eat. This includes 81,000 adults living with children, or 11% of all adults living with children, who report that the children in their household do not have enough to eat.
- An estimated 86,000 renters or 15% of renters are not caught up on rent.
- An estimated 604,000 adults or 27% of all adults statewide report having difficulty covering normal household expenses.

The Effect of the American Rescue Plan on Iowa

President Biden's American Rescue Plan will provide Iowa with:

- \$1.6 billion in state fiscal relief
- \$1.1 billion in local fiscal relief
- More than \$803 million in relief for K-12 schools
- Economic impact payments of up to \$1,400 per person (above the \$600 per person provided in December) for more than 2 million adults and 800,000 children. This is 91% of all adults in the state and 89% of all children in the state.
- Additional relief of up to \$1,600 per child through the Child Tax Credit to the families of 670,000 children, lifting 25,000 children out of poverty
- Additional relief of up to nearly \$1,000 through the Earned Income Tax Credit to 181,000 childless workers, including many in frontline jobs
- Marketplace health insurance premiums that are \$1,690 lower per month for a 60-year old couple earning \$75,000 per year