



# Fact Sheet

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## **The Recovery Act: A Report on the Path to Progress in Iowa**

### **Creating and Saving Jobs, Boosting Household Resources, Providing Assistance for the Vulnerable in Iowa**

On February 13, 2009, the Senate approved the final version of the *American Recovery and Reinvestment Act of 2009* and sent the legislation to President Obama to be signed into law (P.L. 111-5). The *Recovery Act* is an extraordinary response by Democrats to an inherited economic crisis unlike any since the Great Depression. The legislation represents an unprecedented effort to jumpstart our economy, create and save millions of jobs, and put a down payment on addressing long-neglected challenges so our country can not only recover but prosper once again.

Nationwide, we have already seen companies rehiring laid-off workers, construction and renovation of facilities, and the re-starting of environmental remediation activities. And, just a few months into the two-year *Recovery Act* programs:

- **We have minimized and avoided reductions in essential services in Iowa** by providing aid to help stabilize state and local budgets, protected critical safety-net programs, and saved teaching and law enforcement jobs.
- **Plans for job-creating infrastructure projects in Iowa are already planned and underway** with the Department of Transportation allocation of \$292.9 million for highway infrastructure investments (through the Federal Highway Administration); \$15.2 million for transit modernization, repair, and other capital needs (through the Federal Transit Authority); and \$3.6 million in airport grants for development projects that enhance safety, capacity and security and airport facilities and equipment upgrades (through the Federal Aviation Administration) (as of June 2, 2009). These *Recovery Act* projects deliver jobs and make important investments in the safety of our transportation systems. [DOT Allocation Report, 6/2/2009].
- **Families and communities in Iowa that have been hard-hit by the recession** can access increased unemployment benefits, assistance with health insurance premiums for those who have become unemployed, and food aid. And 1.1 million

households in Iowa – approximately 95 percent of all families and individuals – have already begun seeing an increase in their take-home pay through the landmark Making Work Pay tax credit. The typical family will have about \$800 extra cash delivered to them in their paychecks over the next year. [The White House, 4/2/2009]

Here is a sampling of projects in Iowa that have been covered by local media and press releases in the past several weeks, demonstrating the real-life impacts that the *Recovery Act* has already made for Iowans, only four months after the enactment of the *Recovery Act*:

- **Recovery Act created 89 jobs in Lee county region.** Funding will free funding for other transportation projects. [*The Hawk Eye*, 6/6/2009]
- **\$135 million from the Recovery Act will be directed to affordable housing projects in Iowa, Maine, New Hampshire, Rhode Island, and Washington State.** These states have elected to exchange a portion of their unused allocation of low-income housing tax credit for direct cash assistance, which will be then transferred to affordable housing developers. [Thomson Reuters, 6/4/2009]
- **Iowa will receive over \$24 million for construction of perpetual flood plain easements to protect against future floods.** Plains will also protect ecosystems and increase water quality. [*Cedar Rapids Gazette*, 6/3/2009]
- **Iowa apportioned \$316 million from Recovery Act.** Senator Harkin: “The release of these dollars will have an immediate impact on schools across the state by protecting teaching jobs and fighting cuts to local budgets,” said Harkin. “This funding will ensure Iowa students continue to thrive with the best teachers and materials available.” [Press Release – Sen. Tom Harkin, 6/1/2009]
- **Recovery Act funds have allowed the Iowa Department of Transportation to catch up on projects that have been delayed in recent years because of tight budgets.** [*Chicago Tribune*, 5/19/2009]
- **49 percent of Iowa’s stimulus funding for transportation set to begin this summer will go to projects in counties with fewer than 20,000 residents.** Many of the recipients are economically distressed. [*Des Moines Register*, 5/18/2009]
- **\$400 million in Recovery Act funding will bring work, safer roads and bridges to Iowa.** “There are projects slated across the state. In Polk County, the largest project is planned for Interstate 35 in West Des Moines from the West mix-master to Highway 5. The \$69 million project calls for adding lanes and replacing pavement and bridges. Another project would improve the Highway 65-Interstate 80 interchange in Altoona.” [KCCI Des Moines, 5/13/2009]
- **Dozens of city street and county road projects using \$31 million in Recovery Act funds.** Governor Culver: “These shovel-ready projects will create good jobs for Iowans, while making lasting improvements to our city streets and county roads.” [*Iowa Politics*, 5/5/2009]