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American Relief Act of 2025: Economic Assistance to Iowa Crop Producers and Impact for Iowa

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This policy brief provides preliminary estimates of the disaster relief payments for major crop producers in Iowa approved by the US Congress on December 20, 2024. It also provides estimates of the statewide economic impacts of the estimated payments.

On December 20, 2024, the US Congress approved the American Relief Act, 2025 (H.R. 10545), keeping the federal government funded through March 14, 2025; extending the 2018 Farm Bill until September 2025; and, providing $10 billion in economic assistance for crop farmers.

Congress mandates the Secretary of Agriculture to provide economic assistance payment to crop producers within 90 days of the date of enactment of this Act. The economic assistance to each person or legal entity by commodity is calculated as the economic assistance per acre multiplied by the number of eligible acres in each crop.

The economic assistance per acre (table 1) is determined as the highest of:

(a) 26% of the economic loss in each eligible crop; and,

(b) a minimum payment rate equivalent to 8% of the product of the commodity statutory reference price times the national average Price Loss Coverage (PLC) payment yield.

The economic loss from each crop is determined as the difference between the 2024 expected cost of production per acre published by the USDA Economic Research Service and the 2024 expected gross return per acre. The latter is obtained as the product of the projected 2024/25 marketing year farm price from the latest World Agricultural Supply and Demand Estimates (WASDE) report times the 2015–2024

national average crop yield. For crops without projected marketing years prices available in the WASDE, similar projected marketing year average prices are used from the USDA Farm Service Agency.

Eligible acres are determined as all planted acres for harvest, grazing, haying, silage, or other similar purposes for the 2024 crop year plus 50% of prevented planted acres in 2024. In this article, we use planted acres (including failed acres) and prevented planted acres published by the Farm Service Agency (FSA) on December 2, 2024, as the basis for the calculation of eligible acres by county.

If less than 75% of average gross income of the person or legal entity for the 2020, 2021, and 2022 tax years is derived from farming, ranching, or silviculture activities, total economic assistance payments are capped at $125,000. Otherwise, total economic assistance payments are capped at $250,000. These payment limitations are separate from annual payment limitations under any other program. In this article, and due to aggregated nature of the FSA data, we exclude global payment limitations from our analysis.

Eligible Acres

The projections presented in this section rely on the following intermediate calculations:

- Column (b) in table 1 is calculated using harvested yields in marketing years 2015/16 through 2024/25 (using the December estimates for 2024/25) published by the National Agricultural Statistics Service (NASS). For cotton, upland cotton yields are used for a consistent comparison to both prices and a minimum payment calculation based on seed cotton parameters. ELS cotton is assumed to get a payment equal to that of upland cotton.
- For rice, the following types were excluded from all calculations: temperate japonica, cultivated, native, and short grain. All acres in other types of rice are assumed to receive a payment based on the all-rice price, all-rice yield, and all-rice cost of production. For the minimum payment, an all-rice PLC yield (weighted average of types, excluding temperate japonica) and the long grain or medium/short grain statutory reference price is used.
- For corn, only the following types were included in the acreage calculation: yellow; white; grainless forage; purple; blue; red; waxy; high amylase; amylose. The following types were excluded from the calculation: sweet, bicolor; sweet, white; sweet, yellow/golden early or late; tropical; popcorn, strawberry popcorn; ornamental/ calico/ indigenous; corn nuts.
- For sorghum, only grain sorghum for all intended uses was included in the acreage calculation. The following sorghum types were excluded from the calculation: hybrid; hybrid standard plant FR, GR, or SU; sweet; Almum; Sudex; cane; hybrid interplanting forage.
- For cotton, both upland and extra-long staple cotton types were included in the acreage calculation.
- For all crops, total eligible acres by county and crop were calculated as the direct summation of planted irrigated and non-irrigated acres (including failed acres), plus 50% of the sum of prevented plant irrigated and non-irrigated acres.
- Payment yields associated with the PLC program are calculated using the file titled “Program Year 2024 Average PLC Yield by County” available from the USDA’s FSA 2024 Program Data website. The national average is calculated as the average of the PLC yields by county weighted by the total enrolled base acres (across the PLC and both Agricultural Risk Coverage programs). It is possible that the Secretary may make a slightly different calculation (for example, using total base acres instead of enrolled base acres) so the final number could be different than that used here.

Table 1. Economic Assistance by Eligible Crop.

Eligible Crops	Unit	Projected Avg. Farm Price MY 2024/25 (a) $/Unit	National Avg. Harvested Yield 2015-2024 (b) Units/acre	Expected Gross Returns (c) $/acre	Expected Cost of Production (d) $/acre	Expected Economic Loss (e) $/acre	Economic Assistance Rate (f) $/acre	Reference Price (g) $/Unit	PLC Yield (h) Units/acre	Minimum Payment Rate (i) $/acre	Final Payment Rate (j) =higher of (f) and (i) $/acre
BARLEY	bushel	$6.60	73.35	$484.11	$472.01	$0.00	$0.00	$4.950	54.96	$21.76	$21.76
CORN	bushel	$4.10	174.54	$715.61	$879.10	$163.49	$42.51	$3.700	143.07	$42.35	$42.51
COTTON [1]	lb	$0.66	846.9	$558.95	$894.56	$335.61	$87.26	$0.367	1,827.89	$53.67	$87.26
OATS	bushel	$3.40	66.41	$225.79	$524.48	$298.69	$77.66	$2.400	52.11	$10.01	$77.66
PEANUTS	lbs	$0.2650	3,891.1	$1,031.14	$1,184.95	$153.81	$39.99	$0.2675	3,565.54	$76.30	$76.30
RICE [2]	cwt	$15.60	75.34	$1,175.24	$1,314.84	$139.60	$36.30	$14.000	62.07	$69.52	$69.52
SORGHUM[3]	bushel	$4.10	66.68	$273.39	$437.14	$163.75	$42.58	$3.950	63.83	$20.17	$42.58
SOYBEANS	bushel	$10.20	50.18	$511.84	$625.29	$113.45	$29.50	$8.400	40.87	$27.46	$29.50
WHEAT	bushel	$5.60	48.24	$270.14	$388.19	$118.05	$30.69	$5.500	41.79	$18.39	$30.69

Notes:

[1] Cotton: extra-long and upland.

[2] Rice: long- and medium grain (excluding temperate japonica until final rules become available).

[3] Sorghum: grain sorghum.

Sources:

(a) https://www.fsa.usda.gov/resources/programs/arc-plc/program-data#:~:text=Market%20Year%20Average%20Prices (as of Dec. 20, 2024)

(b) https://quickstats.nass.usda.gov

(c) = (a) × (b)

(d) https://www.ers.usda.gov/data-products/commodity-costs-and-returns/commodity-costs-and-returns/#Cost-of-Production%20Forecasts

(e) = (d) - (c)

(f) = (e) × 26%

(g) https://www.fsa.usda.gov/documents/2024-erp

(h) https://www.fsa.usda.gov/resources/programs/arc-plc/program-data

(i) = (g) × (h) × 8%

(j) =higher of (f) and (i)

Table 2 reports the eligible acres per crop for each county in Iowa. Soybeans and corn account, respectively for 44% and 56% of all eligible acres.

Table 2. Eligible Acres by Crop in the State of Iowa.

COUNTY	BARLEY	CORN	OATS	SORGHUM	SOYBEANS	WHEAT	SUBTOTAL
Adair	-	111,244	1,496	-	112,434	532	225,706
Adams	-	70,301	659	24	73,493	37	144,513
Allamakee	281	90,420	5,601	91	35,341	417	132,151
Appanoose	-	18,845	364	402	25,809	743	46,163
Audubon	166	110,173	958	-	96,760	88	208,146
Benton	20	185,461	1,068	12	157,788	141	344,490
Black Hawk	-	135,380	650	76	94,989	189	231,283
Boone	-	150,940	484	12	109,159	8.0	260,603
Bremer	13	114,619	805	-	75,090	7.4	190,535
Buchanan	9.3	176,550	1,198	-	84,284	53	262,095
Buena Vista	-	157,210	845	-	146,953	103	305,111
Butler	-	149,500	898	18	105,251	8.6	255,675
Calhoun	-	165,114	393	-	134,041	-	299,547
Carroll	-	177,784	305	255	123,381	21	301,746
Cass	-	128,067	448	110	121,695	46	250,366
Cedar	-	143,156	655	-	120,485	351	264,647
Cerro Gordo	-	161,599	382	-	106,148	-	268,129
Cherokee	61	141,584	284	35	131,696	-	273,660
Chickasaw	5.7	143,465	707	-	87,323	2.0	231,502
Clarke	-	39,459	1,290	35	45,735	-	86,519
Clay	36	145,684	508	33	125,968	0.3	272,230
Clayton	-	135,390	3,963	10	64,650	399	204,413
Clinton	8.5	181,722	1,005	-	125,997	2,267	311,000
Crawford	72	204,743	609	50	148,892	614	354,979
Dallas	-	125,339	206	9.3	102,182	-	227,736
Davis	6.5	48,692	907	-	60,526	2,574	112,705
Decatur	26	25,021	721	-	30,256	87	56,111
Delaware	-	183,864	2,607	-	64,792	137	251,400
Des Moines	-	66,371	489	45	65,549	731	133,184
Dickinson	-	85,174	804	-	78,423	-	164,402
Dubuque	73	147,080	3,550	160	41,414	1,005	193,282
Emmet	-	114,090	636	-	94,316	-	209,042
Fayette	88	187,381	2,231	-	115,329	26	305,055
Floyd	-	143,294	723	22	95,166	-	239,205
Franklin	-	188,397	1,243	-	115,161	-	304,801
Fremont	-	111,949	89	4.6	107,677	6.4	219,726
Greene	210	161,176	566	-	135,009	418	297,379
Grundy	-	156,513	109	-	132,715	9.5	289,347

COUNTY	BARLEY	CORN	OATS	SORGHUM	SOYBEANS	WHEAT	SUBTOTAL
Guthrie	-	109,878	1,391	6.7	90,072	357	201,705
Hamilton	-	176,032	687	-	121,852	35	298,607
Hancock	-	171,416	1,330	-	122,455	1.0	295,202
Hardin	-	178,246	506	-	104,391	44	283,187
Harrison	-	172,642	559	-	128,947	158	302,307
Henry	23	81,042	397	32	75,450	296	157,240
Howard	-	126,877	1,521	49	82,399	13	210,859
Humboldt	-	121,207	982	-	106,807	13	229,010
Ida	153	121,630	1,001	-	98,906	150	221,840
Iowa	18	125,237	1,297	148	101,220	56	227,976
Jackson	-	114,324	3,019	10	57,788	128	175,269
Jasper	-	162,275	1,227	-	141,841	-	305,343
Jefferson	28	68,009	558	142	68,285	592	137,613
Johnson	0.2	104,357	1,058	-	90,450	393	196,257
Jones	41	148,872	1,665	-	81,082	980	232,639
Keokuk	-	115,257	670	-	104,993	515	221,434
Kossuth	116	292,588	3,783	-	219,763	-	516,249
Lee	-	71,794	278	-	69,126	1,386	142,584
Linn	-	138,717	824	-	106,883	284	246,708
Louisa	-	74,561	315	9.1	67,875	237	142,998
Lucas	78	34,138	1,562	-	37,778	163	73,718
Lyon	-	173,357	496	341	121,877	-	296,071
Madison	-	69,805	996	-	70,423	-	141,224
Mahaska	2.7	127,408	567	53	108,318	-	236,348
Marion	-	76,504	1,233	-	73,790	31	151,558
Marshall	-	146,787	434	-	114,626	-	261,846
Mills	-	92,680	190	87	92,667	489	186,112
Mitchell	13	152,397	1,343	15	85,351	-	239,118
Monona	-	167,375	257	25	137,887	7.2	305,551
Monroe	-	24,934	1,245	88	26,935	67	53,269
Montgomery	-	93,026	618	-	87,937	54	181,636
Muscatine	-	84,513	447	23	74,922	13	159,917
O'Brien	-	163,016	1,344	-	141,101	-	305,461
Osceola	-	119,046	2,459	-	101,771	-	223,276
Page	-	110,058	344	16	108,170	81	218,669
Palo Alto	-	153,593	5,146	-	117,266	-	276,005
Plymouth	20	233,200	784	-	194,378	43	428,425
Pocahontas	-	169,193	729	-	144,715	-	314,637
Polk	-	74,926	292	8.0	63,858	70	139,153
Pottawattamie	-	229,925	577	11	194,198	487	425,198
Poweshiek	-	134,667	1,447	-	124,564	-	260,678
Ringgold	-	71,156	1,547	-	79,356	100	152,158

COUNTY	BARLEY	CORN	OATS	SORGHUM	SOYBEANS	WHEAT	SUBTOTAL
Sac	143	159,943	816	7.2	132,682	-	293,592
Scott	10	102,758	382	-	69,125	104	172,380
Shelby	-	168,001	473	-	141,268	126	309,868
Sioux	-	241,789	642	622	162,771	3.9	405,827
Story	-	153,615	297	42	116,244	159	270,358
Tama	-	163,524	1,503	121	140,061	92	305,301
Taylor	-	78,911	446	16	82,748	233	162,354
Union	-	27,917	1,134	28	26,946	11	56,035
Van Buren	-	50,463	1,159	-	50,077	1,107	102,805
Wapello	-	58,446	1,341	59	56,281	256	116,383
Warren	-	56,347	822	48	62,279	237	119,734
Washington	-	117,077	661	30	96,764	193	214,725
Wayne	-	65,041	492	127	79,094	850	145,604
Webster	-	193,269	385	6.4	155,878	-	349,538
Winnebago	-	123,307	520	-	92,392	-	216,219
Winneshiek	286	156,191	4,903	-	71,836	507	233,724
Woodbury	-	212,575	272	300	169,880	434	383,462
Worth	16	100,274	268	-	90,553	10	191,123
Wright	-	175,407	311	-	140,497	86	316,301
State Total	2,025	12,764,272	104,408	3,872	9,971,723	22,671	22,868,971

Note: eligible acres are calculated as the direct sum of planted acres, failed acres, and 50% of prevented planted acres, as reported by FSA on December 2, 2024.

Projected Economic Assistance

Table 3 shows the projected economic assistance based on the final payment rates reported in table 1 and the eligible acres reported in table 2. Total assistance across the selected commodities in the State of Iowa is projected at nearly $846 million with approximately 64% of the assistance going to corn and 35% to soybean producers. The top 10 counties (listed in decreasing order of projected payments) account for 17% of all the projected assistance for the state: Kossuth, Plymouth, Pottawattamie, Sioux, Woodbury, Crawford, Webster, Benton, Wright, and Clinton.

Table 3. Economic Assistance by Crop in the State of Iowa (Thousand Dollars)

COUNTY	BARLEY	CORN	OATS	SORGHUM	SOYBEANS	WHEAT	SUBTOTAL
Adair	-	4,728.6	116.2	-	3,316.6	16.3	8,177.7
Adams	-	2,988.2	51.2	1.0	2,167.9	1.1	5,209.5
Allamakee	6.1	3,843.4	434.9	3.9	1,042.5	12.8	5,343.7
Appanoose	-	801.0	28.3	17.1	761.3	22.8	1,630.6
Audubon	3.6	4,683.1	74.4	-	2,854.2	2.7	7,618.0
Benton	0.4	7,883.3	82.9	0.5	4,654.4	4.3	12,625.9
Black Hawk	-	5,754.5	50.5	3.2	2,802.0	5.8	8,616.0
Boone	-	6,415.9	37.6	0.5	3,220.0	0.2	9,674.2
Bremer	0.3	4,872.0	62.5	-	2,215.0	0.2	7,150.1
Buchanan	0.2	7,504.5	93.0	-	2,486.2	1.6	10,085.6

COUNTY	BARLEY	CORN	OATS	SORGHUM	SOYBEANS	WHEAT	SUBTOTAL
Buena Vista	-	6,682.4	65.6	-	4,334.8	3.2	11,086.0
Butler	-	6,354.7	69.7	0.8	3,104.7	0.3	9,530.1
Calhoun	-	7,018.4	30.5	-	3,953.9	-	11,002.8
Carroll	-	7,557.0	23.7	10.9	3,639.5	0.6	11,231.6
Cass	-	5,443.7	34.8	4.7	3,589.8	1.4	9,074.3
Cedar	-	6,085.0	50.9	-	3,554.1	10.8	9,700.8
Cerro Gordo	-	6,869.0	29.6	-	3,131.2	-	10,029.8
Cherokee	1.3	6,018.2	22.0	1.5	3,884.8	-	9,927.8
Chickasaw	0.1	6,098.2	54.9	-	2,575.9	0.1	8,729.1
Clarke	-	1,677.3	100.2	1.5	1,349.1	-	3,128.0
Clay	0.8	6,192.5	39.5	1.4	3,715.8	0.0	9,950.0
Clayton	-	5,754.9	307.8	0.4	1,907.1	12.3	7,982.5
Clinton	0.2	7,724.3	78.0	-	3,716.7	69.6	11,588.8
Crawford	1.6	8,702.9	47.3	2.1	4,392.0	18.8	13,164.7
Dallas	-	5,327.7	16.0	0.4	3,014.2	-	8,358.3
Davis	0.1	2,069.7	70.4	-	1,785.4	79.0	4,004.7
Decatur	0.6	1,063.6	56.0	-	892.5	2.7	2,015.3
Delaware	-	7,815.4	202.5	-	1,911.2	4.2	9,933.3
Des Moines	-	2,821.2	38.0	1.9	1,933.6	22.4	4,817.1
Dickinson	-	3,620.4	62.5	-	2,313.3	-	5,996.2
Dubuque	1.6	6,251.8	275.7	6.8	1,221.6	30.8	7,788.4
Emmet	-	4,849.5	49.4	-	2,782.1	-	7,681.1
Fayette	1.9	7,964.9	173.3	-	3,402.0	0.8	11,542.9
Floyd	-	6,090.9	56.1	0.9	2,807.2	-	8,955.2
Franklin	-	8,008.1	96.5	-	3,397.0	-	11,501.6
Fremont	-	4,758.5	6.9	0.2	3,176.2	0.2	7,942.1
Greene	4.6	6,851.0	44.0	-	3,982.5	12.8	10,894.9
Grundy	-	6,652.8	8.5	-	3,914.8	0.3	10,576.4
Guthrie	-	4,670.5	108.0	0.3	2,657.0	10.9	7,446.7
Hamilton	-	7,482.5	53.3	-	3,594.4	1.1	11,131.3
Hancock	-	7,286.3	103.3	-	3,612.2	0.0	11,001.8
Hardin	-	7,576.6	39.3	-	3,079.3	1.3	10,696.6
Harrison	-	7,338.4	43.4	-	3,803.7	4.9	11,190.4
Henry	0.5	3,444.8	30.9	1.4	2,225.6	9.1	5,712.2
Howard	-	5,393.1	118.1	2.1	2,430.6	0.4	7,944.3
Humboldt	-	5,152.1	76.3	-	3,150.6	0.4	8,379.4
Ida	3.3	5,170.1	77.7	-	2,917.5	4.6	8,173.2
Iowa	0.4	5,323.4	100.7	6.3	2,985.8	1.7	8,418.3
Jackson	-	4,859.5	234.5	0.4	1,704.6	3.9	6,803.0
Jasper	-	6,897.7	95.2	-	4,184.0	-	11,177.0
Jefferson	0.6	2,890.8	43.3	6.0	2,014.3	18.2	4,973.2
Johnson	0.0	4,435.8	82.2	-	2,668.1	12.0	7,198.1

COUNTY	BARLEY	CORN	OATS	SORGHUM	SOYBEANS	WHEAT	SUBTOTAL
Jones	0.9	6,328.0	129.3	-	2,391.8	30.1	8,880.0
Keokuk	-	4,899.2	52.0	-	3,097.1	15.8	8,064.0
Kossuth	2.5	12,436.8	293.8	-	6,482.6	-	19,215.7
Lee	-	3,051.7	21.6	-	2,039.1	42.6	5,154.9
Linn	-	5,896.4	64.0	-	3,152.8	8.7	9,121.9
Louisa	-	3,169.3	24.5	0.4	2,002.2	7.3	5,203.7
Lucas	1.7	1,451.1	121.3	-	1,114.4	5.0	2,693.4
Lyon	-	7,368.8	38.6	14.5	3,595.1	-	11,017.0
Madison	-	2,967.2	77.4	-	2,077.3	-	5,121.9
Mahaska	0.1	5,415.7	44.0	2.2	3,195.2	-	8,657.1
Marion	-	3,251.9	95.8	-	2,176.7	1.0	5,525.3
Marshall	-	6,239.4	33.7	-	3,381.2	-	9,654.3
Mills	-	3,939.5	14.7	3.7	2,733.5	15.0	6,706.4
Mitchell	0.3	6,477.8	104.3	0.6	2,517.7	-	9,100.7
Monona	-	7,114.5	19.9	1.1	4,067.4	0.2	11,203.1
Monroe	-	1,059.8	96.7	3.7	794.5	2.1	1,956.8
Montgomery	-	3,954.2	48.0	-	2,594.0	1.7	6,597.9
Muscatine	-	3,592.3	34.7	1.0	2,210.0	0.4	5,838.5
O'Brien	-	6,929.2	104.4	-	4,162.2	-	11,195.8
Osceola	-	5,060.2	190.9	-	3,002.0	-	8,253.2
Page	-	4,678.2	26.7	0.7	3,190.8	2.5	7,898.9
Palo Alto	-	6,528.7	399.6	-	3,459.1	-	10,387.4
Plymouth	0.4	9,912.5	60.9	-	5,733.8	1.3	15,708.9
Pocahontas	-	7,191.8	56.6	-	4,268.8	-	11,517.2
Polk	-	3,184.8	22.7	0.3	1,883.7	2.1	5,093.7
Pottawattamie	-	9,773.3	44.8	0.5	5,728.5	14.9	15,562.0
Poweshiek	-	5,724.2	112.4	-	3,674.4	-	9,511.0
Ringgold	-	3,024.6	120.1	-	2,340.8	3.1	5,488.6
Sac	3.1	6,798.6	63.3	0.3	3,913.9	-	10,779.2
Scott	0.2	4,367.9	29.7	-	2,039.1	3.2	6,440.0
Shelby	-	7,141.1	36.7	-	4,167.1	3.9	11,348.8
Sioux	-	10,277.6	49.8	26.5	4,801.4	0.1	15,155.4
Story	-	6,529.6	23.1	1.8	3,429.0	4.9	9,988.4
Tama	-	6,950.8	116.7	5.1	4,131.5	2.8	11,207.0
Taylor	-	3,354.2	34.7	0.7	2,440.9	7.1	5,837.6
Union	-	1,186.6	88.0	1.2	794.8	0.3	2,071.0
Van Buren	-	2,145.0	90.0	-	1,477.2	34.0	3,746.1
Wapello	-	2,484.3	104.1	2.5	1,660.2	7.9	4,259.0
Warren	-	2,395.1	63.9	2.1	1,837.1	7.3	4,305.4
Washington	-	4,976.5	51.3	1.3	2,854.3	5.9	7,889.4
Wayne	-	2,764.6	38.2	5.4	2,333.1	26.1	5,167.5
Webster	-	8,215.2	29.9	0.3	4,598.1	-	12,843.4

COUNTY	BARLEY	CORN	OATS	SORGHUM	SOYBEANS	WHEAT	SUBTOTAL
Winnebago	-	5,241.3	40.4	-	2,725.4	-	8,007.1
Winneshiek	6.2	6,639.1	380.8	-	2,119.0	15.6	9,160.7
Woodbury	-	9,035.8	21.2	12.8	5,011.1	13.3	14,094.2
Worth	0.3	4,262.3	20.8	-	2,671.1	0.3	6,955.0
Wright	-	7,455.9	24.2	-	4,144.4	2.6	11,627.1
State Total	44.1	542,562.7	8,108.2	164.8	294,146.3	695.8	845,721.9

Projected Economic Impact

Ninety-nine percent of the projected economic assistance goes to corn and soybean producers in Iowa. Table 4 shows the projected 2025 statewide assistance and also includes for comparison cash receipts by commodity in 2023 and the projected cash receipts for 2025. The economic assistance is roughly 4%–5% of the cash receipts.

Table 4. Cash Receipts Relative to Economic Assistance for Corn and Soybeans in the State of Iowa

	CORN AND OTHER	SOYBEANS	TOTAL
2025 Economic Assistance	$551,575,630	$294,146,297	$845,721,927
2023 Cash Receipts	$14,286,907,797	$7,289,379,000	$21,576,286,797
Projected 2025 Cash Receipts	$10,577,591,514	$5,940,859,385	$16,518,450,899
Assistance as % of 2023 Cash Receipts	3.86%	4.04%	3.92%
Assistance as % of 2025 Projected Receipts	5.21%	4.95%	5.12%

Notes: 2025 economic assistance comes from table 3. 2023 cash receipts are for "corn and other" consists of corn, barley, sorghum, and oats as reported by the Economic Research Service of USDA. Projected 2025 cash receipts for "corn and other" is only corn.
Sources for table 4:
https://data.ers.usda.gov/reports.aspx?ID=17843#Pddc97548f8524b6d8e2f2ba93128979a_2_17iT0R0x15;
https://ruralandfarmfinance.com/wp-content/uploads/2024/10/Fall_2024_Iowa_Farm_Income.pdf, and
https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fruralandfarmfinance.com%2Fwp-content%2Fuploads%2F2024%2F10%2FFall_2024_Iowa_Farm-Income-Tables.xlsx&wdOrigin=BROWSELINK .

Based upon the projected economic assistance for 2025, we use an economic impact or "input-output" (IO) model developed by IMPLAN[1] to assess the impacts throughout the Iowa economy. IMPLAN assumes inputs are used in each industry in some measurable fixed proportions by value. Once these proportions are measured, the interactions of the inputs to production across the economic system and along its supply chains can be related to the collected government agency data creating an economic snapshot of an economy's linkages. IO models such as IMPLAN are most useful in the short-run when the fixed proportions assumption is most relevant and are regularly used in economic impact studies because they allow hypothesizing changes to an industry's employment or revenue to measure the impacts on the rest of the productive inputs in an economy. Impacts from the economic assistance are not only to the crop industry of Iowa—the money is spent throughout the entire state with effects that go beyond the payments to the producers. An IO model tries to account for the multiplier effects of this spending.[2] For

[1] IMPLAN Group, LLC. Huntersville, NC.
[2] See the lengthier discussion and caveats about IO models in Crespi, J.M. 2024. "The Contribution of Agricultural, Forestry, and Fisheries, Production to the US and Iowa Economies." Agricultural Policy Review, Winter 2024. Center for Agricultural and

this study, we use IMPLAN's Industry Contribution Analysis (ICA) tool to estimate the statewide economic importance of the assistance to the grain and soybean industries.[3]

IMPLAN measures three types of effects. Direct effects are the change in an economy's demand in terms of revenues, employment, labor income and value added due to the projected payments to the crop producers. Indirect effects occur through industry-to-industry (business-to-business) purchases within and across supply chains. When one industry spends money buying inputs from other industries and paying taxes then that spending indirectly impacts the rest of the economy. Induced effects measure what happens when employees spend their wages on goods produced in other industries, and, in turn, those industries produce more and hire employees who also spend and pay taxes, etc.

Table 5. Economic Impact to the State of Iowa

Corn and Other Grains	**Jobs**	**Labor Income**	**Value Added**	**Output**
Direct	863	$63,690,138	$130,831,265	$551,575,630
Indirect	1,193	$64,087,221	$127,383,590	$265,616,483
Induced	511	$25,480,693	$49,336,037	$86,359,014
Subtotal	*2,566*	*$153,258,052*	*$307,550,892*	*$903,551,127*
Soybeans	**Jobs**	**Labor Income**	**Value Added**	**Output**
Direct	183	$47,402,666	$150,588,899	$294,146,297
Indirect	390	$20,648,484	$40,749,565	$84,882,103
Induced	273	$13,601,957	$26,340,867	$46,110,253
Subtotal	*845*	*$81,653,107*	*$217,679,332*	*$425,138,653*
All Crops	**Jobs**	**Labor Income**	**Value Added**	**Output**
Direct	1,045	$111,092,804	$281,420,164	$845,721,927
Indirect	1,582	$84,735,705	$168,133,155	$350,498,586
Induced	784	$39,082,650	$75,676,904	$132,469,267
Total	**3,412**	**$234,911,159**	**$525,230,224**	**$1,328,689,780**

Table 5 shows the impact of the projected economic assistance on the rest of the Iowa economy. While most of the grain produced in Iowa is corn, IMPLAN nonetheless accounts for all grain production in the state. Table 5 lists "Corn and Other Grains" at the top of the table. The middle portion shows the impact from payments to soybean producers. The bottom of the table is the total impact. (All dollar values are in 2024 dollars.) We begin with the right column: Output. "Output" is IMPLAN's estimate of cash sales and we use the statewide assistance to "Corn and Other Grains" and "Soybeans" (taken from table 4) as the direct outputs because we are not examining the total impact of crop production, just the impact from the assistance. The indirect and induced impacts from this assistance is projected to add $483 million in cash receipts throughout the state economy.

Rural Development, Iowa State University. Available at: **https://agpolicyreview.card.iastate.edu/winter-2024/contribution-agricultural-forestry-and-fisheries-production-us-and-iowa-economies**.

[3] For a fuller discussion on contribution analysis, see Lucas, M. 2019. "ICA: Introduction to Industry Contribution Analysis." IMPLAN. Available at: **https://support.implan.com/hc/en-us/articles/360025854654-ICA-Introduction-to-Industry-Contribution-Analysis** and Miller, R.E., and P.D. Blair. 2022. Input-Output Analysis: Foundations and Extensions, 3rd ed. Cambridge: Cambridge University Press, pp. 310-316.

The column marked "Jobs" is IMPLAN's estimate of the number of jobs created in the economy. "Jobs" in IMPLAN can be both full and part time and is not necessarily full-time employment. The payments to Iowa producers account for approximately 1,045 jobs in crop production and an additional 2,367 jobs throughout the state. "Labor Income" is the income and estimated benefits transferred to the people working in those jobs. Directly, the $845 million in economic assistance will generate approximately $111 million in labor income in the crop production industries with an additional $123 million in labor income throughout the state because of the indirect and induced impacts. Finally, "Value Added" is the measure of what the spending adds to the Iowa economy and is a rough estimate of the net income impacts across all industries in Iowa.

Disclaimer

Many provisions in the legislative text allow or require the discretion of the Secretary of Agriculture in determining certain of the relevant variables (prices, costs, yields, etc.). It is possible that USDA will interpret the provisions of the Act differently that the authors of this report during enactment for calculating actual payments. This could result in different payment calculations than the ones presented in this article.

Legislative Text

H.R.10545. American Relief Act, 2025 (12.20.24).
https://docs.house.gov/billsthisweek/20241216/ARA%2012.20.pdf

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