

AN AFFORDABILITY CRISIS IN THE HEARTLAND

WASHINGTON REPUBLICANS RAISE COST OF LIVING FOR IOWA'S WORKING FAMILIES



REPORT BY



Restore the American Dream



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Washington Republicans Raise Cost of Living for Iowa's Working Families

Washington's affordability crisis has hit no state harder than Iowa.

Iowa's agriculture sector has been devastated by tariffs that have raised prices from the farm to the grocery aisle. Farmers are waiting on Washington to end its trade war and pass a Farm Bill while they're facing higher input costs and lost export markets. Instead of stability, Washington is offering small bailout checks so farmers can convince the bank they'll survive another season.

Despite promises to "lower prices on Day One," working families aren't seeing relief. The receipts don't lie. Far from being reduced, grocery costs are rising at the fastest level in three years. Compared to last December, coffee is up nearly 20%. Steak costs 17% more. And bananas, which the US must import, are up 5.9%.

Healthcare costs continue to surge because of Washington's cuts - supported by Iowa's Congressional delegation. More than 100,000 Iowans could lose their health care under the Big Beautiful Bill. Rural hospitals and clinics are already closing, including in Ottumwa where residents must now drive more than an hour for care. Another 117,000 Iowans who get coverage through the Affordable Care Act marketplace are feeling their premiums double or even triple - which will leave many without coverage at all.

Electricity bills are also climbing, driven up by clean energy divestment that Washington spent on tax breaks for the rich.

Under these worsening conditions, Iowa ranks nearly last in wage growth and dead last in the nation for economic growth. Economists warn the state is on the brink of recession, with rising unemployment, layoffs, and weak job creation. Washington claims we are on the precipice of the Golden Age, but hard-working Iowans know that's a lie.

This isn't what the Hawkeye State was promised—no matter who they voted for.

It's time for elected leaders to demand action on Iowa's priorities and fight back against Washington policies that raise costs and crush opportunity. Iowans deserve leaders who will work lower costs—not make the American Dream more expensive.

Iowans Are Struggling to Afford the Basics

In every part of Iowa, people are seeing everyday costs skyrocket. More than half of Iowans say their ability to meet household financial needs has gotten worse in the past year. In a January 2026 poll [59% of Iowans](#) said Congress could do more to lower costs.

Grocery Prices Keep Climbing

Rising grocery costs are not just a national headline: It's an Iowa headline. Prices for everyday items—from coffee and peanut butter to meat, cereal, and vegetables—continue to rise. Overall food prices increased 3.2% from 2024 to 2025, outpacing overall inflation, according to the USDA Economic Research Service.

No matter where you shop, [common grocery staples](#) have risen [year-over-year](#).

Ground beef (+15.5%)	Orange Juice (+37.6%)
Beef roasts (+17.5%)	Coffee (+19.8%)
Beef steaks (+17.8%)	Bananas (+5.9%)

The impact of high food prices is widespread as food pantries in Iowa are struggling to meet the growing need. Feeding America's [Map the Meal Gap](#) report shows:

- 12% of Iowans (1 in 8) face food insecurity
- 16.6% of Iowa children (1 in 6) lack consistent access to food
- All 99 counties saw increases in food insecurity

Iowa Impact:

- The Des Moines Area Religious Council, which runs 14 food pantries, broke a 50 year record with [2,500 families seeking food](#) in November. Rural food pantries like the Mills County Storehouse in Glenwood also [served a record number of Iowans](#).
- In 2025, two Iowa grocery stores closed, [leaving 1500 people with a 30 minute drive](#) to the nearest grocery store. When the Dayton Grocery Store closed, nearby Stratford Food Center closed as well because they were sharing a truck with the supplier.

Rep. Mariannette Miller Meeks, Rep. Zach Nunn, Rep. Randy Feenstra and Rep. Ashley Hinson -

- Blocked challenges to the tariffs that are making groceries more expensive. [September 16, 2025, [House Roll Call Vote 268](#)]
- Supported the Big Beautiful Bill that cut food assistance for needy families. [July 3, 2025, [House Roll Call Vote 190](#)]

Energy Bills Are Spiking

Keeping the lights on is getting more expensive. Iowa is struggling with aging infrastructure and an increased power demand from data centers which [consumed 11% of the state's energy](#) in 2023. Despite more than [two-thirds of Iowa's power](#) coming from renewable wind power, the state pays some of the highest utility bills in the country.

- Electricity costs are [projected to rise 19.7%](#) this winter
- Natural gas bills are [expected to increase 16.4%](#)
- 2026 increases add to cooperative rate increases, which saw jumps of [11.98% at Eastern Iowa Light & Power](#) and [5.27% at Franklin Rural](#) in 2025.

MidAmerican Energy, Iowa's largest utility, estimates average customer bills will rise 13%, depending on usage and winter severity. Investor-owned utilities also reported to the Iowa Utilities Commission that 173,000 families were late on power bills—nearly 5,300 more overdue accounts than a year earlier.

Iowa Impact

- “I went around my house [unplugging everything](#). That is the end of the outside Christmas lights at our house.” In Fairfield, Dawn Ridgeway Bechtel’s power bill jumped from \$165 to \$467.
- Iowa [applications for utility assistance are rising](#). The Hawkeye Area Community Action Program had more than 5,700 applications for the winter season. “We’re well over halfway to what we normally have in a given year, and we’ve still got until April to go.”

Rep. Mariannette Miller-Meeks, Rep. Zach Nunn, Rep. Randy Feenstra, and Rep. Ashley Hinson -

- Supported the Big Beautiful Bill that cut energy assistance programs and green energy credits including vital wind power credits that help more than 50 companies in Iowa's wind industry. [July 3, 2025, [House Roll Call Vote 190](#)]

Health Care Costs Are Exploding

Health care affordability is rapidly deteriorating: Nearly [two-thirds of Iowans](#) (61%) say their healthcare costs have increased.

Washington is at the root of the affordability problem. The President's signature accomplishment, the Big Beautiful Bill, cut the medical safety net. Then Congress refused to extend the subsidies under the Affordable Care Act that helped make health insurance more affordable. "[We're scared](#)," patients are telling providers in Dubuque.

Medicaid cuts in the Big Beautiful Bill threaten Iowa's rural health system. Hospitals in [Newton and Manning are at risk of closure](#), and on February 27 patients and providers in Ottumwa will need to look elsewhere when the [Mercy One Medical Clinic closes its doors](#).

- The Big Beautiful Bill cut
 - Funding from Medicaid, [threatening coverage](#) for 700,000 Iowans, including 319,000 children and 104,000 seniors and people with disabilities
 - Funding for Iowa's rural hospitals, leading to [closures of clinics](#) that will force Iowans to drive more than an hour for care
 - Services for vulnerable Iowans including [speech therapy](#) and [in-home care](#)
- Congress let ACA subsidies that helped [100,000+ Iowans afford coverage](#) expire
 - [Iowa Farmers Union](#) members' premiums are set to increase by thousands of dollars without the tax credits. [27% of farmers](#), ranchers and agricultural managers in the US rely on individual marketplace insurances, the large majority of which are purchased through ACA Marketplaces.

Iowa Impact

- Terry Davis, a Cedar Rapids senior, saw her monthly costs jump from [\\$500 to over \\$3,000](#)—"taking all of my husband and I's income."
- Sarah Bohlke of Ogden learned her premium would rise from [\\$328 to \\$1,600 a month](#). "It's so frustrating...when it could easily be solved."
- John and Meghan Palmer, Northeast Iowa farmers, saw [premiums jump 90%](#) to nearly \$375/month, forcing Meghan to consider a second job.
- Iowa Hospital Association Executive Director Chris Mitchell said [Medicaid's \\$1 trillion cut will force rural hospitals to make very difficult decisions](#). "It'll be things like reducing staff, limiting services, stop delivering babies and ultimately...whether or not they can remain viable and stay open in the longer term."

Rep. Mariannette Miller-Meeks, Rep. Zach Nunn, Rep. Randy Feenstra, and Rep. Ashley Hinson -

- Supported the Big Beautiful Bill that cut energy assistance programs and green energy credits. (July 3, 2025, [House Roll Call Vote 190](#))
- Failed to renew the ACA subsidies that made healthcare more affordable, even with Rep Nunn's support. (January 8, 2026, [House Roll Call Vote 11](#))

Iowa's Economy Is Flashing Warning Signs

Economic indicators show growing recession risk in Iowa. The Federal Reserve Bank of Philadelphia [ranks Iowa last](#) in the country for economic growth. For those seeking opportunity, Iowa [ranks 48th](#) for personal income growth.

- Iowa has [lost 5,400 manufacturing jobs](#) in the past year
- Farmland values are [down \\$286 per acre](#) from their 2023 peak
- Iowa's GDP [fell 6.1% year over year](#) in Q1
- WalletHub ranks Iowa as having the [worst economy in the nation](#)
- Moody's warns Iowa is "[in a recession or on the precipice](#)" of one

Iowa Impact

→ "[It's been very discouraging](#)," said Autumn Williams, a mother and Air Force Veteran seeking a job in Iowa, and is considering leaving the state.

Rep. Mariannette Miller-Meeks, Rep. Zach Nunn, Rep. Randy Feenstra and Rep. Ashley Hinson -

- Blocked challenges to the tariffs that are raising costs across Iowa. [September 16, 2025, [House Roll Call Vote 268](#)]

Small Businesses Are Being Pushed to the Brink

Main Street businesses are under intense pressure.

Tariffs are raising costs and disrupting supply chains, while inflation continues to squeeze margins. In Iowa, [56% of small businesses had a net profit decrease](#) last year. It was a [tough year](#) for Main Street who cited problems with:

- Slow sales
- High operating costs
- Thin margins

By 2023 it was widely understood that Trump's Tax Cuts & Jobs Act primarily benefited big businesses and wealthy executives, not average workers. Yet in 2025, Congress not only expanded much of the bill, but made tax cuts for corporations and the richest Americans permanent.

Small businesses are outpacing large businesses in job creation, employing 46% of working Iowans. Yet, small businesses disproportionately miss out on tax cuts compared to companies like Tyson, John Deere who are implementing layoffs across Iowa. The richest one percent of Americans will receive \$117 billion in net tax cuts in 2026 and even foreign investors benefit more than many Americans, receiving \$32 billion in tax cuts in 2026.

Iowa Impact

- In Indianola, McCoy True Value - a hardware store in operation for more than 140 years - will close its doors affecting four full time employees and four part-time employees. *"I was sad because it's a hometown place. We're going to miss it,"* said Indianola resident Linda Sorg.
- At Purveyor in Des Moines, rising costs means Eva Lavalle is balancing the trade offs between raising her prices and losing customers. *"Cost of goods grow, which means margins shrink. Then if that happens, you have to raise the price of goods, but then you have less traffic."*

Rep. Mariannette Miller Meeks, Rep. Zach Nunn, Rep. Randy Feenstra and Rep. Ashley Hinson -

- Supported the Big Beautiful Bill that expanded and made permanent tax breaks for the wealthy in the Tax Cuts and Jobs Act. (July 3, 2025, House Roll Call Vote 190)

Bottom line:

Across groceries, energy, health care, and jobs, costs are rising faster than incomes. For Iowa families and small businesses alike, affordability is a lived experience—it's the reality showing up on receipts, bills, and balance sheets. As Iowans look for help from Washington, our elected Congressional representatives are voting for bills that raise costs and make it harder for families to live their American dream.