

Income Assistance and Wellbeing Project

Johnson County, Iowa established the Direct Assistance Program (DAP) in 2022 to provide a one-time payment of \$1,400 to eligible applicants based on residency in Johnson County, age, income, and having experienced a financial hardship during the pandemic.

Individuals applied to the DAP between April 25, 2022 and May 27, 2022. All eligible applicants were mailed an assistance check. Approximately 85% of the checks were mailed on July 22, 2022, and most of the other checks were mailed on August 26, 2022. In total, 2,242 individuals across Johnson County received a check for \$1,400 in 2022.

Based on the information submitted by individuals on the application, 61% of recipients are female, 38% are male, 38% are Non-Hispanic Black, 32% are Hispanic, and 25% are Non-Hispanic White. The average age of recipients is 42.5 years. The average income of recipients is \$22,642.62, and average household size is 2.8 persons.

Eligible Johnson County residents needed to have an e-mail address and complete an electronic application to receive DAP funds. The county hosted three in-person clinics to provide application assistance, and many local organizations also assisted individuals in completing and submitting their applications. The demographic characteristics of DAP recipients are generally similar to the characteristics of income- and age-eligible Johnson County residents who did not apply, except that a larger percentage of DAP recipients are female. Based on analysis of Catalist data, individuals who are more politically engaged, based on having voted in prior elections, were not more likely to apply. However, based on our analysis of Experian data, individuals with higher levels of debt prior to the DAP program were more likely to apply for assistance. DAP recipients had substantially higher levels of prior credit card debt, student loan debt, auto debt, mortgage debt, and total debt.

In collaboration with Johnson County and the Iowa Social Science Research Center, we conducted a comprehensive survey to examine how recipients of the program's one-time payment used or saved the funds and glean insights into the program's effectiveness in mitigating housing insecurity, food insecurity, and other socio-economic challenges. Wave 1 was mailed to each DAP recipient on September 15, 2022, approximately 1-2 months after the assistance checks were mailed. Wave 2 was mailed on July 15, 2023. The response rate was 45.3% for wave 1 and 36.8% for wave 2. The characteristics of survey respondents are similar to the characteristics of all DAP recipients.

Nearly all recipients primarily used the cash assistance for debt payments or spent the funds, based on wave 1 of the survey. Only 5% of recipients primarily used the assistance for savings. Recipients spent the funds mostly on recurring bills including rent (30% of the payment), debt payments (26%), food (10%), housing or auto repairs (10%), and transportation (6%). Debt prior to receiving the DAP assistance is an important determinant of how the assistance was used. Recipients who are homeowners with more than \$5,000 of prior debt (including mortgage debt) spent more than an additional \$400 of the \$1,400 assistance on debt payments.

To better understand how receiving the DAP assistance influenced debt, we compared monthly debt amounts of DAP recipients before and after cashing the DAP check to monthly debt amounts of individuals in Iowa but outside of Johnson County with household income below \$50,000 using Experian data. After cashing the DAP assistance check, recipients increased their debt levels; this increase grew each month and persisted for at least nine months after cashing the check. Total debt increased by about 10%, with increases in mortgage debt, auto debt, and credit card debt. Reconciling these results with those of the survey, the increase in debt was driven by respondents who responded in the survey that they primarily spent the funds rather than using the assistance to pay down debt.

Using information from the application (approximately 2-3 months before the checks were mailed), retrospective questions in survey wave 1 (1-2 months beforehand), contemporary questions in survey wave 1 (1-2 months afterwards), and survey wave 2 (12 months afterwards), we examined changes over time in various measures related to individuals' wellbeing. Prior to receiving the DAP assistance, approximately 50% of survey respondents felt moderately or highly confident that their household would have been able to pay the next rent or mortgage payment on time. Shortly after receiving the payment, this proportion increased to 60%, and a year later the proportion increased further to 65%. Younger individuals and individuals who spent more of the DAP assistance on paying down debt experienced increases in confidence about paying their next rent or mortgage payment on time.

Food insufficiency rates remained stable over time at approximately 25% of survey respondents, but 9% of respondents experienced a gain in food sufficiency while 11% of respondents experienced a decrease in food sufficiency. Spending patterns were not associated with gains in food sufficiency, while Black respondents, those with lower income, and those who spent more of the DAP assistance on debt and bills experienced a decrease in food sufficiency.

Although health status remained stable over time, individuals with less income, for whom the DAP assistance was a relatively larger increase in household resources, experienced increases in self-rated health status and mental health and were less likely to delay getting medical care. These individuals were also more likely to spend the DAP assistance on transportation, which can increase access to medical care.

DAP recipients report large increases in trust in government as a result of receiving the assistance: 73% report increasing trust in the local government, 50% report increasing trust in the state government, and 42% report increasing trust in the federal government. Partisanship had little influence on political trust. Most recipients describe that receiving the assistance had no influence on their favorability towards groups of individuals targeted by social programs or political parties, but all groups experienced an increase in favorability with nearly 40% of survey respondents increasing their favorability of individuals living in poverty.

Qualitative analysis of in-depth interviews reinforces these findings and highlight the tradeoffs that recipients faced in their spending decisions, particularly during a period of high inflation, and that recipients were grateful for receiving the temporary assistance.

The Income Assistance and Wellbeing Project research team includes David Frisvold (PI), Jerry Anthony, Ain Grooms, Leslie Locke, Phuong Nguyen, Christopher Odinet, Julianna Pacheco, and George Wehby. This brief summarizes research contained in the following papers as well as additional results:

Frisvold, David, George Wehby, Christopher Odinet, Jerry Anthony, & Ain Grooms. (2025). Spending Responses to Direct Cash Assistance to Low-Income Adults. Working paper.

Frisvold, David, Phuong Nguyen-Hoang, & Christopher K. Odinet. (2025). Local Cash Transfers and Household Debt: Evidence from Johnson County's Direct Assistance Program. Working paper.

Grooms, Ain, Leslie Ann Locke, Aisha Abdi, Okhale Emanemua, Jennifer Krueger, & Rebecca Jacobson. (2025). "It Sucks to Have to Choose What to Pay For": Participant Experiences with a One-Time Direct Cash Assistance Program. Working Paper.

Pacheco, Julianna, David Frisvold, & Nathan Micatka. (2025). Evaluating the Political Effects of a Direct Assistance Program. Working paper.