

### **ECONOMIC UPDATE**

**November 18, 2022** 

# Economic Issue in Focus: A Year into the Bipartisan Infrastructure Act and New Investments are Helping Marginalized Communities Connect to Economic Opportunities

This week marked the one-year anniversary of the enactment of the bipartisan Infrastructure Investment and Jobs Act. The law invests \$550 billion in rebuilding America's essential infrastructure, including significant new investments to facilitate the connection of rural communities and communities of color with greater economic opportunities.

The bipartisan infrastructure law invests nearly \$65 billion over five years to help marginalized and rural communities access affordable high-speed broadband, enabling new job and educational opportunities. Since the enactment of the infrastructure law, more than 14.8 million households have signed up for the Affordable Connectivity Programs, which reduces the cost of high-speed internet by up to \$30 per month and \$75 per month for tribal households. In the past 12 months, the federal government has also announced \$759 million to improve access to high-speed internet in rural areas and \$1.35 billion through the Tribal Broadband Connectivity Program.

The bipartisan infrastructure law also includes nearly \$55 billion for programs that ensure every American has access to clean water, the single largest investment in water quality in U.S. history. Poor water quality, whether caused by lead pipes or other factors, is a significant public health risk that also imposes far-reaching economic costs on individuals and the broader society. The impacts disproportionately affect communities of color, Black Americans in particular are more likely to live in communities with lead pipes. Following the law's enactment, the federal government has announced more than \$9 billion in funding to upgrade water infrastructure, including lead pipes and service lines.

#### **Key Economic Indicators to Track**

- Retail Sales Increased by 1.3% in October: On Wednesday, the Census Bureau released data showing retail sales totaled \$694.5 billion in October, the largest one-month increase since February of this year. Retail sales beat market expectations, indicating that consumer spending remains resilient even as inflation remains high and the Fed has raised interest rates to help bring it down. Consumer spending is the primary driver of economic growth, and overall retail sales are up 8.3% annually.
- New Data Show That 46 States Have Added Jobs in the Past Year: Today, the Bureau of Labor Statistics released state-level employment data for the month of October. Data

showed all 50 States and the District of Columbia had their nonfarm payroll increase or remain essentially unchanged in October and over the past year.

• Filings for Initial Unemployment Insurance Claims Remain Near Record Lows:
Unemployment claims decreased to 222,000, from 226,000, during the week ending
November 12, remaining near record lows. Over the last four weeks, the average number
of Americans receiving unemployment insurance benefits is down by 73% since
President Biden came into office.

## JEC Spotlight: The United States' High Rates of Maternal Morbidity and Mortality Cost the Economy Billions Each Year and Exacerbate Inequality

The United States has the highest rate of maternal mortality among wealthy, industrialized countries and an elevated rate of maternal morbidity. These conditions have devastating effects on families and communities. Adverse maternal and child outcomes also cost the United States billions each year, according to a new JEC report. Maternal morbidity, which refers to serious illness related to pregnancy and childbirth, costs the U.S. more than \$32 billion by the fifth birthday of each cohort of children born in a single year. These costs are unevenly spread throughout the U.S. population, as women of color experience disproportionately high rates of maternal mortality and morbidity and therefore greater economic impacts.

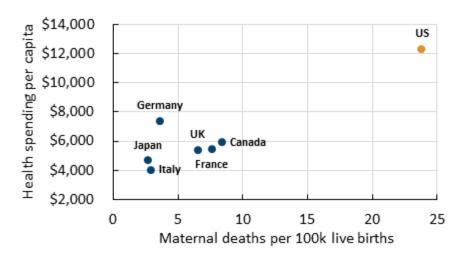
Despite spending more than other industrialized countries on health care, the United States has elevated rates of death and serious illness related to pregnancy and childbirth. In 2020, the maternal mortality rate in the United States was nearly 24 deaths for every 100,000 live births. That was nearly three times greater than in Canada, which had the second highest maternal mortality rate among the United States' peers. Women giving birth in the United States also experience high rates of maternal morbidity, affecting as many as 480,000 women in 2021 alone.

Women of color experience particularly high rates of both maternal morbidity and mortality, making pregnancy riskier and costlier for Black, Hispanic and American Indian and Alaskan Native communities. These communities face lower wages, unequal employment opportunities and decreased access to education and health care, increasing the risks of chronic illness and limiting access to specialized care. Together, these factors lead to an increased likelihood of experiencing pregnancy complications.

Addressing maternal mortality and morbidity will save lives, support healthy families, reduce race-based health inequity and promote a strong and stable economy. Ensuring equitable, affordable access to health care, supporting a more diverse maternal care workforce and increasing data availability, such as those proposals included in President Biden's Maternal Health Blueprint, are critical first steps to improving maternal health.

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The U.S. Maternal Mortality Rate Far Exceeds Those of Its Peers, Despite Higher Health Care Spending



Source: OECD; Peterson-KFF Health System Tracker

Note: Maternal mortality data is from 2020 or the latest available year. Health
spending data is from 2021 or the latest available year and reflects current
prices and current purchasing power parity.



#### **Selected JEC Resources**

- <u>LGBTQ+ Americans Make Important Contributions to the Economy Despite Facing Unique Challenges</u>
- <u>Broadband Programs In The Bipartisan Infrastructure Law Will Help Close The Digital Divide And Expand Economic Opportunity</u>
- Republicans Threaten Debt Limit Default to Force Cuts to Economic Security Programs
- New Data and Studies Confirm the Enormous Economic Benefits Provided by the Expanded Child Tax Credit
- <u>Despite a Strong Labor Market Recovery, American Indians and Alaska Natives</u> Continue to Face Barriers to Full Economic Participation
- <u>The Bipartisan Infrastructure Law Funds a Historic Effort To Remove Lead Pipes That Threaten Public Health and the Economy</u>

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