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THE ECONOMIC IMPACT OF IOWA'S DISTRACTED DRIVING LAWS

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ABOUT COMMON SENSE INSTITUTE

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INTRODUCTION

Electronic distraction-related vehicular crashes create an avoidable burden — not only for the individuals involved, but also for Iowa's economy at large. Beyond the immediate emotional trauma for drivers and victims, these incidents generate property damage, medical expenses, emergency response costs, increased insurance premiums, and legal fees, among other costs. The economy also incurs losses in productivity from injury-related absences and long-term disabilities. The economic impact of these losses ripple through businesses and government resources. Tragically, some crashes are also fatal, leaving behind grieving families and permanent community impacts.

Together, these crashes create a significant and avoidable drag on Iowa's economy and quality of life. In response, 30 states have adopted "hands-free" laws to reduce distracted driving tied to electronic device use. In 2025, Iowa became the 31st state to do so, passing Senate File (SF) 22.[1] This law strengthens Iowa's previous statutes by introducing stricter penalties for drivers using handheld devices behind the wheel. In 2017, lawmakers passed SF 234 and SF 444 to address texting and driving, which helped reduce electronic-related crashes by 10.8% in just one year.

This report quantifies the economic savings Iowa has already achieved under SF 234 and 444. It then assesses the potential benefits of SF 22 by drawing comparisons to similar legislation in Ohio and Minnesota. Finally, the analysis forecasts how further crash reductions resulting from the 2025 legislation could benefit Iowans and boost the state's economy.

KEY FINDINGS

Impact of Senate Files (SF) 234 and 444:

- Total crashes involving electronics or cellphones fell by 10.8% in the year after SF 234 and SF 444 took effect. Since their enactment in 2017, these laws have helped bring down such crashes by a cumulative 23.6% through 2024.
- The direct economic cost of electronic-related distracted driving in Iowa first peaked in 2017 at $56.4 million. Following the passage of SF 234 and SF 444 that same year, these costs steadily declined, reaching a low of $45.7 million by 2020.
- CSI estimates SF 234 and SF 444 will result in a total of $65 million in direct savings to Iowa's economy from 2018 through the end of 2025.
- Using the REMI model CSI finds SF 234 and SF 444 will have increased statewide GDP by $67 million and personal income by $45 million from 2018 through the end of 2025.

Forecasted Impact of Senate File 22:

- According to CSI's model, SF 22 may reduce electronic-related distracted driving crashes 186 to 595 incidents over the next eight years relative to the current 5-year trend.
- CSI's analysis finds SF 22 could generate $1 million to $4 million in direct cost savings in 2026 alone and $12 million to $39 million in savings over the first eight years of enforcement.
- Using the REMI model, CSI forecasts SF 22 could generate an estimated $1 million to $5 million in GDP growth and $1 million to $3 million in added personal income in 2026 alone. Over eight years it could result in a $16 million to $53 million increase in GDP and a $11 million to $35 million increase in personal income.

OVERVIEW OF DISTRACTED DRIVING LEGISLATION IN IOWA

Since 2010, Iowa lawmakers have passed several key bills aimed at reducing cellphone-related distracted driving. House File 2456 (2010) banned text messaging for drivers following a one-year educational campaign.[2] This bill mainly targeted new drivers between the ages of 16 to 18. Shown in Figure 1, crashes continued to slowly rise after HF 2456 passed until erupting in 2015, compelling legislators to enact further restrictions in 2017. Senate File 234 (2017) strengthened enforcement by expanding the definition of texting to include other activities such as writing emails, reading, posting on social media, and more. The law also elevated handheld device usage from a secondary to a primary offense. This change clarified that officers could pull drivers over solely for device use, not just for traditional text messaging.[3] A related bill, Senate File 444 (2017), also stipulated that using a handheld device in a fatal crash could constitute evidence of a Class C felony, carrying penalties of up to $10,000 in fines and 10 years in prison.[4] Together, these two pieces of legislation sought to empower law enforcement to address distracted driving more broadly, improving public safety on the road. However, the law continued to allow the use of handheld devices for other activities such as GPS navigation. This omission often made enforcement challenging since law enforcement could not always distinguish between allowed and disallowed use of electronic devices.

TABLE 1. COMPARING DISTRACTED DRIVER-RELATED LEGISLATION IN IOWA

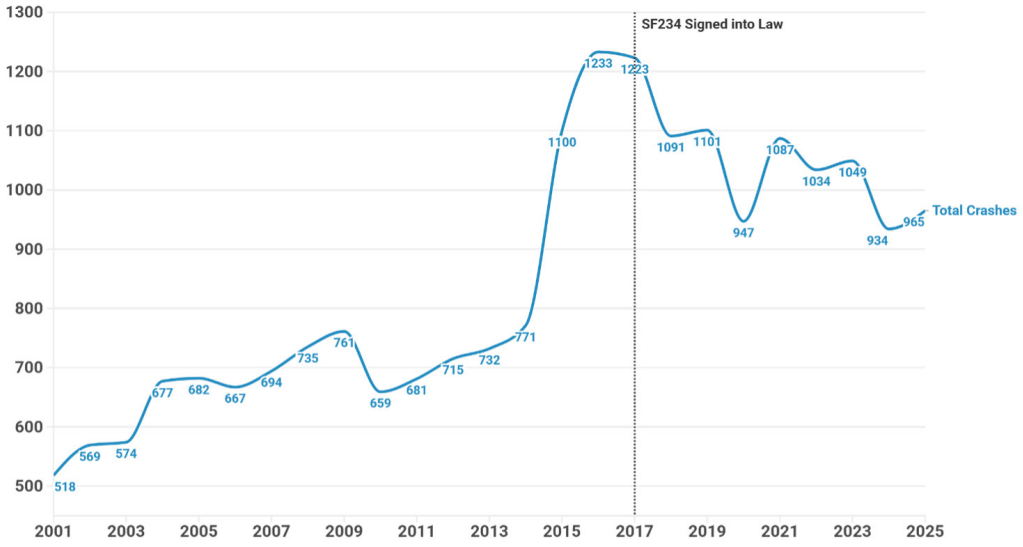
Descriptor	HF 2456	SF 234	SF 444	SF 22
Signed into Law	April 2010	April 2017	April 2017	April 2025
Grace Period	One Year	N/A	N/A	Six Months
Type of Distraction Addressed	Hand-Held Devices, Texting	Hand-Held Devices, Texting	Hand-Held Devices, Texting	Most Electronic Device Usage
Age Specific	16 to 18 Years Old	N/A	N/A	N/A
Penalty/ Fine	$30	$30	Primary Offense	$100

Source: Iowa Legislature (HF 2456), Iowa Legislature (SF 234), Iowa Legislature (SF 444), Iowa Legislature (SF 22)
Note: Fines may include additional surcharge and court fees not accounted for in the table.

Senate File 22 (2025) builds upon these earlier efforts, strengthening enforcement where previous legislation made enforcement difficult. It prohibits nearly all hand-held use of an electronic communication device while driving, making Iowa a "hands-free" state. Under the law, drivers are only permitted to use devices in a hands-free or voice-activated mode — such as through dashboard mounts, Bluetooth, or speakerphone — while operating a vehicle. This law shifts from specific behaviors like texting to broader restrictions on device use. The law aims to further reduce distracted driving by simplifying what Iowa considers legal and illegal behind the wheel and to make enforcement easier. In this way, the legislation aims to further the successes yielded by the 2017 legislation.

Despite their shortcomings, the data suggest SF 234 and SF 444 have played a central role in reducing cellphone-related distracted driving crashes across Iowa. Figure 1 shows this result in full: total crashes involving electronics or cellphones fell by 10.8% in the year after SF 234 and SF 444 took effect. Since their enactment in 2017, these laws have helped bring down such crashes by a cumulative 23.6% through 2024. Based on crash data reported through May 31, 2025, that decline is projected to level off slightly to 21.1% by year's end. These two laws have delivered substantial improvements to roadway safety across the state. Fewer crashes mean not only fewer injuries and fatalities, but they also reduce the financial burden on families and the public sector. The next section quantifies the economic savings Iowa has realized as a result of the crash reductions brought about by SF 234 and SF 444.

FIGURE 1. ELECTRONIC/CELLPHONE-RELATED DISTRACTED DRIVING CRASHES, 2001 TO 2025



Source: Iowa Department of Transportation Crash Analysis Tool (ICAT), Iowa Department of Transportation

Note: Data for 2025 is annualized based on current year data going through May 31.

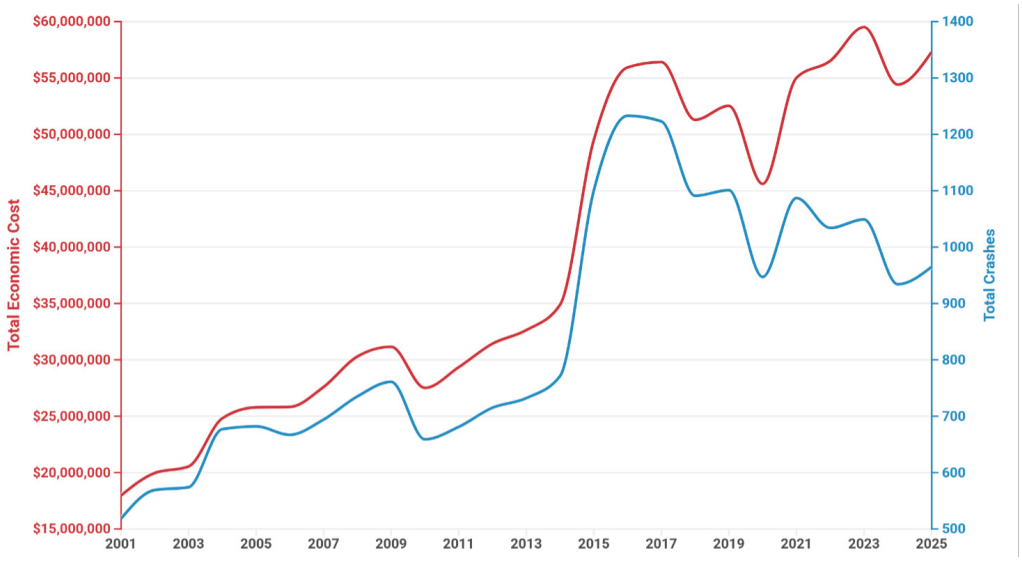
SENATE FILES 234 AND 444

This section does two things: first, it outlines how to quantify economic losses from cellphone-related crashes, and second, it links the observed reductions in those costs to the implementation of SF 234 and SF 444, estimating their economic impact on Iowa.

What are the Economic Costs of Distracted Driving?

Despite marginal improvements on Iowa roadways, the scale of distracted driving's economic footprint in Iowa helps explain why lawmakers continued to revisit the issue despite existing deterrents. Crashes do not just result in property damage; they also generate substantial costs from medical care, lost productivity, travel delays, emergency response, and long-term disability. According to a 2019 National Highway Traffic Safety Administration (NHTSA) study, Iowa's total motor vehicle crash-related costs reached $2.8 billion. This estimate averages the costs of fatalities, property damages, nonfatal injury medical costs, lost productivity, travel delay and workplace costs, insurance, and legal costs.

FIGURE 2. ANNUAL DIRECT ECONOMIC COSTS OF ELECTRONIC/CELLPHONE-RELATED DISTRACTED DRIVING CRASHES IN IOWA, 2001 TO 2025



Source: National Highway Traffic Safety Administration, Iowa Department of Transportation Crash Analysis Tool (ICAT), Bureau of Labor Statistics, CSI Calculations

Note: Economic cost estimates are derived from state-specific average cost estimates by the NHTSA in 2019. Years before and after 2019 are inflation-adjusted using Midwest, all items, non-seasonally adjusted CPI. The table estimates 2025 by annualizing the data available through May 31, 2025.

According to this report, the average crash in Iowa cost $47,707 in 2019 dollars. Electronic-related distracted driving is estimated to have accounted for $52.5 million that year, or 1.9% of the total. This per-crash value will serve as the estimated average "economic cost" or "direct cost" of any single crash each year. Any reference to these two terms within this report will refer to this inflation-adjusted value. Using estimates from the NHSTA, Figure 2 visualizes the total economic costs of distracted driving-related crashes each year.

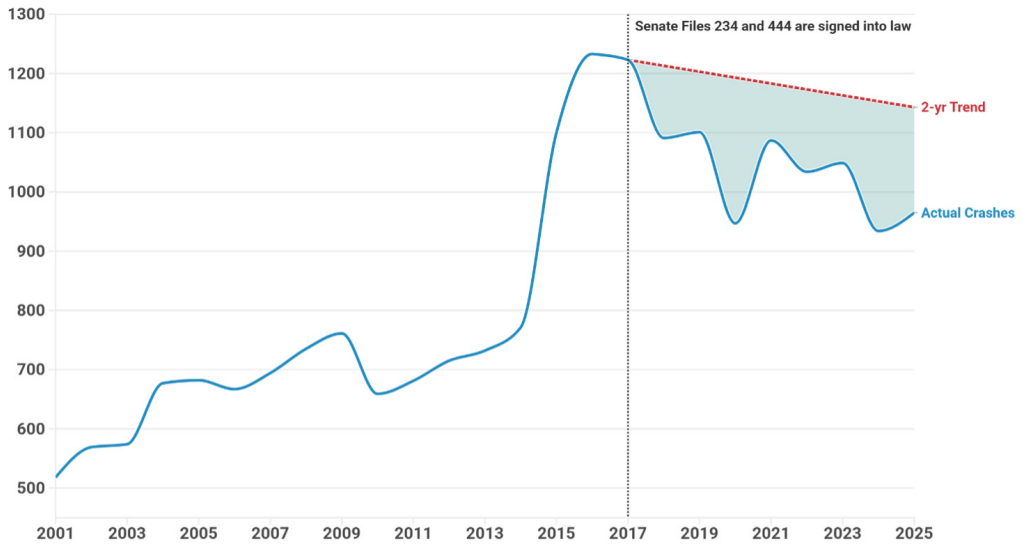
The direct economic cost of electronic-related distracted driving in Iowa first peaked in 2017 at $56.4 million. Following the passage of SF 234 and SF 444 that same year, these costs steadily declined, reaching a low of $45.7 million by 2020. By directly targeting negligent behaviors such as texting and handheld phone use while driving, the two laws drove meaningful reductions in both crash rates and the financial burden they impose.

Although costs climbed again — reaching a second peak of $59.5 million in 2023 — this increase occurred despite a decline in total crashes, suggesting the legislative interventions were effective in reducing incidents. (The rise in costs likely reflects increased medical expenses and higher inflation-adjusted economic valuations, such as for property damage and services.) Based on current trends, the projected cost for 2025 stands at $57.3 million. Without the enforcement tools and deterrent effects provided by SF 234 and SF 444, economic losses from distracted driving would likely have continued rising unchecked. The next subsection estimates the direct and indirect cost savings these two bills have delivered to Iowa since their enactment.

The Economic Impact of SF 234 and SF 444

Quantifying the results of Iowa's 2017 distracted driving laws helps illustrate how policy can translate into real economic gains. The analysis in this section estimates both the direct savings from crash reductions and the broader ripple effects on GDP and personal income. These

FIGURE 3. ESTIMATED EFFECTS OF SF 234 AND SF 444



Source: CSI Calculations, Iowa Department of Transportation Crash Analysis Tool (ICAT), Iowa Department of Transportation

Note: Data for 2025 is annualized based on current year data going through May 31

findings reveal how stronger enforcement tools helped Iowa avoid millions in preventable losses and positioned the state for continued benefits. Figure 3 starts with the direct savings, which stem from the NHSTA estimates and reflect savings from fewer property damages, hospital visits, legal fees, and other sources. The shaded area represents the cumulative direct cost savings, calculated as the difference between actual crash data and the two-year trend before passage of SF 234 and SF 444. Actual direct cost savings attributable to these laws are available in Table 2.

TABLE 2. TOTAL ECONOMIC IMPACT OF SF 234 AND SF 444, 2018 TO 2025

Year	Direct Savings	Indirect Savings (GDP)	Indirect Savings (Personal Income)
2018	$5,735,005	$5,000,000	$3,000,000
2019	$4,866,183	$5,000,000	$3,000,000
2020	$11,847,834	$11,000,000	$7,000,000
2021	$4,858,575	$5,000,000	$4,000,000
2022	$7,597,028	$ 8,000,000	$6,000,000
2023	$6,467,599	$7,000,000	$5,000,000
2024	$12,758,984	$14,000,000	$9,000,000
2025	$10,582,499	$12,000,000	$8,000,000
Total	**$64,713,707**	**$67,000,000**	**$45,000,000**

Source: CSI Calculations, REMI
Note: Indirect savings are approximated.

A reduction in crashes not only improves Iowa roadways, but also saves consumers and government entities millions of dollars in avoidable costs. This section uses the REMI Tax-PI+ model to estimate the dynamic economic impact of SF 234 and SF 444, specifically quantifying how much Iowa's economy gained from the reduction in electronic-related distracted driving.

The REMI model in this report mirrors the methodology from a prior CSI analysis released in December 2024, "The Economic Benefit of Iowa Remaining a Low Crime State."[5] In line with that approach, the model inputs, or the direct cost savings from crash reductions, are split evenly between increased consumer spending and state/local government spending. This allocation assumes crash-related costs are typically borne equally by private individuals and private entities.

Table 2 outlines the estimated direct and indirect economic impact of these two bills. Direct cost savings are calculated by multiplying the inflation-adjusted economic cost per crash by the estimated number of reduced crashes. These costs are derived from the data in Figure 2. Indirect cost savings are derived from the REMI model.

As shown in Table 2, two of the three highest years for cost savings occurred in 2024 and 2025. This outcome reflects not only continued reductions in crash rates, but also the growing economic value of each avoided incident since inflation drives up the cost of goods and services across all sectors. In other words, every crash prevented in recent years has translated into greater financial relief for Iowans and for state resources.

Altogether, SF 234 and SF 444 will generate an estimated $64.7 million in direct economic savings from 2018 through the end of 2025. Beyond these immediate impacts, the broader economy also benefited. Iowa retained an estimated $67 million in GDP and preserved $45 million in personal income over the same period. These figures highlight the lasting economic benefits of road safety legislation. As explained in the previous section, however, the 2017 law leaves room for improvement. The omission of some device use from the list of prohibited activities makes enforcement challenging, potentially reducing the efficacy of the law. The next section explores whether making Iowa a fully hands-free state with SF 22 can deliver additional crash reductions on top of the existing benefits realized from the 2017 legislation.

SENATE FILE 22

The data show Iowa still has room for improvement. As seen earlier in Figure 1, the state has not returned to pre-2015 crash levels even with the improvements seen under the 2017 legislation. While future real crash data will ultimately determine whether SF 22 provided additional benefits, researchers can use existing data from other states to predict the trajectory of electronic-related distracted driving crash statistics in Iowa under the new law. This section considers two pieces of legislation from other Midwest states Senate Bill 288 in Ohio and House File 50 in Minnesota — and their impacts on those states' crash data to forecast the possible additional benefit Iowa will experience under SF 22.

Minnesota and Ohio Serve As Analogs to Iowa's 2025 Law

Both Minnesota and Ohio have implemented hands-free driving laws in recent years that are similar to SF 22. These laws offer insight into the potential outcomes of Iowa's new law. Notably, Minnesota experienced a 31% drop in distracted driving crashes within the first year of enactment.[6] While encouraging, not all laws are created or enforced equally. This fact means some comparisons are more useful than others when forecasting Iowa's likely results.

For example, penalty structures vary. Ohio's law includes a point system that escalates with repeat offenses and can lead to license suspension. In contrast, both Iowa and Minnesota rely on flat fines without assigning demerit points. These differences may affect how much change a new law can produce. Table 2 summarizes the key features of each state's hands-free law, including penalties, grace periods, and when each law took or will take effect.

TABLE 3. COMPARING HANDS-FREE LEGISLATION IN IOWA, OHIO, AND MINNESOTA

Descriptor	Iowa: SF 22	Ohio: SB 288	Minnesota: HF 50
Post-Covid Law	Yes	Yes	No
Hands-Free Devices	Allowed	Allowed	Allowed
Grace Period	6-Month	6-Month	None
Grace Period in Effect	July 1, 2025	April 4, 2023	N/A
Full Enforcement in Effect	January 1, 2026	October 4, 2023	August 1, 2019
First Offense	$100	2 Points, up to $150 fine	$50
Second Offense	$100	3 points, up to $250 fine	$275
Third Offense	$100, Habitual violator if within 12-month span*	4 points, up to $500 fine, possible 90-day suspension	$275
Offense Results in Injury	$500 fine, possible suspension	Not Specified	Not Specified
Offense Results in Death	$1,000 fine, possible suspension	Not Specified	Not Specified

Source: Iowa Legislature, Ohio Legislature, Minnesota Legislature, Ohio Department of Transportation

Note: Fines may include additional surcharge and court fees not accounted for in the table.

**If a person is convicted of or pleads guilty to three or more moving violations that were committed within a 12-month period, that person would be considered a habitual violator and could face a suspension of driving privileges from the Iowa DOT.*

Two key factors make Ohio's 2023 "Phones Down" law a stronger point of comparison for Iowa's SF 22 than Minnesota's law.

First, both Iowa and Ohio's roll-out of the law include a six-month grace period in their implementation strategies where drivers receive warnings instead of citations.[7] This feature allows drivers time to learn the new law and adjust their driving habits before full enforcement begins. Iowa's grace period runs from July 1 to December 31, 2025, with citations beginning January 1, 2026. In contrast, Minnesota had no formal grace period. Its 2019 law was enforced with citations just four months after passage. This difference in rollout may influence how quickly and effectively drivers comply with the law. A phased approach can encourage stronger behavior change by focusing first on education and awareness. Ohio serves as a more accurate proxy here.

Second, the timing of passage and implementation of Ohio's law line up more closely with Iowa's. Minnesota's law took effect in August 2019, just seven months before the state declared a COVID-19 emergency. This emergency disrupted driving patterns, making it harder to isolate the law's effects. As a result, Minnesota's data may not accurately reflect current driving conditions or enforcement dynamics, limiting its relevance to Iowa's current context. Iowa and Ohio enacted their hands-free laws following the COVID-19 pandemic after travel behavior had normalized.

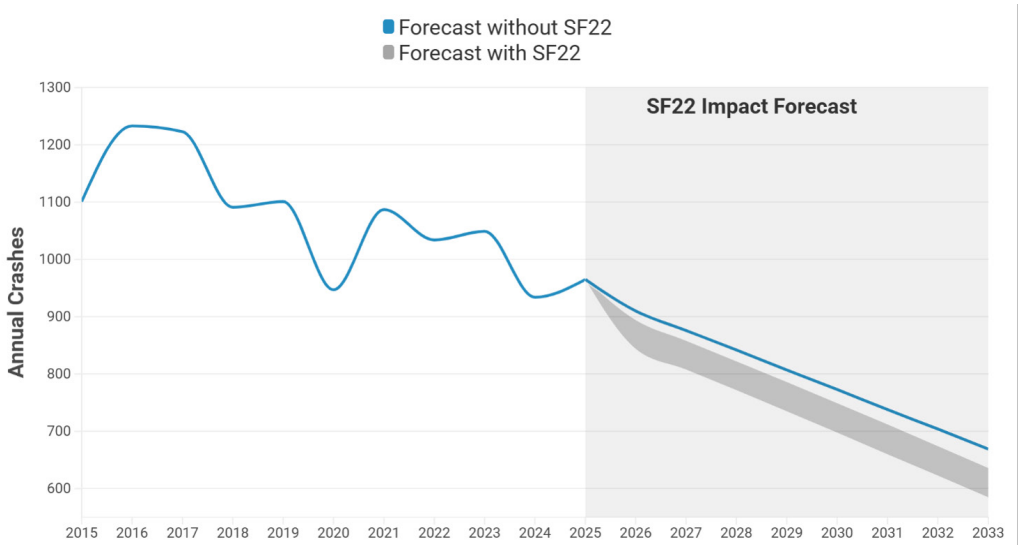
Together, these factors make Ohio's law a more useful and timely comparison for evaluating the likely impact of Iowa's SF 22, which we do in the next section. To approximate the impact directly attributable to Ohio's 2023 policy, rather than to broader trends or unrelated factors, the following section employs a difference-in-differences (DiD) model. This approach compares changes in crash rates in Ohio before and after the law's implementation to corresponding trends in two control states, Minnesota and Iowa. By isolating the policy's impact from other time-varying factors, this analysis provides a clearer estimate of SB 288's effect on crash outcomes. The resulting estimates will serve as a benchmark for projecting the potential impact of Iowa's SF 22 following its enforcement in January 2026.

The Economic Impact of SF 22

Common Sense Institute employs a DiD model to estimate the effect of Ohio's new traffic safety law by comparing distracted-related crash rates in Ohio (the treatment group) to Minnesota and Iowa (the control groups) before and after the law went into effect. Crash rates are calculated as crashes per 100,000 residents. More information on the model is available in the methodology section of this report. Model results can be found in Table 6 in the appendix. The significant negative coefficient on the interaction term (-1.2318) suggests Ohio's crash rate dropped by about 1.23 crashes per 100,000 people relative to Minnesota and Iowa in the post-law period, controlling pre-existing differences between the states and overall time trends. This finding indicates the law had a meaningful impact in improving traffic safety. This coefficient can help determine the expected decline in crashes within Iowa.

Figure 4 visualizes the 10-year trend in electronic-related distracted driving crashes in Iowa. It also shows the assumed reduction from the trend in crash rates if Iowa were to follow Ohio's post-law trends closely. The shaded cone area indicates the 95% confidence interval.

FIGURE 4. ANNUAL ELECTRONIC-RELATED DISTRACTED DRIVING CRASHES IN IOWA, 2015 TO 2033



Source: CSI Calculations

According to the DiD model, SF 22 may reduce electronic-related distracted driving crashes by between 16 to 41 incidents in 2026. Over eight years, this drop could amount to between 186 to 595 fewer crashes than the current five-year, post-pandemic trend. In nominal terms, this equals tens of millions of dollars in economic savings for the economy. Based on the DiD analysis, Tables 4 and 5 outline the range of total expected economic impact of SF 22 over the next eight years. This REMI analysis parallels the assumptions in Table 2 but with an assumed 2% annual inflation applied to future years. Ultimately, the actual cost savings of SF 22 will depend on the law's efficacy relative to Ohio's comparable law.

TABLE 4. TOTAL EXPECTED ECONOMIC IMPACT OF SF 22, TOP-RANGE ESTIMATED SAVINGS, 2026 TO 2033

Year	Direct Savings	Indirect Savings (GDP)	Indirect Savings (Personal Income)
2026	$4,029,952	$5,000,000	$3,000,000
2027	$4,205,340	$6,000,000	$3,000,000
2028	$4,408,786	$6,000,000	$4,000,000
2029	$4,641,797	$7,000,000	$4,000,000
2030	$4,905,935	$7,000,000	$5,000,000
2031	$5,202,823	$7,000,000	$5,000,000
2032	$5,534,148	$7,000,000	$5,000,000
2033	$5,901,657	$8,000,000	$6,000,000
Total	**$38,830,437**	**$53,000,000**	**$35,000,000**

Source: CSI Calculations, REMI

At the higher end of the estimate, SF 22 could generate $4 million in direct savings, $5 million in GDP growth, and $3 million in added personal income for 2026 alone. Over eight years, the law's impact could total $38 million in direct savings, $53 million in GDP growth, and $35 million in added personal income. If enforcement falls short, the economic impact of SF 22 could be closer to the bottom-range estimated savings in Table 5. Regardless, the law would still save Iowa's economy $12 million in direct costs, $16 million in GDP growth, and $11 million in personal income over eight years.

TABLE 5. TOTAL EXPECTED ECONOMIC IMPACT OF SF 22, BOTTOM-RANGE ESTIMATED SAVINGS, 2026 TO 2033

Year	Direct Savings	Indirect Savings (GDP)	Indirect Savings (Personal Income)
2026	$982,019	$1,000,000	$1,000,000
2027	$1,082,346	$1,000,000	$1,000,000
2028	$1,208,947	$2,000,000	$1,000,000
2029	$1,363,288	$2,000,000	$1,000,000
2030	$1,546,889	$2,000,000	$1,000,000
2031	$1,761,331	$2,000,000	$2,000,000
2032	$2,008,255	$3,000,000	$2,000,000
2033	$2,289,364	$3,000,000	$2,000,000
Total	**$12,242,439**	**$16,000,000**	**$11,000,000**

Source: CSI Calculations, REMI

Senate File 22 makes Iowa a fully "hands-free" state, and its impact is poised to continue creating safer roadways and lower economic costs resulting from crashes. While the 2017 laws were helpful in targeting the most dangerous behaviors like texting, SF 22 strengthens and simplifies enforcement by removing ambiguity around handheld devices. This broader, clearer standard can ultimately help law enforcement reinforce safer driving habits more consistently. Importantly, the impacts shown in Table 5 come in addition to ongoing impacts from previous legislation, as depicted in the "forecast period" in Figure 4. It assumes the benefits from previous legislation will continue. The cumulative impact of all legislation since 2010 is much greater than the isolated impact of SF 22 shown in Table 5.

Based on its analysis, CSI anticipates the 2025 law will deliver incremental but meaningful improvements, savings lives and further reducing economic costs. As with any forecast, however, CSI's analysis relies on imperfect information because the future is unknown. It assumes Iowa's results will reflect Ohio's within a 95% confidence interval based on the DiD model. That finding may prove incorrect if, for example, the difference in Ohio's penalty structure or in enforcement have a larger impact than expected. Additionally, making enforcement easier with SF 22 may have a larger impact on outcomes than the analysis can predict. Ultimately, time and future data will reveal the law's impact. After three to five years, enough data will be available to gauge the efficacy of the law. If by then actual data show a positive effect than CSI forecasted, that outcome could serve as evidence that variables like penalties and enforcement may have played a larger role than the model predicted. Conversely, if the law has delivered no measurable benefits above and beyond what the 2017 legislation yielded, that outcome could suggest SF 22 did not bring the expected added benefits. In that case, lawmakers should consider repealing SF 22 to avoid needlessly expending state resources to enforce an ineffective law. Common Sense Institute will revisit the law at that time, using the methodology and findings from this report as a barometer for measuring its success.

BOTTOM LINE

Iowa's 2017 distracted driving laws delivered measurable, statewide economic benefits, saving the state over more than $130 million in direct and indirect costs over eight years. However, the law permitted some forms of distracted driving, making enforcement challenging. The newly enacted SF 22 aims to strengthen the 2017 laws and build on their successes by making Iowa a fully "hands-free" state. While CSI's analysis finds much of the road safety improvements distracted driving laws can deliver were already realized with SF 234 and SF 444, the 2025 law can still deliver meaningful gains — especially if enforcement improves. Over eight years, SF 22 could prevent as many as 595 crashes and deliver $88 million in indirect economic value. As with any regulation, continued data evaluation will be essential to ensure the law's anticipated benefits are realized.

METHODOLOGY

A difference-in-differences (DiD) model helps estimate the impact of a specific policy by comparing changes in outcomes over time between a group that experienced the policy (Ohio) and a group that did not (Minnesota and Iowa).[8] This model assumes that, without the policy, both groups would have followed similar trends. By tracking how crash rates changed in each group before and after Ohio's law took effect, the DiD model isolates the policy's effect from other unrelated trends. In this case, the policy in question is Ohio's Senate Bill 288 which finished its grace period in October 2023.

To ensure consistency in the model, this analysis defines electronic-related crashes as those involving "a driver distracted by manually operating an electronic communication device (texting, typing, dialing), talking on a hand-held communication device, or distracted by a passenger or other in-vehicle distraction."[9] For forecasting purposes, the difference-in-differences coefficient is applied only to crash rates involving electronic device use in Iowa.

The DiD model includes three key variables:

1. Treatment, which identifies Ohio observations,
2. Post, which flags the period after Ohio's six-month grace period ended,
3. Treatment * Post, the interaction term capturing the policy's estimated effect.

The interaction term coefficient is -1.23 and statistically significant ($p < 0.01$), indicating the outcome rate in Ohio declined by about 1.23 points more than in Minnesota and Iowa after the policy took effect. The treatment coefficient (2.44, $p < 0.001$) shows Ohio started with a higher baseline outcome rate compared to the control group. The post variable is not statistically significant, suggesting no strong general time trend in the control states. The adjusted R-squared of 0.46 suggests the model explains a moderate portion of the variation in rates. Using the interaction's standard error (0.393), the 95% confidence interval for the treatment effect ranges from approximately –2.00 to –0.46.

APPENDIX

TABLE 6. DIFFERENCE IN DIFFERENCE RESULTS: OHIO, MINNESOTA, AND IOWA, 2021 TO 2025

Variable	Estimate
Intercept	5.0337***
Post	-0.4254
Treatment	2.4429***
Treatment * Post	-1.2318**
Adjusted	0.46
Observations	156

ENDNOTES

1. Office of the Governor, "Gov. Reynolds signs 'Hands-Free' Bill into Law," Press Release, April 2, 2025, https://governor.iowa.gov/press-release/2025-04-02/gov-reynolds-signs-hands-free-bill-law.

2. An Act concerning the use of electronic communication devices while driving, and providing penalties, HF 2456, State of Iowa 83rd General Assembly (2010), https://www.legis.iowa.gov/legislation/BillBook?ga=83&ba=HF2456.

3. An Act relating to the use of electronic communication devices to write, send, or view electronic messages while driving as a primary offense, and making penalties applicable, SF 234, State of Iowa 87th General Assembly (2017), https://www.legis.iowa.gov/legislation/BillBook?ba=SF%20234&ga=87.

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