

117TH CONGRESS  
1ST SESSION

# H. R. 4894

To direct the Secretary of Commerce to establish an alternative metric for measuring the net benefits of economic activity, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 30, 2021

Ms. OMAR (for herself, Ms. NEWMAN, Mr. EVANS, Mr. BOWMAN, Ms. JAYAPAL, and Ms. BUSH) introduced the following bill; which was referred to the Committee on Oversight and Reform, and in addition to the Committees on the Budget, Education and Labor, Ways and Means, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To direct the Secretary of Commerce to establish an alternative metric for measuring the net benefits of economic activity, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Genuine Progress Indi-  
5 cator Act of 2021” or the “GPI Act of 2021”.

1 **SEC. 2. GENUINE PROGRESS INDICATOR.**

2 (a) ESTABLISHMENT.—Not later than 180 days after  
3 the date of the enactment of this Act, the Secretary of  
4 Commerce (in this Act referred to as the “Secretary”),  
5 acting through the Director of the Bureau for Economic  
6 Analysis, shall establish a metric to be known as the “gen-  
7 uine progress indicator” to measure the economic well-  
8 being of households, calculated through adjustments to  
9 gross domestic product that account for positive and nega-  
10 tive economic, environmental, and social factors that con-  
11 tribute to economic activity, including the factors de-  
12 scribed in subsection (b).

13 (b) FACTORS.—The genuine progress indicator estab-  
14 lished under subsection (a) shall include the following:

15 (1) BENEFITS.—With respect to benefits, the  
16 total annual economic value of—

17 (A) personal consumption expenditures,  
18 net of investments, and defensive spending;

19 (B) the purchase of consumer durables and  
20 other household durables used for home im-  
21 provement, including appliances, vehicles, and  
22 solar panels;

23 (C) publicly provided goods and services;

24 (D) higher education;

25 (E) job skills that are essential to an econ-  
26 omy that—

- 1 (i) is self-sufficient; and
- 2 (ii) addresses ecological scarcities and
- 3 directs resources to sustainable develop-
- 4 ment without degrading the environment;
- 5 (F) time spent toward leisure activities;
- 6 (G) unpaid labor, including—
- 7 (i) parenting;
- 8 (ii) volunteering; and
- 9 (iii) time spent on household duties;
- 10 (H) infrastructure, including—
- 11 (i) transportation systems;
- 12 (ii) communication networks; and
- 13 (iii) sewage, water, and electric sys-
- 14 tems; and
- 15 (I) ecosystem services with respect to pro-
- 16 tected natural areas, including—
- 17 (i) flood control;
- 18 (ii) water purification;
- 19 (iii) pollination of crops;
- 20 (iv) control of pests and invasive
- 21 species;
- 22 (v) outdoor recreation;
- 23 (vi) hunting and fishing;
- 24 (vii) harvesting of plants for medicinal
- 25 and edible purposes;

- 1 (viii) carbon sequestration; and  
2 (ix) maintenance of biological and ge-  
3 netic diversity.

4 (2) COSTS.—With respect to costs, the total an-  
5 nual economic costs of—

- 6 (A) income inequality based on household  
7 expenditures;  
8 (B) underemployment and unemployment;  
9 (C) homelessness;  
10 (D) domestic abuse;  
11 (E) violent, property, white-collar, and or-  
12 ganized crime;  
13 (F) water, air, and noise pollution at the  
14 household and national level;  
15 (G) the loss of farmland and productive  
16 soils, including soil quality degradation;  
17 (H) the loss of natural wetlands, primary  
18 forest area, and other at-risk ecosystems;  
19 (I) high amounts of carbon dioxide and  
20 other greenhouse gas emissions;  
21 (J) the depletion of the ozone layer;  
22 (K) the depletion of nonrenewable sources  
23 of energy;  
24 (L) lost leisure time due to traffic conges-  
25 tion; and

1 (M) accidents involving motor vehicles.

2 (c) USE OF GENUINE PROGRESS INDICATOR.—Not  
3 later than 1 year after the date of the enactment of this  
4 Act, the head of each Federal agency, the President, the  
5 Chair of the Federal Reserve, and Congress shall, with  
6 respect to any budgetary reporting and economic fore-  
7 casting involving a measure of the net benefits of economic  
8 activity, use both the genuine progress indicator estab-  
9 lished pursuant to subsection (a) and gross domestic prod-  
10 uct, including—

11 (1) with respect to the Director of the Congres-  
12 sional Budget Office, the report submitted pursuant  
13 to section 202(e)(1) of the Congressional Budget  
14 Act of 1974 (2 U.S.C. 602(e)(1));

15 (2) with respect to the President—

16 (A) each budget proposal submitted pursu-  
17 ant to section 1105 of title 31, United States  
18 Code; and

19 (B) each report submitted pursuant to sec-  
20 tion 4 of the Employment Act of 1946 (15  
21 U.S.C. 1022a);

22 (3) with respect to the Chair of the Federal Re-  
23 serve, the report submitted pursuant to section  
24 225b(b) of the Federal Reserve Act of 1913 (12  
25 U.S.C. 225b(b)); and

1 (4) with respect to Congress—

2 (A) each economic report submitted by the  
3 committee established under section 11 of the  
4 Employment Act of 1946 (15 U.S.C. 1024);  
5 and

6 (B) each tax investigation report developed  
7 by the Joint Committee on Taxation pursuant  
8 to section 8022 of the Internal Revenue Code of  
9 1986.

10 (d) REPORT.—Not later than 1 year after the date  
11 of the enactment of this Act, and annually thereafter, the  
12 Secretary and the Director of the Congressional Budget  
13 Office shall submit to Congress a report on—

14 (1) the development of the genuine progress in-  
15 dicator under subsection (a);

16 (2) the cost of such development; and

17 (3) the utility of the genuine progress indicator  
18 with respect to measuring the net benefits of eco-  
19 nomic activity.

20 (e) FEDERAL AGENCY DEFINED.—The term “Fed-  
21 eral agency” has the meaning given that term in section  
22 551 of title 5, United States Code.

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