

S.237

Introduced by Senators Pollina, McCormack and White

Referred to Committee on Government Operations

Date: January 3, 2012

Subject: Executive; genuine progress indicator

Statement of purpose: This bill proposes to: 1) require a genuine progress indicator committee to develop an economic indicator, to be named “the genuine progress indicator,” to replace the gross domestic product as a measure of Vermont’s economic health; and 2) require the governor to use the genuine progress indicator developed by the committee as a factor in preparing the state budget.

An act relating to the genuine progress indicator

It is hereby enacted by the General Assembly of the State of Vermont:

~~Sec. 1. GENUINE PROGRESS INDICATOR~~

~~(a) Creation of committee. There is created a genuine progress indicator committee to develop an economic indicator which shall be named “the genuine progress indicator.”~~

~~(b) Membership. The genuine progress indicator committee shall be composed of:~~

~~(1) the secretary of administration;~~

- 1 ~~(2) the secretary of agriculture, food and markets or his or her designee;~~
2 (3) the commissioner of banking, insurance, securities, and health care
3 administration or his or her designee;
4 (4) the secretary of commerce and community development or his or her
5 designee;
6 (5) the commissioner of fish and wildlife or his or her designee;
7 (6) the commissioner of forest, parks and recreation or his or her
8 designee;
9 (7) the commissioner of health or his or her designee
10 (8) the commissioner of labor or his or her designee;
11 (9) the commissioner of public safety or his or her designee;
12 (10) the commissioner of public service or his or her designee;
13 (11) the commissioner for children and families or his or her designee;
14 (12) the commissioner of environmental conservation or his or her
15 designee;
16 (13) the secretary of natural resources or his or her designee;
17 (14) the secretary of transportation or his or her designee;
18 (15) a representative designated by the Gund Institute for Ecological
19 Economics of the University of Vermont; and
20 (16) a representative designated by the Vermont Community
21 Foundation.

1 ~~(c) Powers and duties of committee; purpose of indicator.~~

2 (1) By November 1, 2012, the committee shall develop a genuine
3 progress indicator to replace the gross domestic product as a measure of
4 Vermont's economic health.

5 (2) The genuine progress indicator shall be one that adds in positive
6 factors and subtracts negative factors which are not counted by standard gross
7 domestic product accounting practices.

8 (3) The genuine progress indicator shall be based upon and be at least as
9 comprehensive as the framework designed by the Gund Institute for Ecological
10 Economics of the University of Vermont; shall incorporate basic human rights
11 principles; and shall include at least the following measures:

12 (A) access to livable wages;

13 (B) access to affordable housing;

14 (C) access to health care;

15 (D) personal consumption expenditures;

16 (E) income distribution;

17 (F) personal consumption adjusted for income inequality;

18 (G) value of household labor;

19 (H) value of volunteer work;

20 (I) services of household capital;

21 (J) services of highways and streets;

- 1 ~~(K) cost of crime;~~
- 2 (L) cost of family breakdown;
- 3 (M) loss of leisure time;
- 4 (N) cost of underemployment;
- 5 (O) cost of consumer durables;
- 6 (P) cost of commuting;
- 7 (Q) cost of household pollution abatement;
- 8 (R) cost of automobile accidents;
- 9 (S) cost of water pollution;
- 10 (T) cost of air pollution;
- 11 (U) cost of noise pollution;
- 12 (V) loss of wetlands;
- 13 (W) loss of farmland;
- 14 (X) depletion of nonrenewable resources;
- 15 (Y) long-term environmental damage;
- 16 (Z) cost of ozone depletion;
- 17 (AA) loss of forest cover;
- 18 (BB) net capital investment; and
- 19 (CC) net foreign lending and borrowing.

1 ~~(4) In developing the genuine progress indicator prior to its~~
2 ~~implementation as set forth in subsection (d) of this section, the committee~~
3 ~~shall:~~

4 ~~(A) Hold at least three public hearings in different geographic regions~~
5 ~~of the state to allow the public an opportunity to recommend additional~~
6 ~~measures of the genuine progress indicator. The committee shall consider the~~
7 ~~public recommendations in developing the genuine progress indicator.~~

8 ~~(B) Report to the house and senate committees on government~~
9 ~~operations on the development of the genuine progress indicator and how the~~
10 ~~indicator may be used once implemented.~~

11 ~~(d) Implementation.~~

12 ~~(1) By November 1, 2012, the governor shall ensure that the genuine~~
13 ~~progress indicator developed by the committee is posted online on his or her~~
14 ~~official gubernatorial website.~~

15 ~~(2) The governor shall use the genuine progress indicator developed by~~
16 ~~the committee as a factor in preparing subsequent state budgets.~~

17 Sec. 2. EFFECTIVE DATE

18 ~~This act shall take effect on passage.~~

~~Sec. 1. PURPOSE AND INTENT~~

~~(a) Purpose. The purpose of the genuine progress indicator ("GPI") is to~~
~~measure the state of Vermont's economic, environmental, and societal~~
~~well-being as a supplement to the measurement derived from the gross state~~
~~product.~~

~~(b) Intent. It is the intent of the general assembly that once established, the GPI will assist state government in decision-making by providing an additional basis for budgetary decisions, including outcomes-based budgeting; measuring progress in the application of policy and programs; and as a tool to identify public policy priorities.~~

~~Sec. 2. GENUINE PROGRESS INDICATOR~~

~~(a) Establishment; maintenance.~~

~~(1) The secretary of administration shall accept the offer of the Gund Institute for Ecological Economics of the University of Vermont (the "Gund Institute") to work in cooperation to establish, and shall thereafter make use of and maintain, the genuine progress indicator (GPI). In establishing the GPI, the secretary of administration, in cooperation with the Gund Institute, shall create a Vermont data committee to inventory existing datasets and to make recommendations that may be useful to all data users in Vermont's state government, nonprofits, and businesses.~~

~~(2) The GPI shall add positive factors and subtract negative factors that are not counted by standard gross state product accounting practices.~~

~~(3) The GPI shall use standard genuine progress indicator methodology and additional factors to enhance the indicator, including basic human rights principles.~~

~~(b) Accessibility. Once established, the GPI and its underlying datasets that are submitted by the Gund Institute to the secretary of administration shall be posted on the state of Vermont website.~~

~~(c) Updating data. The secretary of administration shall cooperate in providing data to the Gund Institute as necessary in order to update and maintain the GPI.~~

~~Sec. 3. REPORT~~

~~By January 1, 2019, the secretary of administration shall report to the house and senate committees on government operations regarding the usefulness of the genuine progress indicator.~~

~~Sec. 3a. PROGRESS REPORT~~

~~By January 15, 2015, the secretary of administration shall submit to the house and senate committees on government operations a progress report regarding the GPI.~~

~~Sec. 4. DATASETS~~

~~Any datasets submitted by the Gund Institute to the secretary of administration pursuant to this act shall be considered a public record under chapter 5 of Title 1.~~

~~Sec. 5. EFFECTIVE DATE~~

~~This act shall take effect on passage.~~

Sec. 1. PURPOSE, DEFINITION, AND INTENT

(a) Purpose. The purpose of the genuine progress indicator (“GPI”) is to measure the state of Vermont’s economic, environmental, and societal well-being as a supplement to the measurement derived from the gross state product and other existing statistical measurements.

(b) Definition. The GPI is an estimate of the net contributions of economic activity to the well-being and long-term prosperity of our state’s citizens, calculated through adjustments to gross state product that account for positive and negative economic, environmental, and social attributes of economic development.

(c) Intent. It is the intent of the general assembly that once established and tested, the GPI will assist state government in decision-making by providing an additional basis for budgetary decisions, including outcomes-based budgeting; by measuring progress in the application of policy and programs; and by serving as a tool to identify public policy priorities, including other measures such as human rights.

Sec. 2. GENUINE PROGRESS INDICATOR

(a) Establishment; maintenance.

(1) The secretary of administration shall negotiate and enter into a memorandum of understanding with the Gund Institute for Ecological Economics of the University of Vermont (the “Gund Institute”) to work in collaboration to establish and test a genuine progress indicator (GPI). The memorandum shall provide the process by which the GPI is established and, once tested, how and by whom the GPI shall be maintained and updated. The memorandum shall further provide that in the establishment of the GPI, the secretary of administration, in collaboration with the Gund Institute, shall create a Vermont data committee made up of individuals with relevant expertise to inventory existing datasets and to make recommendations that may be useful to all data users in Vermont’s state government, nonprofit organizations, and businesses.

(2) The GPI shall use standard genuine progress indicator methodology and additional factors to enhance the indicator, which shall be adjusted periodically as relevant and necessary.

(b) Accessibility. Once established, the GPI and its underlying datasets that are submitted by the Gund Institute to the secretary of administration shall be posted on the state of Vermont website.

(c) Updating data. The secretary of administration shall cooperate in providing data as necessary in order to update and maintain the GPI.

Sec. 3. PROGRESS REPORTS

By January 15, 2013 and once every other year thereafter, the secretary of administration shall report to the house committees on government operations and on commerce and economic development and the senate committees on government operations and on economic development, housing, and general affairs a progress report regarding the maintenance, including the cost of maintenance, and usefulness of the GPI.

Sec. 4. DATASETS

Any datasets submitted to the secretary of administration pursuant to this act shall be considered a public record under chapter 5 of Title 1.

Sec. 5. EFFECTIVE DATE

This act shall take effect on passage.