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HOUSE COMMITTEE ON COMMERCE
AND ECONOMIC DEVELOPMENT

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MEMORANDUM

To: Rep. Maida Townsend and Sen. Brian Collamore
Co-Chairs, Government Accountability Committee

From: Rep. Bill Botzow
Chair, House Committee on Commerce and Economic Development

Date: February 1, 2018

Subject: Indicators for State Outcome #1 – “Vermont has a prosperous economy”

On behalf of the Committee on Commerce and Economic Development, thank you for the opportunity to review and provide comments on the indicators reported annually in the State Outcomes Report.

At your request the Committee has reviewed the proposed indicators of Population-Level Outcomes relative to Outcome #1 – “Vermont has a prosperous economy.” It is the Committee's opinion that further refinement to the indicators is warranted, and accordingly, we submit to you our recommendations below.

The indicators need to have context and meaning, with trend lines that compare Vermont data to regional and national data. Further, the economic divide in Vermont between Chittenden County and the rest of the State suggests that Vermont's data be broken down into three sets: Vermont as a whole, Chittenden County, and non-Chittenden County.

The indicators we recommend are:

1. Median household income.
2. Employment: (a) net change in nonpublic sector employment; (b) percent or rate per 1,000 jobs of nonpublic sector employment; and (c) rate of resident unemployment per 1,000 residents.
3. Percent of population living at or below 185% of the federal poverty level.
4. Gross state product (GSP) per capita.
5. Genuine progress indicator (GPI). The GPI is a useful indicator of overall economic health. It is our understanding that the calculation of the GPI is complicated and may incur additional costs, particularly on an annual basis. We recommend that the Government Accountability Committee consider adding the GPI but on a 3 or 5 year basis.