

The League of Women Voters of Oregon is a 102-year-old grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.

February 16, 2022

To: Representative John Lively, Chair

House Committee on Economic Recovery and Prosperity

Re: <u>HB4093</u> - Genuine Progress Indicator - Support

The national, state and local League of Women Voters stands together supporting; 'Secure equal rights and equal opportunity for all, promote social and economic justice and the health and safety of all Americans. Using Genuine Progress Indicator (GPI) provides an economic justice measurement tool which addresses these positions. A GPI would measure the health of many of the systems that are included in many Leagues positions, ex: government structures, social policies, natural resources, etc. The current GDP (Gross Domestic Product) does not measure or reflect the true environmental, social, and economic well-being of our state.

GPI academic background; this report was published in 2018 which is a comprehensive look: 'Genuine Economic Progress in the United States: A Fifty State Study and Comparative Assessment and this report by International Labor Organization; Toward more inclusive measures of economic well-being: Debates and Practices provide a science based view.

GPI is promoted by individuals and groups <u>including OSPIRG</u> that recognize the limitations of the methods currently used to measure a society's progress. The GDP for example, does not measure the distribution of wealth or look at how money is being spent. It does not look at the depletion of natural capital or what is happening to our environment. It ignores many of the good things in a society, such as volunteer work, parenting in the home, and public investments in education and research.

GPI uses 3 simple underlying principles for its methodology: 1) account for inequality based on race, income and gender, 2) include non-market benefits from economy environment and society that not included in GDP and 3) identify and deduct costs such as environmental degradation, human health effects and loss of time spent with family.

As of 2014, Vermont, Maryland, Washington, and Hawai'i have passed state government initiatives to consider GPI in budgeting decisions, with a focus on long-term cost and benefits.

GPI measures life expectancy, poverty rates, unemployment rates, disposable income, education levels, the state of natural resources, environmental pollution, waste, human health, satisfaction with life, and standards of living. Maryland and Vermont have already taken action to develop new tools.

It's time for Oregon to advance our economic understanding to highlight our progress or lack of progress in key societal areas and socioeconomic influences - basically economic, social, and environmental gains and losses.

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