The Measuring Real Income Growth Act (H.R. 707)

What it does:
- The Measuring Real Income Growth Act would require the Bureau of Economic Analysis (BEA) to provide distributional analyses of the U.S. gross domestic product.

What this means:
- The legislation would require the BEA, in addition to its current reporting of GDP, to analyze economic growth at least annually across each income group from the bottom 10% to the top 10%, including a separate measure for the top 1%.

Why?
- Historically, GDP has often grown at a strong rate while millions of Americans see their incomes grow slowly or even fall.
- GDP tells us how fast the nation’s economic “pie” is growing, but not the “slices” for different income groups.
- Currently, the BEA produces only aggregate analyses of GDP.
- Disaggregating economic growth by income group will provide a more complete picture of how families in the United States are faring across all rungs of the economic ladder.

Support:
- There has been strong support for the legislation from economists and nonprofits and in the national press.
- Nobel laureates Joseph Stiglitz and Robert Solow, former Federal Reserve Chair Janet Yellen and former Council of Economic Advisers chairs Jason Furman and Laura Tyson recently endorsed the legislation along with more than 50 other economists and social scientists.

“This is a really good idea…in modern America, knowing who actually benefits from economic growth is really, truly important. So let’s make finding that out, and disseminating the results, part of the government’s job.” – Paul Krugman, NYT

Overall GDP growth numbers “will tell us nothing about whether families up and down the income ladder are actually seeing that growth.” – Heather Boushey, Washington Center for Equitable Growth

“It’s not enough to analyze the economic “pie” (GDP), we must understand who is getting the slices.” – Rep. Carolyn B. Maloney (D-NY)

“America’s working families deserve the full picture when the federal government publishes data showing how the economy is doing.” – Senator Chuck Schumer (D-NY)

“Instead of focusing on one economic indicator closely watched by investors, we should be examining data that captures why many families are still struggling to make ends meet.” – Senator Martin Heinrich (D-NM)

The bill “is important, because it would change the national discussion that occurs whenever G.D.P. is released.” – David Leonhard, NYT