

Congress of the United States
Washington, DC 20510

March 28, 2019

Dr. Brian C. Moyer
Director
Bureau of Economic Analysis
4600 Silver Road
Suitland, MD 20746

Dear Director Moyer,

We write to urge the Bureau of Economic Analysis (BEA) to prioritize reporting on Income Growth Indicators, as requested in the attached language of the report accompanying the bipartisan Consolidated Appropriations Act of 2019. This important analysis would look beyond the aggregate measure of Gross Domestic Product (GDP) and provide a breakdown of economic growth across income groups.

Income inequality in the United States has increased dramatically over the last 40 years, with economic gains increasingly concentrated among the most affluent. By contrast, the majority of Americans have seen incomes and wages stagnate, even as the most closely watched measure of our nation's economic health, Gross Domestic Product, paints a rosier picture. Between 2003 and 2005 for example, real GDP grew by more than 3 percent each year, but the average income for half of all Americans actually fell during this period. The current practice of relying on top-line GDP growth as our primary economic indicator overshadows these important trends and fails to provide a fully accurate assessment of our nation's economic condition, particularly with respect to income growth for workers.


The recent appropriations law encourages the BEA to start regularly reporting Income Growth Indicators, showing how personal income is growing for each decile of income, at least annually and starting no later than 2020. The estimates should be released alongside national GDP reports. Establishing these new measures would give us official and timely data to guide policy discussions and inform policymakers' decisions.

BEA's chief economist and staff have already shown that they have the expertise and capability to produce these statistics, and we are encouraged that they have already conducted historical analysis on this important topic. We urge BEA to prioritize producing these measures on a more timely and consistent basis. We also ask that it work to break out income growth within the top decile, as historical analysis shows that even within the top decile, experiences vary widely.


Please let us know how soon this work can begin, and when the first distributional analyses likely will be released. Additionally, please inform us if additional legislation or resources are necessary to improve the accuracy and timeliness of these estimates. We commend the

professional staff of the BEA for the important work they do and look forward to further supporting their mission. We ask that you report back to us no later than April 12, 2019.

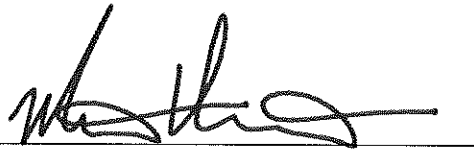
Sincerely,



Charles E. Schumer
Senate Democratic Leader



Carolyn B. Maloney
Vice Chair



Martin Heinrich
United States Senator