

United States Senate

WASHINGTON, DC 20510-0908

June 28, 2022

The Honorable Janet Yellen
Secretary of the Treasury
United States Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, D.C. 20220

Dear Secretary Yellen:

We have repeatedly warned of the inflation crisis caused by exorbitant government spending and urged the Biden administration to act. Skyrocketing inflation is a steadily rising and harmful tax which is devastating American families. They deserve answers on what the Biden administration knew about the impending inflation crisis, how government spending would impact it, what coordination it has had with the Federal Reserve about inflation and what plans it had, if any, to fix it.

Over a year ago, President Biden and Democrats in Congress shoved through an enormously wasteful "COVID" spending bill, which spurred dangerous inflation we are still facing today. Now, there are reports from the Federal Reserve and others that the American Rescue Plan's (ARP) massive \$2 trillion price tag was completely unnecessary and dangerously injected too much government money into the economy.¹ Regardless of your alleged hesitations, you went on to support and advocate for the multi trillion-dollar package despite its potential harmful effect on the U.S. economy.² You also attempted to downplay and reject the concerns of others, including members of Congress, about how this massive spending package would fuel inflation. Recently, you claimed that you misjudged the threat inflation posed and said you were wrong a year ago when you said you anticipated inflation would be "a small risk," "manageable" and "not a problem."³

It is long past time to share vital information on the discussions and actions debated by the U.S. Department of the Treasury and within the Biden administration to identify, address, and prevent the historic inflation facing our country today. The American people also must know how the Department, or any part of the administration, coordinated or communicated with the Federal Reserve about inflation.

¹ <https://www.frbsf.org/economic-research/publications/economic-letter/2022/march/why-is-us-inflation-higher-than-in-other-countries/>

² <https://www.bloomberg.com/news/articles/2022-06-04/yellen-wanted-biden-relief-plan-cut-by-a-third-biographer-says>

³ <https://www.cnn.com/2022/05/31/politics/treasury-secretary-janet-yellen-inflation-cnntv/index.html>

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Under 5 U.S.C. § 2954, “[a]n Executive agency, on request of the Committee on [Oversight and Reform] of the House of Representatives, or of any seven members thereof, or on request of the Committee on [Homeland Security and] Governmental Affairs of the Senate, or any five members thereof, shall submit any information requested of it relating to any matter within the jurisdiction of the committee.”

As Members of the U.S. Senate Committee on Homeland Security and Governmental Affairs, which is dutifully charged with oversight of your agency, we request that your Department provide unredacted documents, records, and materials pertaining to the internal consideration of ARP since January 2021, including emails, notes, memoranda, and text messages as well as any documentation in the possession of the U.S. Department of the Treasury relating to the Secretary’s and the administration’s discussions and plans to mitigate and prevent growing inflation, including all communication with the Federal Reserve, a detailed timeline of events and participants as well as any correspondence, reports, presentations, notes, or memorandum produced in preparation for, during, or as a result of these activities.

Please respond in an expeditious manner, but no later than Tuesday, July 12th. The American people deserve answers immediately. Thank you for your prompt attention to this important matter.

Sincerely,



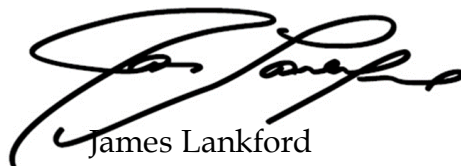
Rick Scott
United States Senator



Ron Johnson
United States Senator



Josh Hawley
United States Senator

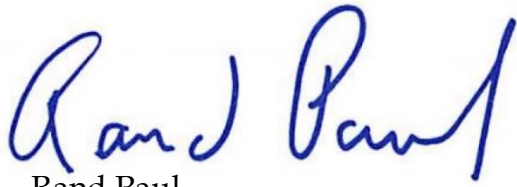


James Lankford
United States Senator

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A handwritten signature in blue ink that reads "Rand Paul". The signature is written in a cursive, flowing style.

Rand Paul

United States Senator