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December 10, 2021

VIA ELECTRONIC TRANSMISSION

The Honorable Kilolo Kijakazi
Acting Commissioner
Social Security Administration
6401 Security Boulevard
Baltimore, MD 21207

Dear Acting Commissioner Kijakazi:

As Ranking Member of the Senate Special Committee on Aging, I am writing to request information on the Social Security Administration's evaluation of inflationary policies and their impact on household prices. In February 2021, former Treasury Secretary and economic adviser Lawrence "Larry" Summers noted the stimulus package under consideration by Congress could "set off inflationary pressures of a kind we have not seen in a generation."¹ It is clear that inflation has now run much hotter and longer than the Administration expected, but hardworking American families and businesses do not have the ability to simply ignore sharply rising prices for everyday goods and services. I request the Social Security Administration provide records related to inflation to understand how the agency developed its current policies and how it plans to mitigate inflation's impact on Americans.

The Bureau of Labor Statistics recently reported a 6.8% increase in the prices of consumer goods, the largest increase in nearly 40 years.² Inflation has even affected a national retail chain well known for its \$1.00 product pricing by forcing its stores to raise the sticker price for most of its products to \$1.25.³ As we enter the final month of 2021, hardworking Americans are struggling to make ends meet—45% of all American households, and 71% of those making less than \$40,000 a year, reported financial hardship due to inflationary price increases.⁴

With nearly 70 million individuals receiving assistance from the programs managed by the Social Security Administration, the agency's vital role to our nation cannot be overstated. The average individual monthly retirement benefit is \$1,544. For the 8 million Americans of the Supplemental Security Income program, the average monthly benefit is \$576 with a maximum federal benefit capped at \$794 for individuals.⁵

¹ Summers, Lawrence H. "Opinion: The Biden stimulus is admirably ambitious. But it brings some big risks, too." *The Washington Post*. 4 February 2021. Op-ed. Accessed 3 December 2021. <https://www.washingtonpost.com/opinions/2021/02/04/larry-summers-biden-covid-stimulus/>

² Bureau of Labor Statistics. U.S. Department of Labor. *Consumer Price Index- November 2021*. 10 December 2021. Press Release USDL-21-2101. Accessed 10 December 2021. <https://www.bls.gov/news.release/cpi.nr0.htm>

³ Rocco, Matthew. "Dollar Tree raises most prices to \$1.25 as inflation sweeps retail sector." *Financial Times*. 23 November 2021. Accessed 3 December 2021. <https://www.ft.com/content/b9328c56-13c9-4940-a330-823b81a3c6d5>

⁴ Younis, Mohamed. "Inflation Causing Hardship for 45% of U.S. Households." *Gallup*. 2 December 2021. Accessed 3 December 2021. <https://news.gallup.com/poll/357731/inflation-causing-hardship-households.aspx>

⁵ Social Security Administration. "Fast Facts & Figures About Social Security, 2021." Office of Retirement and Disability Policy. Office of Research, Evaluation, and Statistics. SSA Publication No. 13-11785. September 2021. https://www.ssa.gov/policy/docs/chartbooks/fast_facts/2021/fast_facts21.pdf

The recently announced 5.9% cost-of-living adjustment (COLA) —the largest adjustment in nearly 40 years—is intended to provide moderate relief from inflation. However, the COLA increase will be essentially eliminated given the fact that basic consumer goods are at record highs compared to just one year ago. Gasoline is up 57% to an average of \$3.48 per gallon, boneless chuck roast has surged 29% to \$7.40 per pound and a gallon of milk now costs \$3.66, an increase of 8.4%.⁶ Given the unsustainable increase in the price of family necessities, I wish to know what steps the agency is taking to counter inflation and protect the Americans who rely on its programs.

Accordingly, I respectfully request all records, including draft documents, draft document comments, and draft document redlining responsive to a search of the following keywords within the Social Security Administration’s control, hosted by the following custodians, dating from January 20, 2021 to December 10, 2021.

Custodians:

- Acting Commissioner, Kilolo Kijakazi
- Senior Advisor to the Commissioner, Ben F. Belton
- Counselor to the Commissioner, Oren McKnelly

Keywords:

- Inflation, inflationary, and other similarly sounded words
- Interest and interest rates
- Consumer Price Index and CPI
- Cost of Living Adjustment
- COLA
- Federal Reserve
- The Fed
- Personal Consumption Expenditures
- PCE and PCE Index
- Mr. Lawrence Summers, Mr. Larry Summers, and Summers

For any record captured by the preceding search parameters withheld from production, please provide a log articulating a description of the record(s) at issue, the privilege being asserted, the respective custodian(s) of the record(s) being described, and the date each record was created.

As we prepare to turn the calendar to 2022, inflationary concerns will remain at the forefront of American households. By understanding the steps the agency took in 2021 to address inflation, Congress will be able to more fully examine what steps need to be taken to address inflation’s impact on the family pocketbook. I thank you for your prompt attention to this central issue.

Respectfully,



Senator Tim Scott
Ranking Member

⁶ Layne, Rachel. “As inflation jumps, here’s a look at how much more Americans are paying for food and fuel.” *CBS News*. 23 November 2021. Accessed 3 December 2021. <https://www.cbsnews.com/news/inflation-gas-food-prices-increase/>