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February 11, 2022

VIA ELECTRONIC TRANSMISSION

The Honorable Peter Paul Montgomery Buttigieg
Secretary, U.S. Department of Transportation
1200 New Jersey Ave. SE
West Building, 9th Floor
Washington, D.C. 20590

Dear Secretary Buttigieg:

As Ranking Member of the Senate Special Committee on Aging, I am writing to request information on the Department of Transportation's (DOT) evaluation of inflationary policies. 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 Department of Transportation 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 7.5 percent increase in the prices of consumer goods, the largest increase in 40 years.¹ As we begin a new year, hardworking Americans are struggling to make ends meet—49 percent of all American households, and two-thirds of those making less than \$40,000 a year, reported financial hardship due to inflationary price increases.² Painfully high prices are a tax on single parents, seniors, and people living paycheck to paycheck. In pointing to pandemic-related disruptions as the driver of these immense price increases, DOT has suggested a lack of attention to ordinary Americans' economic experiences while failing to address the Administration's larger contributions to inflation.

You recently said, "[...]just making child care more affordable is going to help with inflation in the long run," an argument seemingly unrelated to DOT's responsibilities but also out of step with credible analyses of the Build Back Better Act's child care provisions.³ Then, while gas prices were increasing by 40 percent over the last year, hitting the most vulnerable Americans hardest, you said that if Americans simply bought electric vehicles, they would "never have to worry about

¹ Bureau of Labor Statistics. U.S. Department of Labor. *Consumer Price Index- January 2022*. 10 February 2022. Press Release USDL-22-0191. Accessed 10 February 2022. [https://www.bls.gov/news release/pdf/cpi.pdf](https://www.bls.gov/news%20release/pdf/cpi.pdf)

² Jones, Jeffrey M. "Americans Expect Inflation to Persist Over Next Six Months." Gallup. 26 January 2022. Accessed X February 2022. <https://news.gallup.com/poll/389129/americans-expect-inflation-persist-next-six-months.aspx>

³ Fox News. Fox News Sunday on October 31, 2021, transcript. 31 October 2021. Accessed 10 February 2022. <https://www.foxnews.com/transcript/fox-news-sunday-on-october-31-2021>

gas prices again.”⁴ Low-income Americans typically can’t afford electric vehicles, which are much more frequently purchased by affluent consumers.⁵ When considered alongside your expressed openness to a gas tax increase during your confirmation hearings, including your disapproving reference to how “the gas tax has not been increased since 1993 and it’s never been pegged to inflation,” there is reason for Congress to worry about DOT’s understanding of inflation’s severity.⁶

Additionally, DOT has argued that snarled supply chains are driving record-setting inflation, a stance that mischaracterizes the underlying cause of ongoing price increases. By hiking demand so significantly beyond available supply, the Administration’s reckless injection into the economy of \$2 trillion in new spending has overwhelmed supply chains and raised prices, as economists like Jason Furman have observed.⁷

The Administration received ample warning about the likely inflationary impact of its policies. In February 2021, for example, former Treasury Secretary and economic adviser Lawrence “Larry” Summers cautioned that the proposed American Rescue Plan (ARP) could “set off inflationary pressures of a kind we have not seen in a generation.”⁸ The Administration failed to heed these warnings and everyday Americans continue to pay the consequences. Given DOT’s role in distributing funds from recent, large fiscal packages, and its efforts to coordinate supply chain arrangements, there are questions regarding the extent to which it factored the Administration’s inflationary policies, and related warnings, into policy planning.

With inflation rising to such critical levels, transparency and accountability remain imperative. 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 Department of Transportation’s control, hosted by the following custodians, dating from January 20, 2021 to February 11, 2022.

Custodians:

- Secretary of Transportation, Peter Paul Montgomery “Pete” Buttigieg
- Deputy Secretary, Polly Ellen Trotteberg
- Chief of Staff, Laura Schiller
- Under Secretary of Transportation for Policy, Carlos A. Monje, Jr.

⁴ Breslin, Maureen. Buttigieg: Families who buy electric vehicles ‘never have to worry about gas prices again’. 29 November 2021. The Hill. <https://thehill.com/dem-lawmakers/583325-buttigieg-electric-vehicle-owners-never-have-to-worry-about-gas-prices-again>

⁵ Today in Energy. U.S. Energy Information Administration. “Electrified vehicles continue to see slow growth and use than conventional vehicles.” 22 May 2018. <https://www.eia.gov/todayinenergy/detail.php?id=36312&src=email>

⁶ Wehrman, Jessica. “Buttigieg cites gas tax hike at hearing, but aide walks it back.” 21 January 2021. *Roll Call*. <https://rollcall.com/2021/01/21/buttigieg-faces-largely-friendly-panel-at-confirmation-hearing/>

⁷ Klein, Ezra. “Transcript: Ezra Klein Interviews Jason Furman.” 8 February 2022. *The New York Times*. <https://www.nytimes.com/2022/02/08/podcasts/transcript-ezra-klein-interviews-jason-furman.html>

⁸ Summers, L.H. (2021, February 4). The Biden stimulus is admirably ambitious. But it brings some big risks, too. *Washington Post*. <https://www.washingtonpost.com/opinions/2021/02/04/larry-summers-biden-covid-stimulus/>

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.

Please direct all correspondence to [REDACTED]@aging.senate.gov by Friday, March 11, 2022. Inflationary concerns will remain at the forefront of American households. By understanding the steps the agency has been taking 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,

A handwritten signature in blue ink, appearing to read "Tim Scott", with a stylized flourish extending to the right.

Senator Tim Scott
Ranking Member