

***The Providing Reports on Inflation Costs and Economic  
Impact (PRICE) Act***  
**Senator Joni Ernst**

On January 12, 2022, the Bureau of Labor Statistics (BLS) stated in its monthly report that inflation, determined through the Consumer Price Index that measures the change in prices of essential goods and services paid by consumers, increased 0.5 percent for the month of December 2021, which amounted to an annual inflation rate of 7.1 percent - the highest in almost forty years since 1982. Among the goods hardest hit include food prices at 6.3 percent and gasoline at 49.6 percent, causing significant financial hardship for low-to-moderate income families across the United States. This is a direct consequence the Biden Administration's record \$3.5 trillion in federal spending amid ongoing supply chain disruptions.

**The Providing Reports on Inflation Costs and Economic Impact (PRICE) Act**, which would establish a point of order to require that any bill, joint resolution, motion, amendment, amendment between Houses, or conference report appropriating discretionary funds under consideration of the full Senate, must include a report from the Congressional Budget Office (CBO) detailing the impact on the Consumer Price Index for All Urban Consumers, the Employment Cost Index for private industry workers, and a comparison between the two on the impact on the purchasing power of consumers. This legislation would allow for a waiver of this requirement through a supermajority vote of three-fifths of the Senate.

The Consumer Price Index measures the change in prices of essential goods and services paid by consumers. The Employment Cost Index measures the changes in wages and salaries of private civilian workers. As such, a comparison between the two would provide transparency on the impact any federal spending would have on real wages (wages adjusted for inflation) of individuals and families so that taxpayers can have transparency on the impact of federal spending on household incomes.

“All across the country, people in Main Street America are seeing the rising costs of out of control inflation firsthand. Whether it's higher prices at the pump, a bigger grocery store bill, labor shortages, or shipping delays, skyrocketing inflation is directly hurting every hardworking American family. The PRICE Act will ensure families are guaranteed transparency when it comes to their household incomes, and give an added layer of economic security that is so desperately needed right now.” – **Sarah Chamberlain, President of the Republican Main Street Partnership (RMSP).**

To cosponsor, please contact Legislative Assistant Hunter Koski by COB on February 9<sup>th</sup>, 2022 ([Hunter\\_Koski@Ernst.Senate.gov](mailto:Hunter_Koski@Ernst.Senate.gov)).