

United States Senate

WASHINGTON, DC 20510

February 24, 2026

The Honorable Kevin Hassett
Director, National Economic Council
The White House
1600 Pennsylvania Ave NW
Washington, DC 20500

Dear Director Hassett:

We are deeply troubled with your public suggestion on February 18, 2026, that Federal Reserve officials be disciplined for an evidence-based study¹ which concluded that American consumers and businesses are bearing the economic burden of President Trump's chaotic tariffs.² Your comments undermine the Federal Reserve's independent research, call into question the integrity of its future data, and suggest the Trump Administration is more interested in prohibiting Americans from learning the cost of its tariff regime than meaningfully lowering costs for American families.

A February 12, 2026, report from the Federal Reserve Bank of New York (NY Fed) studied tariff price increases in 2025 and concluded that "90 percent of the tariffs' economic burden fell on U.S. firms and consumers." The report aggregates data from the U.S. Census Bureau, the U.S. International Trade Commission, and the Federal Reserve. The report also states that the bulk of the cost increases from Trump's chaotic tariffs are borne by the U.S. importers—not foreign exporters—which are then passed down supply chains to consumers.

The NY Fed's report is consistent with other studies. The Yale Budget Lab found the median cost of Trump's sweeping tariffs to be \$1,400 per household, hitting working family households who "spend a larger fraction of their income on goods subject to tariffs" hardest.³ The Kiel Institute estimated American businesses and consumers are paying 96% of Trump's tariff costs, with foreign exporters absorbing only 4 percent.⁴ The National Bureau of Economic Research similarly found passthrough from Trump's tariffs to be 94 percent, with the highest upward price pressure on food.⁵ *The Wall Street Journal* recently reported that many companies raised prices in 2025 due to Trump's chaotic tariffs and would continue doing so in 2026 as stockpiles expired.⁶

¹ "Who is paying for the 2025 U.S. tariffs?" *Federal Reserve Bank of New York*, February 12, 2026.

<https://libertystreeteconomics.newyorkfed.org/2026/02/who-is-paying-for-the-2025-u-s-tariffs/>

² "Hassett says authors of New York Fed tariff study should be disciplined," *CNBC*, February 18, 2026.

<https://www.cbc.com/2026/02/18/hassett-says-authors-of-new-york-fed-tariff-study-should-be-disciplined-worst-paper-ive-ever-seen.html>

³ "State of U.S. Tariffs: January 19, 2026," *The Budget Lab, Yale University*, January 29, 2026.

<https://budgetlab.yale.edu/research/state-us-tariffs-january-19-2026>

⁴ "America's own goal: Americans pay almost entirely for Trump's tariffs," *Kiel Institute*, January 19, 2026.

<https://www.kielinstitut.de/publications/news/americas-own-goal-americans-pay-almost-entirely-for-trumps-tariffs/>

⁵ "The Incidence of Tariffs: Rates and Reality," *National Bureau of Economic Research*, February 2026.

<https://www.nber.org/papers/w34620>

⁶ "The Break Is Over. Companies Are Jacking Up Prices Again," *The Wall Street Journal*, February 15, 2026.

[https://www.wsj.com/business/price-increases-consumers-businesses-b70e4542?](https://www.wsj.com/business/price-increases-consumers-businesses-b70e4542?gaa_at=eafs&gaa_n=AWEtseqk86oVvyB-xFU3CnEeaFYbxbvIRqkg2dzsuLOVBW-)

[gaa_at=eafs&gaa_n=AWEtseqk86oVvyB-xFU3CnEeaFYbxbvIRqkg2dzsuLOVBW-](https://www.wsj.com/business/price-increases-consumers-businesses-b70e4542?gaa_at=eafs&gaa_n=AWEtseqk86oVvyB-xFU3CnEeaFYbxbvIRqkg2dzsuLOVBW-AOx9o5QOoacwFNgyvE4%3D&gaa_ts=69960d8a&gaa_sig=MoXremhgQ0JA5MBg6uL7IAe5iWbGU5yCN100vtXiendH3miLlbHiwFMEEPEXvDo9op16_5g_FoP01TvFKu7Tfg%3D%3D)

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In September 2025, you said the Federal Reserve should be “fully independent” of political influence, yet, less than six months later, you used the platform of the National Economic Council and the White House to call the NY Fed’s independent report “an embarrassment” and suggested the officials responsible for drafting it be “disciplined.” Your comments are especially concerning as they continue a pattern of attempts by the Trump Administration to suppress negative economic data from the American people and the report in question concluded what Americans already know—that the chaotic and in many cases illegal tariffs are taking money out of their pockets.⁷ Demanding professional retribution against non-partisan staff is yet another example of the Trump Administration’s effort to take over the Federal Reserve, which generates uncertainty in the markets; distracts the Federal Reserve from its statutory mandate; and does nothing to address the affordability crisis.

Within 30 days, we request you respond to these inquiries:

1. A February 20, 2026, article suggested you retracted your comments that NY Fed officials should be disciplined.⁸ Do you agree that your comments were inappropriate and commit that the NEC/White House will not use its platform to influence objective economic data from the Federal Reserve Board, regional reserve banks, or other agencies?
2. Do you believe Federal Reserve staff, either at the Federal Reserve Board or in the regional reserve banks, should ever be disciplined for the economic analyses they produce?
3. Has the White House interfered with or pressured agencies responsible for publishing other economic data—such as the Bureau of Labor Statistics—to produce data in alignment with the White House’s desired policy outcomes?
4. Are your recent comments consistent with your September 7, 2025, statement on *Face The Nation* that “the Federal Reserve’s independence is really, really important... monetary policy should be fully independent of political influence?”⁹ If so, how?

Thank you for your attention to this matter.

Sincerely,

⁷ “Supreme Court says Trump global tariffs are illegal,” *Axios*, February 20, 2026.

<https://www.axios.com/2026/02/20/trump-tariffs-supreme-court-illegal>

⁸ Kevin Hassett regrets and retracts his call to discipline Fed researchers,” *Economic Matters* by Laurence Kotlikoff, February 20, 2026. https://larrykotlikoff.substack.com/p/kevin-hassett-regrets-and-retracts?utm_campaign=post-expanded-share&utm_medium=web&triedRedirect=true

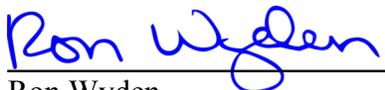
⁹ “Top White House economic adviser says Fed should be ‘fully independent’ of political influence,” *CBS News*, September 7, 2025. <https://www.cbsnews.com/news/kevin-hassett-national-economic-council-director-face-the-nation-transcript-09-07-2025/>



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Housing, and Urban Affairs



Ron Wyden
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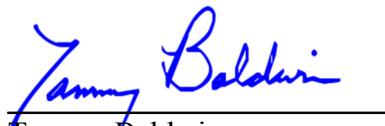
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