

ADVOCACY PRIORITIES FOR 2025-26

1. Oppose Any Cuts to Earned Federal Retirement and Health Benefits

In exchange for years of hard work, federal employees and retirees are promised retirement annuities and retiree health care. These benefits are earned fairly and paid for. They should not be altered in retirement. Doing so would deprive federal employees and retirees the security of their health and finances. Past proposals from some lawmakers and the first Trump Administration have sought to reduce or eliminate cost-of-living adjustments, decrease the government share of health insurance premiums, increase employee contributions toward retirement without any added benefit, reduce the initial retirement benefit for those approaching retirement, and/or reduce the rate of return on federal civilian and military retiree savings in the Thrift Savings Plan G Fund. NARFE strongly opposes these proposals and urges that they be non-starters in budget negotiations and/or reconciliation legislation.

2. Protect the Integrity of Government Operations and the Merit-Based Civil Service

a. Oppose Efforts to Eliminate or Undermine the Merit-Based Civil Service

A competitive, merit-based civil service provides continuity through changing administrations, preserves institutional knowledge and expertise within the federal government, and safeguards the rule of law. Civil service rules ensure federal employees are hired and fired based on their competence, or lack thereof, and not what political connections they have or lack. The rules also protect employees from being removed for choosing adherence to the Constitution, laws and professional standards over politically motivated actions or perceived allegiance to a president or political party. In so doing, the rules protect against abuse of power by the executive branch, providing greater assurance that laws passed by Congress will be faithfully executed. The merit-based civil service safeguards and empowers our constitutional system to work on behalf of the American people, rather than the highest bidder.

Unfortunately, the incoming Trump administration has indicated support for converting a substantial number of civil service positions into a new excepted service schedule (Schedule F), which would not include be subject to competitive service rules that ensure merit-based hiring and firing, and potentially other changes to civil service rules to achieve similar ends. NARFE opposes these policies, and supports passage of the Saving the Civil Service Act (H.R. 1002/S.399 in the 118th Congress) to prevent a return of Schedule F.

b. Oppose Across-the-Board Reductions in the Size of the Federal Workforce (and Policies Intended to Facilitate Such)

The incoming Trump administration is planning an initiative via a so-called Department of Government Efficiency (DOGE) that aims to achieve large scale reductions in the federal workforce in the name of efficiency, but potentially in the service of undermining government operations. Notably, President-elect Trump has tapped Elon Musk and Vivek Ramaswamy to lead the DOGE initiative, the plans for which they laid out in a [Wall Street Journal op-ed](#), where they promoted utilizing return to work and office relocation policies to encourage employees to quit, followed by reductions in force. NARFE opposes such policies, which would undermine critical government operations on behalf of the American people. Rather, DOGE efforts aimed at improving efficiency and eliminating waste, fraud and abuse should utilize the talents and initiatives of the federal workforce, including the recommendations from Government Accountability Office (GAO) and agency inspector generals to address overprice and/or underperforming contracts, improper payments, fraud, and other abuse. Decreasing the size of the federal workforce overseeing federal spending and operations – or installing political cronies into positions currently occupied by civil servants – is much more likely to lead to greater inefficiency, waste, fraud and abuse by private-sector actors seeking to siphon taxpayer dollars for their own benefit; not less.

c. Support Market Rate Increases to Federal Pay Rates / Oppose Federal Compensation Cuts

Federal pay rates must be competitive to recruit and retain a well-qualified and high-performing workforce. To maintain competitive pay rates, NARFE supports an average increase of at least 3.8 percent, on average, for calendar year 2026 through the appropriations process. Furthermore, the competitiveness of federal compensation should not be undermined by benefits cuts. NARFE opposes proposals that would effectively decrease the pay of federal employees by reducing benefits, such as increasing contributions towards retirement or eliminating the Federal Employees Retirement System (FERS) annuity entirely, which have been considered in the past. This amounts to nothing more than an immediate across-the-board pay cut.

3. Support Full COLAs for Federal Retirees

NARFE supports providing FERS annuitants with an annual COLA equal to the relevant CPI increase via the Equal COLA Act, (H.R. 866/S.3194 in the 118th Congress). Current law holds the FERS COLA at 2 percent if the full COLA falls between 2 and 3 percent, and it reduces FERS COLAs by one percentage point if the full COLA exceeds 3 percent. This inequitable policy, enacted in the 1980s with the creation of FERS, fails to fully protect the earned value of FERS annuities. NARFE also stands against efforts to base COLAs for federal annuities and Social Security off the flawed Chained Consumer Price Index (CPI). A switch to Chained CPI would reduce earned benefits and fail to keep pace with the true cost retirees face.

4. Support Policies to Provide Enhanced Choice and Lower Costs for the Federal/Postal Health Benefits Programs

Choice has been a hallmark of the Federal Employees Health Benefit (FEHB) program, providing enrollees the ability to pick a health plan that best meets while encouraging competition among plans vital to managing costs and maintaining high quality service and care. NARFE supports efforts by federal agencies and the Office of Personnel Management (OPM) to empower federal employees and retirees to take advantage of the choices provided via improved educational and training resources. Additionally, NARFE supports choice regarding Medicare enrollment (notably for Part B and Part D) for federal and postal retirees, including the reversal or annulment of an OPM regulation preventing postal retirees from maintaining prescription drug coverage via their Postal Service Health Benefits (PSHB) plan. NARFE also supports FEHB/PSHB plans expanding reimbursement for Part B premiums, as some plans currently do, and enacting legislation that would treat FEHB/PSHB coverage as creditable coverage for Part B, permitting waiver of Part B late enrollment fees for individuals covered by these programs.

5. Strengthen the Office of Personnel Management's (OPM) Retirement Services (RS) division

NARFE is concerned with the prospect of retirement processing delays and the continued inability of annuitants and their families to connect with OPM to receive needed assistance. NARFE has supported language included in Financial Services and General Government appropriations committee reports to require OPM to publicize various retirement claims and benefit change processing times, call center response rates, along with quarterly congressional briefings on the issues. NARFE supports continued congressional oversight to push OPM to modernize processes and technology to improve customer service levels. NARFE also supports funding for OPM RS to meet its goals, including for the widespread adoption of an online retirement application and a digital case management system.