

Advocating Excellence in Public Service

1. Congress should treat federal employees with dignity and respect, recognize the important work they do on behalf of the American people, while embracing targeted cost saving proposals that do not put our country at risk through misguided mass layoffs.
2. Congress should preserve due process for all federal employees and prevent the politicization of the civil service.
3. Congress should promote accountability consistent with merit system procedures, and provide managers with tools to deal with poor performers, while also pursuing hiring reforms.
4. Congress should protect federal employees' compensation, health, and retirement benefits.
5. Congress should provide agencies and departments the resources they need and pass all appropriations bills in a timely manner.
6. Congress should pass bipartisan legislation to ensure proper utilization, and safeguard against potential risks, of Artificial Intelligence (AI) in the federal workforce.
7. Congress should pass legislation to enhance training, support, accountability, and reporting with respect to remote work and telework.
8. Congress should pass legislation to establish and fund initial and ongoing mandatory training requirements for all managers and supervisors across the federal government, and provide for a dual-track system to allow technical experts to rise without taking on management roles.
9. Congress should authorize capital investments across the federal government to restore and/or modernize facilities to meet their operational needs.
10. Congress should allow Federal Employees Retirement System (FERS) employees to make deposits for non-deduction federal service performed, in the same manner as Civil Service Retirement System (CSRS) employees and former military personnel.
11. Congress should pass legislation to make cost-of-living-adjustments (COLAs) more accurate and fair, and allow FERS employees access to the Voluntary Contribution Program available to CSRS employees.

1. EMBRACE TARGETED COST SAVING PROPOSALS WITHOUT MISGUIDED MASS LAYOFFS

Congress should treat federal employees with dignity and respect, oppose misguided mass layoffs, and embrace targeted cost saving proposals that do not put our country at risk.

- **FMA supports reasonable and responsible efforts to reduce spending and save American taxpayer dollars.**
- **FMA opposes large-scale, mass layoffs that unfairly punish loyal civil servants and puts our national security at risk.**
- **FMA recommends Congress evaluate and address GAO recommendations in its annual report on fragmentation, overlap, and duplication.**

Among President Trump’s first actions after being sworn in as President was to establish and implement the [Department of Government Efficiency](#) (DOGE). This department seeks to reduce or eliminate unnecessary spending and regulations. We at FMA are interested in finding ways to reduce unnecessary spending and to maximize efficiency and effectiveness of every agency. We urge bipartisan oversight by Congress on DOGE’s recommendations. As DOGE and congressional caucuses find common sense, reasonable, and responsible ways for the government to save taxpayer dollars, FMA will embrace those proposals.

However, we are gravely concerned by the February 2025 executive order “Implementing the President’s Department of Government Efficiency Workforce Optimization Initiative,” and subsequent guidance ordering large-scale, widespread reductions in force (RIFs). This will disrupt the delivery of the critical services the American people rely on and prevent agencies from having the resources they need to achieve their missions. RIFs have profoundly negative effects on essential services, including national security, processing Social Security benefits, Internal Revenue Service tax returns, ensuring food safety, protecting our environment and much more.

FMA supports excellence, improved performance management, and accountability in the civil service. Large scale RIFs and instilling a culture of fear do not accomplish this. This is an extreme action that does not take into account the vital role federal employees perform daily. The men and women of the federal workforce are its greatest asset and strength. Federal managers are American families, they are American workers, and they are American taxpayers. They, and their families, deserve to be treated with dignity and respect.

The Government Accountability Office (GAO) annually reports on federal programs, agencies, offices, and initiatives that have duplicative goals or activities. Since 2011, congressional implementation of recommendations from GAO’s reports, “[Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Billions of Dollars in Financial Benefits](#),” has directly resulted in nearly \$670 billion in financial benefits, as well as improved coordination and reducing of mismanagement. FMA anticipates the 2025 annual report and urges Congress to closely evaluate and address the matters and recommendations included.

2. PROTECT DUE PROCESS FOR ALL FEDERAL EMPLOYEES

To prevent a return to the spoils system, Congress must not eliminate or erode due process for federal employees.

- **Any infringement, limitation, or elimination of due process puts an employee in the unjust position of possibly losing their job without proper cause and creates a strained relationship between labor and management.**
- **FMA opposes legislation that would eliminate or erode the right to due process.**
- **FMA supports the Saving the Civil Service Act (H.R. 492 / S. 134) to uphold the merit-based civil service.**

A federal employee's right to due process is fundamental and protected by the Constitution, and Congress must not take steps to eliminate or erode this right. In *Cleveland Board of Education v. Loudermill*, the Supreme Court held that the Constitution guarantees that if there must be a cause to remove a public employee from his or her job, then there is automatically a due process requirement to establish that the cause has been met.

Regrettably, the Department of Veterans Affairs Accountability and Whistleblower Protection Act of 2017 (P.L. 115-41), signed into law in June 2017, has significantly eroded due process and appeals rights for all federal employees in that department. The legislation dramatically reduces an employee's ability to appeal a decision that would deprive that employee of their job and salary. Preventing an employee from understanding charges against them or preparing a meaningful defense undermines an employee's due process and is wrong. At the same time, limiting the number of days to process an action may result in findings of legal insufficiency and no action being taken, rather than taking the necessary time to resolve any documentary issues. Many in Congress are working to extend the same attacks on due process across the federal government. FMA unequivocally opposes legislative efforts to reduce or eliminate due process for federal employees across the government.

Additionally, FMA strongly opposes the return of Schedule F (Schedule Policy/Career), which turns many thousands of feds into at-will employees with limited protections. It increases politicization of the federal workforce and is a giant leap toward a return of the spoils system, prioritizing political loyalty over qualification and merit.

Congress should endeavor to maintain our non-political civil service. The unacceptable elimination of due process for terminating employees leaves feds solely at the whim of politicians – intolerable under any administration, Democratic or Republican. A hallmark of America's civil service is the foundational, fundamental understanding that federal employees swear an oath to the Constitution and provide services to all Americans, regardless of political party. The federal government cannot function effectively without this nonpolitical civil service capable of preserving institutional memory and competence across administrations. FMA supports the **Saving the Civil Service Act (H.R. 492 / S. 134)**, legislation that would uphold a merit-based civil service.

3. PROMOTE ACCOUNTABILITY AND REFORM HIRING

Congress should promote accountability consistent with merit system procedures, and provide managers with tools to deal with poor performers.

- FMA supports accountability in the federal workforce and ensuring managers have the tools they need to address poor performers.
- FMA supports hiring reforms to reduce time-to-hire, better communicate with job applicants to the federal workforce, and better utilize technology.

In May 2018, President Trump issued Executive Order 13839, titled “[Promoting Accountability and Streamlining Removal Procedures Consistent with Merit System Principles](#).” FMA broadly supported many principles in that executive order, including:

- Minimizing the burden on supervisors when addressing poor performers
- The penalty for an instance of misconduct should be tailored to the facts and circumstances and not require progressive discipline
- Disciplinary action should be calibrated to the specific facts and circumstances of each individual employee’s situation
- When taking disciplinary action, agencies should have discretion to take into account an employee’s disciplinary record and past work record, including all past misconduct

FMA would support congressional action providing these and other tools to supervisors to address poor performers, provided they are consistent with merit-system principles.

Additionally, FMA supports many of the ideas included in President Trump’s Executive Order “[Reforming the Federal Hiring Process and Restoring Merit to Government Service](#),” including reducing time-to-hire, better communication with job applicants throughout the hiring process, and better utilization of technology in the hiring and selection process.

4. RETURN TO ANNUAL CALCULATION OF CIVIL SERVICE PAY ADJUSTMENTS AND PROTECT BENEFITS

To attract and retain the best and brightest to public service, Congress must stabilize the pay and benefits structure of federal employees.

- **FMA supports the FAIR Act (H.R. 493 / S. 126), providing a 4.3 percent raise in 2026.**
- **FMA supports efforts to raise or remove pay caps on the federal workforce.**
- **FMA opposes any arbitrary cuts by Congress to federal pay and benefits, which severely affects feds morale and government’s competitiveness with the private sector.**

Federal managers, and indeed all feds, deserve to be treated with respect for their efforts and the work they perform on behalf of the American people. Every job they hold and perform daily is because of a congressional mandate. It is not too much to ask that, in return, feds be given the ability to maintain a living wage that keeps up with inflation and that provides for them and their families.

Pay Raise - Federal pay has not kept pace with inflation, and retention of feds is at a severe risk. The Federal Salary Council reported in November 2024 that federal workers earned nearly 25 percent less than their private sector counterparts, a growing disparity that will only force more of the best and brightest out of federal service. FMA urges Congress to provide for a fair and reasonable pay raise that reflects the needs of the workforce for 2026, including strong support for the **Federal Adjustment to Income Rates (FAIR) Act (H.R. 493 / S. 126)** which would provide an average 4.3 percent pay raise in 2026.

Pay Caps - The federal pay ceiling cap has not kept up with the higher cost of living in many cities across the United States. This issue plays a role in recruitment and retention to the federal workforce, which already has hiring issues. If an employee is offered a promotion at a higher level, with more responsibilities, but no corresponding salary increase, will they take on the new role? Many employees who are now capped are tempted to leave the government for the private sector where there is no pay cap. FMA seeks legislation to address this compounding issue.

Benefits - Finally, Congress should not entertain proposals to change retirement benefits for existing employees and retirees. In recent years, Congress targeted the pensions of new hires as a means to rein in spending, increasing employees’ contributions without improving upon pension benefits or increasing the government’s contribution. More troubling are proposals to change retirement benefits for existing employees and retirees.

These proposals include:

1. An increase for employee payroll contributions toward retirement, with no added benefit
2. Elimination of the Federal Employee Retirement System (FERS) cost-of-living-adjustment (COLA)
3. Reduction of the Civil Service Retirement System (CSRS) COLA
4. Elimination of the FERS annuity supplement
5. A shift from a “High 3” to a “High 5” for annuity calculations

These proposals would impact all current federal employees – not just new hires – as well as retirees. They amount to nothing more than broken promises to workers who are currently vested, or at or near retirement age, and a tax on federal employees and annuitants. These proposals shift the goalposts and eliminate earned benefits for employees who dedicated a career of service to the country. If enacted, they would cripple recruitment and retention to the federal workforce, at a time when only nine percent of the workforce is made up of employees aged 30 or younger. This number is even more alarming when considering the same age group makes up nearly 23 percent of the private sector workforce. FMA implores Congress to not consider such proposals.

5. PROVIDE AGENCY FUNDING REFLECTIVE OF MISSION IN A TIMELY FASHION

Congress should provide adequate funding in a timely manner to allow agencies to procure the resources and staffing levels necessary to execute their missions.

- **Continuing resolutions (CRs) and government shutdowns cost all American taxpayers and hamstring managers.**
- **FMA implores Congress to stop using the appropriations process and government shutdowns as political tools, and fund the government in a timely, steady fashion.**

It has regrettably become commonplace and expected for Congress to flirt with government shutdowns and force the government to operate under CRs for much of each fiscal year. If Congress is sincere in its commitment to provide American taxpayers with federal services in an efficient and cost-effective manner, lawmakers must navigate the annual appropriations process in a timely fashion. Federal agencies are unable to provide managers and supervisors the resources necessary to achieve their missions when Congress delays passage of comprehensive spending bills.

Enormous stress is placed on federal programs when continuing resolutions, instead of traditional appropriations measures, are used to fund operations. Agencies are prevented from obtaining the necessary resources required to handle rising workloads. Budget uncertainty forces managers and supervisors to focus more on short-term operations and less on their core missions, impeding efficiency and ultimately costing the government and American taxpayers significantly more money in the long run. It results in egregious costs and waste, and it takes significant time and resources for agencies to prepare for and recover from a shutdown.

The impact is debilitating before, during, and after a lapse in funding. And CRs are not much better. A CR keeps funding for all programs at last year's levels, without the ability to plan ahead, meaning that large amounts of money cannot be used for bulk purchasing or other productive ways of using funds. When reflecting on funds lost by the Navy due to CRs from 2011 to 2017, then-Navy Secretary Richard Spencer said, "we have put \$4 billion in a trash can, poured lighter fluid on it, and burned it."

FMA implores Congress and the administration to finalize Fiscal Year 2025 appropriations and pass Fiscal Year 2026 appropriations in a timely manner. FMA also supports legislation such as the **Prevent Government Shutdowns Act (S. 135)**, as introduced in the 118th Congress, which would prevent shutdowns by automatically instituting a 14-day CR when funding lapses. Under this bipartisan legislation, official travel for legislators and congressional staff would be forbidden, with the exception of one covered trip back to D.C. Campaign funds could not be used to supplement travel budgets under this arrangement. Neither the House nor the Senate could be put into recess for more than 23 hours, and there would be mandatory quorum calls at noon every day to keep all legislators in town. Finally, no matter other than funding bills could be considered, with limited exceptions for Supreme Court and Cabinet nominees.

6. RESPONSIBLE USE OF ARTIFICIAL INTELLIGENCE (AI) IN THE FEDERAL WORKFORCE

Congress should pass bipartisan legislation to ensure proper utilization, and safeguard against potential risks, of Artificial Intelligence (AI) in the federal workforce.

- FMA supported the work of the Bipartisan Senate AI Working Group, the roadmap the group issued in May 2024, and legislation to help guide proper use of AI in the workforce.
- FMA supports President Trump’s executive order on AI and will work with the administration as it fosters its approach to AI.

In 2025, Artificial Intelligence (AI) is an inescapable element in American society and the federal workforce. It offers untold possibilities to revolutionize and enhance productivity. For example, at the public shipyards, AI has the potential to improve predictive maintenance, reduce downtime, optimize resource allocation, improve safety, and more, to increase efficiency and cost savings. However, it poses risks and challenges – some known and others unknown – at the same time. FMA applauded the work of the Bipartisan Senate AI Working Group, culminating with its [Roadmap for AI policy in the U.S. Senate](#) issued in May 2024. As AI and its use evolves and grows, it is vital for Congress and the administration to work together to ensure proper utilization of AI in the federal workforce while safeguarding against potential long-term and short-term risks.

FMA endorsed bipartisan legislation in the 118th Congress, the AI LEAD Act (S. 2293 / H.R. 8756), which would have established the Chief Artificial Intelligence Officers Council, Chief Artificial Intelligence Officers, and Artificial Intelligence Governance Boards to provide structure and accountability in the government’s management of AI. This legislation should be reintroduced and passed early in the 119th Congress.

FMA also supported bipartisan bills such as the Promoting Responsible Evaluation and Procurement to Advance Readiness for Enterprise-wide Deployment (PREPARED) for AI Act (S. 4495), sponsored by Sens. Gary Peters (D-MI) and Thom Tillis (R-NC), to help guide the federal government’s activities, personnel, and processes to effectively and responsibly procure and use AI. S. 4495 passed the Senate Homeland Security and Governmental Affairs Committee in July 2024, but was not considered by the full Senate. This legislation should be reintroduced and passed early in the 119th Congress.

Finally, FMA supports the policy of President Trump’s January 23, 2025, Executive Order, “[Removing Barriers to American Leadership in Artificial Intelligence](#)” and the administration’s work to “sustain and enhance America’s global AI dominance in order to promote human flourishing, economic competitiveness, and national security.” We will work with the administration as it continues to develop its approach to AI.

7. CONTINUE TO UTILIZE AND ENHANCE TELEWORK AND REMOTE WORK IN THE FEDERAL WORKFORCE

To significantly reduce costs to American taxpayers, as well as reduce the federal government's footprint, agencies should effectively utilize telework options for employees across the federal workforce.

- **Covid-19 demonstrated the federal workforce has the technology and capability to sustain productivity while teleworking.**
- **Allowing federal employees to telework when practical will greatly assist with recruitment of younger employees into government, and also help retain employees with years of valuable experience. Currently, we are witnessing many employees leaving government for positions in the private sector that allow partial or full telework. Prospective younger employees are used to a hybrid work environment and expect the benefits of both in-office and telework experiences.**

Telework and remote work have been shown to be a viable and sustainable option for many in the federal workforce, and should be continued. Many of the benefits of telework are well known, including a reduction of the federal footprint, environmental benefits from less commuters on the roads, and potentially increased productivity. Toward that end, the Government Accountability Office provided testimony in November 2019¹ listing key practices that can help ensure the success of telework programs. Of course, there will always be jobs where telework simply is not an option – more than 53 percent of federal workers are not eligible to telework due to the nature of their jobs. You cannot turn a screwdriver on an aircraft carrier or work on classified documents from the couch in your living room.

However, given the flexibilities that technology allows us, it is critical that the federal government continue to adapt and take advantage of the opportunities telework provides. It is also vital that Congress take steps to strengthen federal telework plans and ensure the federal government can compete with the private sector. FMA supports the **Telework Reform Act (S. 82)**, sponsored by Sen. James Lankford (R-OK). This bipartisan bill would collect important data, including expected cost savings and productivity outcomes related to remote work and telework. Importantly, it would also enhance training, monitoring, accountability, and reporting.

Managers are often blamed for impeding implementation of telework among their employees, but this could be remedied with managerial training on how to best supervise teleworkers. This training would go a long way toward easing concerns of managers and create a fair and transparent situation for both the manager and employee. Government must invest in its managers so that they are empowered to confidently and fairly administer remote work and telework programs that seamlessly mesh with the ongoing work of all employees with the overriding goal of accomplishing agency missions. FMA urges legislators to pass S. 82.

¹ <https://www.gao.gov/assets/720/710740.pdf>

8. MANDATE AND FUND FEDERAL SUPERVISORY TRAINING PROGRAMS

Congress should pass legislation establishing initial and ongoing mandatory training requirements for all managers and supervisors across the federal government.

- **Current law allows managerial training throughout the federal workforce to be among the first to be eliminated when facing a lean budget or continuing resolutions.**
- **Studies show that many federal employees are promoted to managerial positions based on their technical performance and lack the soft, managerial skills needed for their expanded positions.**
- **FMA calls for legislation establishing mandatory training programs across the federal workforce focusing on certain management aspects such as mentorship, career development, prohibited personnel practices, and collective bargaining rights.**

Current law requires agencies to establish training programs for managers and supervisors focusing on how to address poor performing employees, enhance mentoring skills and conduct accurate performance appraisals. However, there is no requirement for managers to participate in these training programs, and when budgets are tight or CRs are in place, these discretionary programs are often the first to see their funding cut.

Studies have shown that agencies often promote individuals to managerial status based on technical prowess, but then fail to develop their supervisory and leadership skills. In doing so, agencies severely jeopardize their capability to achieve their missions. The development of managerial skills is one of the greatest investments an agency can make, both in terms of productivity gains and the retention of valuable employees. Following the scandal within the Department of Veterans Affairs (VA) that brought to light falsified patients' wait times and improper care, it was noted that if managers better knew how to address poor performers and encourage efficiency and effectiveness throughout the VA, many of those problems could have been avoided.

An agency's ability to meet its mission directly correlates to the quality of workforce management. There is a clear need for training if a manager is to be fully successful. Too often, if an agency promotes an individual to managerial status based on technical prowess, but then fails to develop the individual's supervisory skills, that agency then severely jeopardizes its capability to deliver the level of service the American public expects and does a disservice to both the manager and to the employees supervised by that inadequately developed manager.

FMA endorsed legislation introduced in the 112th Congress, H.R. 1492 / S. 790, requiring agencies to provide supervisors with training on various management topics, including mentorship, career development, prohibited personnel practices, and collective bargaining rights. More recently, FMA endorsed the **Federal Supervisor Training Act of 2016 (S. 3528)**, offered by Sen. Heidi Heitkamp in the 114th Congress, which included a dual-track system to allow technical experts to advance in their careers without taking on managerial or supervisory roles. FMA urges Congress to introduce and approve similar legislation in the 119th Congress.

9. PROVIDE CAPITAL INVESTMENTS TO RESTORE AND MODERNIZE FACILITIES

Congress should authorize capital investments across the federal government to restore and modernize facilities to meet operational needs.

- **Facilities and infrastructure across the government are in dire need of significant restoration and modernization, and many are not meeting operational needs.**
- **FMA urges Congress to appropriate the necessary resources and funds to facilities and infrastructure across the country.**

The bipartisan Infrastructure Investment and Jobs Act, passed in 2021, has been hailed as a major success for improving infrastructure across the country. Regrettably, infrastructure needs at federal government facilities remain unaddressed and require similar upgrading, restoration, and modernization.

For example, the four public shipyards perform prodigious work to maintain the fleet that helps keep our country safe. Unfortunately, all four of them are in “poor condition,” and are not meeting the Navy’s operational needs. GAO Report GAO-17-548,² released in September 2017, details many of the infrastructure issues. This is a readiness concern and a threat to national security.

In 2018, the Navy estimated \$21 billion over twenty years for dry dock investment, facilities layout and optimization investment, and capital equipment investment at the shipyards. However, a June 2023 GAO Report³ states those costs have risen significantly since then. We already know investments are needed now for the shipyards to support the USS Gerald Ford Class aircraft carriers and the USS Virginia class submarines.

The GAO reported in 2020 that between 2015 and 2019, the average idle time where nuclear aircraft carriers and submarines had to wait for maintenance had increased from 100 days to 1019, an increase of 919 percent. The GAO also found that some shops at the four public shipyards were forced to rely on up to 45 percent overtime to complete their scheduled maintenance, and that the average lifespan of the heavy equipment needed for maintenance at the shipyards had expired in 2015. CBO projections estimate that “projections of the shipyards’ workload and capacity indicate that the submarine fleet’s size will exceed the yards’ capacity to maintain it, not only over the next several years, but in 25 of the next 30 years.”⁴

It is important to note that restoration and modernization, including information technology, are issues that apply to agencies across the federal government, including the Social Security Administration, the Internal Revenue Service, and others. As the frontline managers who work in these aging facilities and strive every day to complete our agencies’ missions, FMA urges Congress to make necessary investments in facilities and infrastructure at the four public shipyards and across the government.

² <https://www.gao.gov/products/GAO-17-548>

³ <https://www.gao.gov/assets/gao-23-106067.pdf>

⁴ <https://www.cbo.gov/publication/57083>

10. ALLOW ALL FEDS TO MAKE DEPOSITS FOR NON-DEDUCTION SERVICE

Congress should allow Federal Employee Retirement System (FERS) employees to make deposits for non-deduction service performed, in the same manner as Civil Service Retirement System (CSRS) employees and former military personnel.

- **Prior to 1989, the Office of Personnel Management (OPM) allowed all federal employees to make buy back years, including service as a temporary employee, toward their retirement accounts. Since then, only CSRS employees have been allowed to make these catch-up payments.**
- **FMA supports the Federal Retirement Fairness Act (H.R. 1522), to allow FERS, FERS-Revised Annuity Employee (RAE), and FERS-Further Reduced Annuity Employee (FRAE) employees to make deposits for non-deduction service performed in the same manner as CSRS employees.**

Under the Civil Service Retirement System, non-deduction civilian service performed after September 30, 1982, is creditable for retirement annuity computation purposes, other than average salary, only if the employee pays a deposit for that service. Service on or before September 30, 1982, is creditable for annuity computation without a deposit; however, 10 percent of the deposit owed will be permanently deducted from the annual annuity.

Currently, a Federal Employee Retirement System (FERS) employee may make a deposit for non-deduction service performed before January 1, 1989, and receive credit toward his or her annuity computation; however, non-deduction service performed on or after January 1, 1989, generally is not creditable under FERS for any purpose.

FMA supports the **Federal Retirement Fairness Act (H.R. 1522)**, bipartisan legislation introduced by Reps. Gerry Connolly (D-CA), David Valadao (R-CA), Nikki Budzinski (D-IL), and Don Bacon (R-NE), legislation that would allow FERS employees to buy back years served as temporary employees to credit toward their retirement in the same manner as CSRS employees. Although similar legislation gained 131 bipartisan cosponsors in the 118th Congress, it was not considered on the House floor. We urge Congress to consider and pass H.R. 1522 in the 119th session.

11. COMMON SENSE MODIFICATIONS TO MAKE COLAs MORE ACCURATE AND FAIR

Congress should pass legislation to provide a fair COLA for FERS retirees and to modify the method used to calculate all COLAs to more accurately reflect actual spending.

- Congress should pass the Equal COLA Act (H.R. 491 / S. 624), which would remove the cap on FERS retirees' COLAs.
- Congress should reintroduce and pass the Fair COLA for Seniors Act, to shift the calculation from the current CPI-W, which covers the general population, to the CPI-E, which creates a price index for Americans aged 62 and above.

FMA supports legislation that would fix unfair and arbitrary policies that limit cost-of-living-adjustments (COLAs) for Federal Employee Retirement System (FERS) retirees and seniors.

In 2024, the COLA for the Civil Service Retirement System (CSRS) is 3.2 percent, while it is 2.2 percent for FERS retirees. Under current law, FERS retirees only receive a full COLA if the difference in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) is 2 percent or less (as in 2021). If the difference is between 2 percent and 3 percent – as was the case in 2019 – FERS retirees receive a 2 percent increase. If the change is 3 percent or higher, such as 2022, FERS participants receive 1 percentage point less than the full increase.

Rep. Gerry Connolly (D-VA) and Sen. Alex Padilla (D-CA) introduced legislation, the **Equal COLA Act (H. R. 491 / S. 624)**, which would correct this inequality and align the FERS COLAs with those of CSRS and Social Security beneficiaries. FMA urges Congress to pass the Equal COLA Act in the 119th Congress.

Congress should also consider legislation to allow all FERS employees who retire at their minimum retirement age to receive COLA adjustments.

Annual cost-of-living-adjustments (COLAs) for federal civilian retirees and Social Security benefits are currently based on the CPI-W. When COLAs first became automatic, the CPI-W was the only price index available. However, the CPI-W does not accurately account for seniors' spending, particularly on health care. Seniors spend nearly double the amount on medical expenses than younger citizens. The Consumer Price Index for the Elderly (CPI-E), created in 1982, calculates a price index for those aged 62 and older, and is a more precise index for seniors.

In the 118th Congress, Rep. John Garamendi (D-CA) introduced the **Fair COLA for Seniors Act (H.R. 716)**, which would require Social Security to use the CPI-E to calculate a more accurate and fair COLA that reflects seniors' actual spending, particularly on prescription drugs and other medical care, and lifestyle. FMA urges Congress to reintroduce and consider this commonsense legislation to yield more sensible COLAs for seniors.