

# AFTER A YEAR OF STANDING STRONG



## NALC IS READY TO FIGHT ON

# 2026

### A LOOK AHEAD

**T**he year 2025 went into the history books as a tumultuous year for letter carriers with threats to even the very independent existence of the Postal Service. But while it often seemed that letter carriers were turning from one battle to another, there was also an opportunity to fix a wrong for some of our longtime members and to turn our attention to the next round of contract negotiations. Here is a look back at 2025 and some things on the horizon in 2026.

### Social Security Fairness Act

Last year started with a historic win. Less than a week into 2025, President Joe Biden signed the Social Security Fairness Act into law, delivering a hard-fought victory for letter carriers and public servants across the nation. The legislation, which was overwhelmingly passed by the Senate and the House at the end of 2024, ensured that affected Civil Service Retirement System (CSRS) retirees no longer face unfair reductions in their Social Security benefits.



“The passage of the Social Security Fairness Act was a monumental win for retired letter carriers and other public servants, ensuring they receive the full Social Security benefits they’ve earned and deserve,” NALC President Brian L. Renfroe said.

The Social Security Fairness Act repealed the Windfall Elimination Provision and Government Pension Offset provisions in Social Security law that previously unfairly reduced or eliminated Social Security benefits for certain CSRS federal annuitants, including letter carriers.

For nearly 40 years, NALC and our dedicated activists led the fight to finally eliminate these unfair provisions. With this landmark legislation, public servants who have dedicated their careers to serving the country no longer face unjust financial penalties. As of July 2025, the Social Security Administration reported that it had completed more than 3.1 million payments to beneficiaries eligible under the legislation, well ahead of its originally projected timeline.

“While the battles came quickly after this victory, starting the year off by finally righting this decades-long wrong for our CSRS retirees was a major accomplishment,” President Renfroe said.

## ‘Fight Like Hell!’

In early February, NALC officially launched its “Fight Like Hell!” campaign. The first event took place at NALC Headquarters and focused on the fights for a fair contract, letter carrier safety from crime, heat and other threats, fair and secure retirement for all letter carriers, and protecting the Postal Service from privatization.

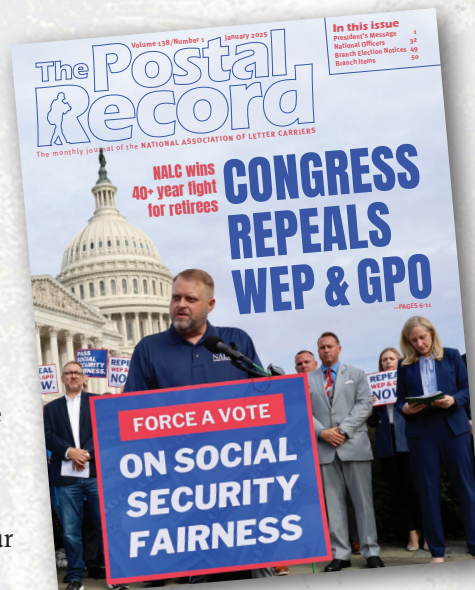
Only two weeks later, the fight came into focus when national media outlets started reporting that the White House was planning to issue an executive order to restructure the Postal Service, ultimately jeopardizing its future as a self-sufficient public agency. Immediately, letter carriers banded together to do what we do best—fight for our jobs and our futures. The reports framed this executive order as imminent, and it was expected to be signed as early as the following day. NALC quickly issued a call to action and, as always, letter carriers delivered.

The very next day, NALC members called House Speaker Mike Johnson’s (R-LA) phone line (which was eventually shut down due to call volume) to urge him to call the White House and put a stop to this executive order. This was followed by a digital day of action and a rally in Washington, DC, near the Capitol.

“The Constitution grants only Congress the power to make such changes, and customers—not taxpayers—fund the Postal Service,” Renfroe told the fired-up crowd. “So, what do we say to attacks on the 300 million-plus people that rely on the Postal Service every single day?”

“Hell no!” the crowd shouted.

The movement culminated on March 23 when NALC held more than 250 rallies nationwide to raise public awareness of the imminent threats to the Postal Service.







“NALC has the most active membership of any union in this country,” President Renfro said. “Nobody else has the influence; nobody else has the resources; certainly nobody else has the activism and the numbers of members that we do.”

In just a few weeks’ time, NALC members unified to shut down a potential executive order and saved letter carriers’ jobs, retirements and the future of the Postal Service. Though letter carriers cannot relax, as the fight continues.

## Reconciliation

In April and May, Republican leaders on Capitol Hill began an aggressive push using budget reconciliation—a legislative shortcut that bypasses the Senate filibuster—to move their tax and spending plans forward with a simple majority vote in both chambers.

Conservative lawmakers on the House Committee on Oversight and Government Reform made several proposals aimed at reducing federal employee benefits or increasing what they pay for them, including:

- Raising the FERS contribution rate to 4.4 percent—increasing out-of-pocket costs for workers.
- Eliminating the FERS Special Annuity Supplement—cutting early retirement income.
- Basing the FERS retiree benefit on high-5 instead of high-3 salary—reducing final benefit amounts.
- Enacting the Federal Employee Health Benefits (FEHB) Protection Act (H.R. 7868)—reworking eligibility or cost-sharing.

- Converting new federal workers to at-will employment unless they accept higher FERS contribution rates—weakening job protections unless employees agree to pay more into retirement.
- Charging fees for federal employee Merit Systems Protection Board appeals—potentially pricing out workers from fair due process.

They also considered eliminating official time unless unions compensate the federal government, adjusting the limit of federal employee buyouts, and moving the Federal Employees Health Benefits program from a premium-share model to a voucher model.

With the threats against letter carriers’ retirement benefits mounting, Senate Homeland Security and Governmental Affairs Committee Chairman Rand Paul (R-KY) added fuel to the fire by proposing to reclaim any unspent funds designated for USPS electric vehicles (EVs) and requiring the agency to sell all its EVs and associated infrastructure.

Over several weeks, NALC members consistently answered calls to action, contacting their lawmakers again and again to guarantee these harmful provisions were removed. At the same time, President Renfro met with House members and senators and participated in a Capitol Hill roundtable discussion with representatives and other labor leaders to emphasize the severity of these attacks.

“This fight was more intense than any fight in the 15 years I’ve been at NALC Headquarters,” President Renfro said.

Working together, letter carriers successfully defeated all these proposals by the time the bill was signed into law



on July 4. Few unions and other groups came out of the process unscathed. NALC's incredible fight and determination saved our retirement benefits and those of millions of other federal employees.

## New postmaster general



On May 9, the USPS Board of Governors announced the selection of David P. Steiner as the 76th postmaster general and CEO of the U.S. Postal Service following the resignation of former Postmaster General Louis DeJoy in March.

DeJoy had been pushed out by the White House in February, the same time the Department of Government Efficiency (better known as DOGE) had entered the Postal Service, and threats of an executive order to restructure the Postal Service were circulating. Steiner was selected at the urging of private shippers.

Steiner took charge in the summer and has been in the position less than a year. Though it is still unclear what, if any, significant changes Steiner will make, President Renfroe said that his selection "illustrates the power of the influence of corporate America, and in our case, corporate America in the shipping industry."

## Arbitration award and ongoing collective-bargaining preparations

On March 21, Arbitrator Dennis R. Nolan issued a final and binding

award that set the terms of a three-year collective-bargaining agreement between NALC and USPS. The award included the largest annual general wage increases since the 2006 National Agreement, six cost-of-living adjustments, and full back pay for all hours worked. The terms awarded also addressed several of NALC's objectives such as increasing starting pay and further increasing top-step pay, where letter carriers spend most of their careers and is the salary on which retirement calculations are based.

Following implementation of the award, preparations for the next round of collective bargaining and potential interest arbitration continued. Collective bargaining is the primary role of the union, and extensive time and resources are dedicated to collective-bargaining prep year-round, regardless of where we are in the current agreement.

Since early September, the Executive Council's bargaining subcommittees have been preparing for the next round of contract negotiations. The committees have been going through their assigned articles, reviewing national convention resolutions, considering other union contracts and forming proposals. This is a process that NALC has used in the last several rounds of contract negotiations.

"But we wanted to provide them with more information," President Renfroe said. Providing these committees with member suggestions is a top priority, and NALC developed some new ways of doing that.

The first comes from the Rank-and-File Bargaining Committees, which were estab-







lished by President Renfroe last fall to provide comprehensive feedback and suggestions from letter carriers on the workroom floor. The first group convened in September, and the second group is scheduled to meet this month. The committees are comprised of branch leaders, contract enforcers and newer members selected by President Renfroe at the recommendations of national business agents.

“They came up with some of their own concepts,” Renfroe said. “On the economic front, we had an excellent discussion with them about priorities.”

The subcommittees have used the first Rank-and-File Bargaining Committee’s ideas and suggestions as they continue to form bargaining proposals related to their articles. The second Rank-and-File Bargaining Committee’s suggestions will be incorporated into the subcommittees’ ongoing work.

In addition to the Rank-and-File Committees, the national rap session in Cleveland, OH, in November was another key opportunity for members to learn about and give their feedback on collective-bargaining preparations. An entire day of programming was devoted to workshops presented by the bargaining subcommittees, and a large portion of these presentations were open discussions for members to ask questions and offer suggestions. The subcommittees answered every question, took detailed notes, and have been working to incorporate this critical feedback into their bargaining proposals.

Additionally, as this issue was going to press, NALC was planning to send a survey to all active NALC members to allow them to share their thoughts and priorities on both the economic and workroom

floor elements of collective bargaining. This will be the first time NALC has conducted such a survey, and it will allow every active member to share their opinions on the next contract.

“All of this information will be used by the end of January as our subcommittees finalize the drafts of their proposals for bargaining,” Renfroe said. “The feedback we have received is invaluable. I appreciate every member who has helped make the preparation process collaborative and productive by offering their thoughts and suggestions.”

## A look at USPS’s future

It’s impossible to predict what will happen this new year, but NALC is preparing for the challenges ahead.

One of the major challenges is the Postal Service’s finances. In November, USPS reported a loss of \$9 billion, which brought the Postal Service’s three-year total losses to \$25 billion. Total mail volume has declined by 49 percent since its peak in 2006, while the network has grown by 24 million delivery points (more than 16 percent).

Another issue exposed in the Postal Service’s financial results is the agency’s lack of cash to invest in modernizing its infrastructure to be able to handle today’s e-commerce business, even as parcel volume declined by almost 6 percent in 2025, likely from competition.

“The path forward is not clear,” Renfroe warned. “The Postal Service must modernize. Our infrastructure is outdated. Our current processing and delivery networks cannot meet the service needs of our customers,” he added.

Additionally, since 2014, the agency has defaulted on more than \$32 billion in amortization payments to its CSRS and FERS accounts, including default-



ing on \$3.9 billion in 2025. While letter carriers' retirement benefits are not in danger, the Postal Service will eventually need to fund these accounts, and the cost to do so will continue to increase each year. By 2032, the Postal Service's annual retirement payments are projected to increase to \$18 billion, absent legislative reform.

The state of USPS's finances has made the need for investment reform and the implementation of the Segal report priorities for 2026 and beyond. "Those two things alone will not solve our problems," Renfroe said, "but they must be done, and they will buy valuable time and money to make investments to modernize our infrastructure."

NALC also will likely need to play defense in 2026. "The more immediate danger," the president said, "is the opportunities that this current financial situation and the things that we can project in the near future create for those that push for action like privatization and slashing benefits legislatively."

The threats of stopping dues collection through payroll deduction and the elimination of official time, or "steward time," are still lingering in Congress.

NALC will continue to advocate for the policy changes we need, keep pushing the Postal Service on service improvements and smart investment in modernization, and—most importantly—the Postal Service's business model must change. NALC will convene a group of members in 2026 to explore what this new business model should be.

"We have to be part of developing what the Postal Service's business looks like in the future," he said. "Of course, for us, a business model that values letter carriers and protects our jobs is of

utmost importance and at the top of the list."

## Opening of negotiations

With bargaining for the next contract set to begin in February, NALC has announced that it will launch a comprehensive campaign related to bargaining. It will include a national day of action, similar to the one organized in March of last year.

"The public supports us in virtually everything we do. We have to be strategic about what's going on and how they can help us," Renfroe said.

Transparency and member feedback will be more critical now than at any point in our union's history. But much will depend on how willing the Postal Service is to engage in what all expect to be a difficult set of negotiations.

NALC's bargaining priorities include an all-career workforce, further improving pay for all letter carriers at every step, defending and improving our cost-of-living adjustment clause, reducing the time it takes to reach top step, defending the ban on contracting out letter carrier work, and defending layoff protections.

"As we continue to prepare for collective bargaining, we must remember that we never take our right to bargain for granted," Renfroe said. "We must be ready to fight like hell to defend our right to bargain at all times. Last year, we saw attacks on our brother and sister federal employees and their unions that were unprecedented in American history.

"Thankfully, our collective action and unified message have been successful at stopping each and every threat to us and the Postal Service thus far. More threats will come, but letter carriers have more fight than whoever tries to attack us next." **PR**

