

# National Association of Letter Carriers

---

100 Indiana Ave., N.W.  
Washington, DC 20001-2144

## Memorandum

Telephone:  
(202) 393-4695

*July 15, 2025*

### **5<sup>th</sup> Contract COLA: Accumulated COLA is \$728 through July 2025**

The projected accumulation toward the fifth regular COLA under the 2023-2026 National Agreement was \$728 in July following the release of the June 2025 Consumer Price Index.

On July 15, 2025, the Bureau of Labor Statistics announced that the CPI for Urban Wage Earners and Clerical Workers (CPI-W, 1967=100) stood at 941.104 in June, 66.663 points above the base level of 874.441 in January 2023. The accumulated COLA through July stood at 35 cents per hour or \$728 annually.

The fifth COLA will be based on the increase in the CPI-W between the base index month and July 2025, less any previously calculated COLAs, and will be payable the second full pay period following the release of the July 2025 index. The four COLAs that have been calculated under the 2023-2026 National Agreement, totaling 131 cents per hour, are as follows: the 1st COLA, 47 cents per hour (\$978 annually), the 2nd COLA, 17 cents per hour (\$353 annually), the 3rd COLA, 47 cents per hour (\$978 annually), and the 4<sup>th</sup> COLA, 20 cents per hour (\$416 annually).

### **2026 Retiree COLAs Projection: CSRS is 2.3% and FERS is 2.0% as of July 2025**

The 2026 COLAs for CSRS and FERS benefits are based on the increase in the average CPI-W between the 3rd quarter of 2024 (308.729) and the 3rd quarter of 2025.

Based on the June 2025 CPI-W (1982-84) of 315.945, the increase in the CPI is 2.3%. The projected 2026 COLA for CSRS is 2.3% and FERS is 2.0%. The 2026 retiree COLA calculation will be finalized in October 2025 with the release of the CPI-W for September 2025.

### **2026 FECA COLA Projection: 2.2% as of July 2025**

Based on the release of the June 2025 CPI-W (1982-84=100), the 2026 FECA COLA projection is 2.2%. The June 2025 CPI-W of 315.945 was 2.2% above the December 2024 base index (309.067). The 2026 FECA COLA calculation will be finalized when the December 2025 CPI-W is published during the month of January 2026.

FECA COLAs are applicable only in cases where death or disability occurred more than one year prior to the adjustment's effective date.