

PAY ADJUSTMENTS FOR CIVILIAN FEDERAL EMPLOYEES COVERED BY THE GENERAL SCHEDULE AND CERTAIN OTHER PAY SYSTEMS

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

AN ALTERNATIVE PLAN FOR PAY ADJUSTMENTS FOR CIVILIAN FEDERAL EMPLOYEES COVERED BY THE GENERAL SCHEDULE AND CERTAIN OTHER PAY SYSTEMS IN JANUARY 2026, PURSUANT TO 5 U.S.C. 5304a(a)(1); PUBLIC LAW 101-509, TITLE I, SEC. 101(a)(1); (104 STAT. 1436) AND 5 U.S.C. 5303(b)(1)(A); PUBLIC LAW 89-554, SEC. 5303(b)(1)(A) (AS AMENDED BY PUBLIC LAW 101-509, SEC. 529); (104 STAT. 1430)



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THE WHITE HOUSE,
Washington, August 28, 2025.

Hon. MIKE JOHNSON,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: I am transmitting an alternative plan for pay adjustments for civilian Federal employees covered by the General Schedule and certain other pay systems in January 2026.

I have determined that for 2026, base pay will increase by 1.0 percent and locality pay increases will be set at zero. This adjustment shall take effect on the first day of the first applicable pay period beginning on or after January 1, 2026, and will address our ability to attract and retain a skilled and highly talented Federal workforce while charting a fiscally responsible course.

Separately, to increase recruitment and retention in critical law enforcement roles and to ensure our great Federal law enforcement officers are treated fairly, in addition to the 1.0 percent base pay increase, at my direction the Office of Personnel Management (OPM) shall use its statutory authority to increase 2026 compensation for certain categories of law enforcement personnel by an additional amount to be in line with the 3.8 percent increase being given to military personnel pursuant to 37 U.S.C. 1009. That change is part of a separate process from the establishment of this alternative pay plan under 5 U.S.C. 5303(b) and 5 U.S.C. 5304a. Starting September 2, 2025, OPM shall consult with executive departments and agencies to identify the categories of law enforcement personnel that will be eligible for this pay increase.

Without this alternative pay plan, under current law, locality pay would increase an average of 18.88 percent, costing \$24 billion in the first year alone. This change would go into effect in January 2026 along with an additional 3.3 percent across-the-board increase for the base General Schedule.

Title 5, United States Code, authorizes me to implement alternative plans for pay adjustments for civilian Federal employees covered by the General Schedule and certain other pay systems if, because of “national emergency or serious economic conditions affecting the general welfare,” I view the increases that would otherwise take effect as inappropriate.

We must maintain efforts to put our Nation on a fiscally sustainable course; Federal agency budgets cannot sustain such irresponsible increases. Accordingly, I have determined that it is appropriate to exercise my authority to set alternative pay adjustments for 2026 pursuant to 5 U.S.C. 5303(b) and 5 U.S.C. 5304a.

Federal employee pay must be based on merit and practical skill and aligned with the budget and my Administration’s goals of streamlining the Federal workforce and reducing Federal spending. My alternative pay plan will further my Administration’s efforts to

create an excellent and efficient Federal workforce of the highest caliber while maintaining fiscal responsibility.

Sincerely,

DONALD J. TRUMP.