

<b>EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> Unemployment Insurance
	<b>CORRESPONDENCE SYMBOL</b> OUI/DUIO
	<b>DATE</b> December 30, 2025

**ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 05-26**

**TO:** STATE WORKFORCE AGENCIES

**FROM:** LORI FRAZIER BEARDEN /s/  
Acting Assistant Secretary

**SUBJECT:** Social Security Annuities and Federal Civilian Pensions Cost-of-Living  
Adjustments

1. **Purpose.** To ensure State Workforce Agencies (SWAs) are aware of the social security survivors and old age retirement annuities and the Federal civilian pensions annual cost-of-living adjustment (COLA) increased for calendar year (CY) 2026.
  2. **Action Requested.** The Employment and Training Administration (ETA) requests that State Administrators provide the information in this Unemployment Insurance Program Letter (UIPL) and Attachment I to the appropriate staff.
  3. **Summary and Background.**
    - a. Summary – This UIPL provides SWAs with information regarding the (CY) 2026 COLA information effective December 1, 2025.
    - b. Background – The COLA information for social security survivors and old age retirement annuities and Federal civilian pensions is based on the previous year’s Consumer Price Index (CPI). These COLA adjustments become effective December 1, 2025.
  4. **Instructions.** Based on the increase in the CPI, there are COLA adjustments for retired pay, and pensions effective **December 1, 2025** (see Attachment I). For more information, visit <https://www.opm.gov/retirement-center/my-annuity-and-benefits/annuity-payments/#url=Cost-of-Living>.
- States that have laws requiring a reduction of the unemployment insurance (UI) weekly benefit amount by the prorated weekly amount of retired pay and pensions should identify claimants affected by the COLA increases and make the appropriate reductions as required by state law.
5. **Inquiries.** Please direct inquiries to the appropriate ETA Regional Office.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
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**6. References.**

- 5 U.S.C. Chapter 85, Unemployment Compensation;
- 20 C.F.R. Part 609;
- Employment and Training Handbook No. 391, *Unemployment Compensation for Federal Employees Handbook for State Agencies, Chapter VII (3)(g)*.  
<https://www.dol.gov/agencies/eta/advisories/handbooks/et-handbook-no-391>

**7. Attachment.**

- Attachment I: Prorated Civil Service Retirement System (CSRS) and Federal Employees Retirement System (FERS) COLA Effective 12/01/2025.