



February 23, 2026

VIA ELECTRONIC MAIL

RE: Continued Participation on NTEU/IRS Arbitration Panel

Dear Arbitrators:

It is the National Treasury Employees Union's (NTEU) understanding that the IRS and IRS Chief Counsel (collectively, IRS) will soon purport to terminate their collective bargaining agreements (CBAs) with NTEU in furtherance of an Executive Order that two federal district courts held is likely unlawful and that continues to be the subject of litigation. The IRS cannot lawfully terminate its CBAs with NTEU because NTEU remains the exclusive representative of its bargaining unit employees. And the IRS's recent emails to arbitrators stating that it will not attend arbitration hearings are meaningless; its CBAs with NTEU mandate that arbitration hearings be held even if one party refuses to participate. NTEU thus expects members of its national and regional arbitration panels with the IRS to continue to hear grievances. NTEU will ensure full payment of arbitrators' fees and recoup the IRS's share of those fees from the IRS as needed.

1. Litigation over Executive Order No. 14,251, *Exclusions from Federal Labor-Management Relations Programs*, continues. Federal district courts in two judicial circuits ruled that the Order is likely unlawful and preliminarily enjoined its implementation.¹ While NTEU's preliminary injunction was stayed pending appeal, it was not vacated—and whether it will be put into effect again remains a live issue. That is likely one reason why OPM previously advised, back in August 2025, that agencies should not attempt to terminate or repudiate their CBAs with NTEU.² While OPM's view changed on February 13, the status of NTEU's litigation against the Executive Order has not. It remains to be seen whether NTEU's challenge to the Executive Order's legality will succeed.

While the IRS will soon purport to terminate its CBAs with NTEU, it cannot lawfully do so, and those CBAs will remain in effect. The IRS cannot unilaterally end a CBA with the exclusive representative of one of its bargaining units; to the contrary, the IRS must have a CBA with that exclusive representative. 5 U.S.C. § 7114. And regardless of whether the IRS continues to *recognize* NTEU as the exclusive representative of its bargaining unit employees, there is no dispute that the Federal Labor Relations Authority *certified* that status long ago and has taken no action to undo it. So, under Section 7114 of Title 5, IRS must maintain its CBAs with NTEU and

¹ *NTEU v. Trump*, 780 F. Supp. 3d 237 (D.D.C. 2025); *AFGE v. Trump*, 792 F. Supp. 3d 985 (N.D. Cal. 2025).

² Gov't Br. at 9 n.2, *NTEU v. Trump*, 25-5157 (D.C. Cir. Sept. 9, 2025) (quoting OPM guidance).

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cannot purport to end them. Those CBAs will thus remain in force. The IRS's actions, if anything, will simply be an unlawful repudiation of those CBAs.

2. NTEU's position is that arbitrators on the national panel should continue to hear grievances between NTEU and the IRS pursuant to the CBAs that remain in effect. At a bare minimum, there would be no justification for refusing to hear a grievance that was filed before the IRS's purported termination of its CBAs with NTEU. And it would be especially indefensible for an arbitrator to take that position on a grievance that was filed before the Executive Order in question even issued; even the unlawful Executive Order itself does not claim to have retroactive effect.

3. NTEU understands that the IRS is taking a position that it is withdrawing from or will not appear at arbitration hearings—apparently without limitation. The very CBAs from which you draw your authority make clear that the IRS's position is immaterial to whether those hearings must go forward. Each CBA *requires* that arbitration hearings go forward, even if one party refuses to attend. In identical language, each CBA provides that:

The arbitrator *shall* hold the hearing notwithstanding that one party refuses to attend the arbitration. The first issue to be addressed shall be the question of whether the case is properly before the arbitrator. If the case is proper, the grievance will be heard on the merits. Copies of any transcripts, briefs, and decisions will be served on the other party. The party going forward will notify the other party of its intent, listing the date and location of the hearing.

IRS & NTEU Nat'l Agmt., Art. 43, Sec. 5.A (emphasis added); IRS Chief Counsel & NTEU Nat'l Agmt., Article 35, Sec. 5.A.20 (emphasis added).

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In sum, there is no legal basis for holding grievances in abeyance or otherwise refusing to hear them while NTEU's litigation over the Executive Order continues and while NTEU's CBAs with the IRS remain in effect. Indeed, those CBAs require the opposite conclusion. The arbitrators on these panels have already been assigned by the parties for numerous grievances. NTEU will continue to present these cases to those who will hear them and will work to assign additional cases in the future consistent with the parties' contracts. NTEU will also ensure that arbitration fees are fully paid and seek reimbursement from the IRS as needed.

Sincerely,



Doreen P. Greenwald
National President

cc: Dan Kaspar, Director of Field Operations & Organizing