

October 8, 2026

MEMBERSHIP ALERT:

HUD Says You Can't Grieve Your Rating. Our Contract Says Otherwise.

Brothers and Sisters,

HUD distributed FY2026 closeout guidance yesterday stating that employees can no longer challenge their performance ratings through the grievance process, including for FY2026.

HUD has presented that statement as fact. It is not. Bargaining unit employees covered by our Collective Bargaining Agreement (CBA) still have the right to file a grievance challenging their performance ratings under the agreement.

Our contract remains in effect through July 23, 2029. OPM—the agency HUD cites to justify these changes—stated in its July 24, 2026 collective bargaining guidance:

“Agencies may not effectuate those changes in the final rule where they conflict with specific provisions of a CBA.”

Put plainly: agencies cannot impose these changes where they conflict with an existing union contract. OPM specifically identifies contract provisions allowing grievances over performance ratings as protected. HUD is invoking OPM's changes while ignoring OPM's instruction to honor existing agreements. Management has been reminded of this repeatedly—and issued this announcement anyway.

The guidance also announces a **40% cap on Level 4 and Level 5 ratings** and an additional management review that could change proposed ratings. OPM directs agencies to exclude bargaining unit employees from the cap where it conflicts with their contract. The Union is challenging how HUD's changes apply to employees covered by our agreement, including whether employees will be evaluated against the standards in their approved performance plans.

Council 222 has been actively bargaining with the Agency for the past two weeks. A formal grievance alleging unfair labor practices and contract violations was filed this week.

The negotiating team is addressing this latest guidance. **Bargaining does not mean we have accepted these changes or agreed to give up your rights.**

Your Union representatives are fighting for you every day—at the bargaining table, through grievances, and by holding management accountable. These protections were negotiated and earned. We will not stand by while HUD tells employees they no longer exist.

If you believe your performance rating should be challenged, contact your Local Union promptly for guidance on how to file a grievance. Filing deadlines still apply—do not wait

for the Council's bargaining or grievance to conclude. Find your Local's contact information on the [AFGE Council 222 website](#). Keep copies of your performance plan, progress reviews, accomplishments, and communications concerning your rating.

HUD's announcement does not erase our contract or your negotiated rights. Management knows that, and your Union will keep demanding that it honor the agreement it signed.