



2025 State Supplemental Funding Survey

September 01, 2025

Beginning in 1994, the Interstate Conference of Employment Security Agencies (ICESA), now the National Association of State Workforce Agencies (NASWA) has surveyed state workforce agencies to determine the amount of state funds used to supplement federal grants for a variety of federal workforce and unemployment insurance programs. Reports exist for each year up to FY 2019, and with this report FY 2020 and FY 2021 are added to the list.

In the fall of CY 2022, NASWA released the latest State Supplemental Funding Survey to state workforce agency Administrators and Finance Directors requesting supplemental funding data for FY 2020 and FY 2021. Forty-eight states plus the District of Columbia responded to the Survey. This report was delayed due to the impact of the COVID-19 Pandemic on state operations. The Survey, sponsored by the NASWA Administrative and Finance Committee (A&F), helps gauge the actual expenditures for Unemployment Insurance (UI), Wagner-Peyser Employment Services (ES), Workforce Innovation and Opportunity Act (WIOA) programs, labor market information (LMI) activities, interest payments on Title XII Unemployment Trust Fund Advances, and any other activities supported by state funds that cannot be classified into one single category.

The Survey also captures how states have spent the funds allocated to them from Reed Act distributions. Reed Act distributions, authorized under Section 903 of the Social Security Act (SSA), are implemented when the three federal accounts in the Unemployment Trust Fund (UTF) exceed their statutory limits at the end of a federal fiscal year. If this occurs, excess funds may be transferred to the individual State accounts in the UTF. These transfers are called "Reed Act" distributions.

For the FY 2020 & FY 2021 Survey, a separate question was included to capture how states used funds available to them through 1) Treasury's Coronavirus Relief Fund from CARES, 2) State Fiscal Recovery Relief Fund from ARPA, and 3) Families First Act.

In reporting supplemental funding information NASWA asked states to specify the source of state supplemental funds and the amount from each account used for the programs and operations mentioned above. The four categories of funding sources include: State Penalty and Interest, State General Fund, State Administrative Tax, and Other Funds.

For Reed Act distributions, states were asked in past Surveys to specify the type of distribution used to supplement UI Administration, UI Benefits and ES Administration. The three Reed Act distributions¹ collected in this Survey are from the Special Reed Act, Regular Reed Act, and the \$8 Billion Reed Act distributions. The A&F Committee asked the states to report on how UI Supplemental Budget Requests (SBRs) were allocated between UI and ES Administration funding. This request was continued for the current Survey.

Each year NASWA receives requests from states to share specific information on the number of states that reported a specific expenditure. Currently, NASWA has not received authorization from states who have submitted data to release state specific responses.

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