

Appendix IV – Wagner-Peyser Act ES Allotment Activities

Wagner-Peyser Act ES Final Allotments. The appropriated level for PY 2026 for grants for the ES programs totals was \$675,052,000. After reducing the appropriated amount by \$155,000 for set asides authorized by the Act, \$674,897,000 is available for ES programs. After determining the funding for Guam and the United States Virgin Islands, ETA calculates allotments to states using the formula set forth at section 6 of the Wagner-Peyser Act (29 U.S.C. 49e). ETA based PY 2026 formula allotments on each state’s share of calendar year 2025 monthly averages of the Civilian Labor Force (CLF) and unemployment. The distribution of Wagner-Peyser Act funds for PY 2026 includes \$673,251,836 for states, as well as \$1,645,164 for Guam and the United States Virgin Islands. Attachment I shows the distribution of PY 2026 ES formula amounts by state compared to PY 2025.

Section 7(a) of the Wagner-Peyser Act ([49 U.S.C. § 49f\(a\)](#)) authorizes states to use 90 percent of the funds allotted to a state for labor exchange services, and other career services such as job search and placement services to job seekers; appropriate recruitment services for employers; program evaluations; developing and providing labor market and occupational information; developing management information systems; and administering the work test for unemployment insurance claimants.

Section 7(b) of the Wagner-Peyser Act (49 U.S.C. § 49f(b)) states that 10 percent of the funds allotted to a state must be reserved for use by the Governor to provide performance incentives for public employment service offices and programs, provide services for groups with special needs, and provide for the extra costs of exemplary models for delivering services of the type described in section 7(a) and models for enhancing professional development and career advancement opportunities of state agency staff.