



SCHAR SCHOOL OF POLICY
AND GOVERNMENT
George Mason University®

Center on Nonprofits, Philanthropy, and Social Enterprise

Nonprofit Employment in the States, 2017-2022

George Mason University – Nonprofit Employment Data Project
Briefing #3 — July 2025

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INTRODUCTION

The [Center on Nonprofits, Philanthropy, and Social Enterprise](#) in George Mason University's Schar School of Policy and Government is pleased to release this second report from the [George Mason University – Nonprofit Employment Data Project \(GMU-NED\)](#). Led by Center Director Dr. Alan Abramson in collaboration with his Center faculty colleagues Dr. Mirae Kim and Dr. Stefan Toepler, and project consultant Chelsea Newhouse of the East-West Management Institute, the GMU-NED Project aims to continue and expand on the important, earlier efforts of Johns Hopkins University's Center for Civil Society. Both the previous Hopkins initiative and this new Mason project have been made possible by support from the Charles Stewart Mott Foundation.

This report follows our [2024 Nonprofit Employment Report](#), released in December of last year, which provided an overview of national-level data on nonprofit employment and wages between 2017 and 2022 from the U.S. Bureau of Labor Statistics' Quarterly Census of Employment and Wages (QCEW). Drawing on this same dataset, this report will examine state-level nonprofit employment and wages in 2022, how the onset of the COVID-19 pandemic impacted nonprofit employment in the states and territories, and how state-level nonprofit employment had recovered as of 2022. Due to the unique nature of the underlying dataset, we are also able to compare nonprofit employment and wages to their counterparts in the for-profit sector during this crucial period.

The QCEW database has several advantages over alternative record systems available to track nonprofit employment. Primary among these are: (a) nearly complete coverage of all 501(c)(3) nonprofit establishments in the U.S.; (b) the use of the establishment, instead of the organization, as the unit of observation, which allows pinpointing the geographic location of workers instead of attributing all of them to the home office of the parent organization; (c) use of the standard North American Industry Classification System (NAICS), which categorizes organizations by field of activity and is used for other economic sectors, making possible comparisons with for-profit businesses in terms of the number of people employed, the economic field, and the average wages paid, by state, county, and metro area; and (d) professional management by highly competent statistical experts in the U.S. Bureau of Labor Statistics. See [Appendix A](#) for additional detail about the QCEW and the methodology used for this report.

In the pages that follow, we highlight **five key findings** emerging from the BLS data on average annual nonprofit employment and wages for the years 2017 to 2022 in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands:

1. Nonprofits are a major employer in virtually every state and territory;
2. Nonprofit wages are a crucial component of state economies;
3. Nonprofits in most states retained more of their workforce than their for-profit counterparts in 2020;
4. However, nonprofits in most states struggled to keep up with for-profits during the first two years of recovery from the COVID pandemic in 2021 and 2022; and
5. Nonprofit wages rose faster than for-profit wages in the majority of states during the recovery period.

To supplement this report, we have developed a [data dashboard](#), which provides additional information on the number of nonprofit establishments operating in each state, the fields in which they are active, and how this changed during and in the years immediately following the COVID-19 pandemic. For even more granular data, we invite those interested to consult our [GMU Nonprofit Works](#) website that provides user-guided access to these data points down to the county and metro statistical area (MSA) levels, and enables users to compare nonprofits to the government sector, in addition to for-profit businesses.

KEY FINDINGS

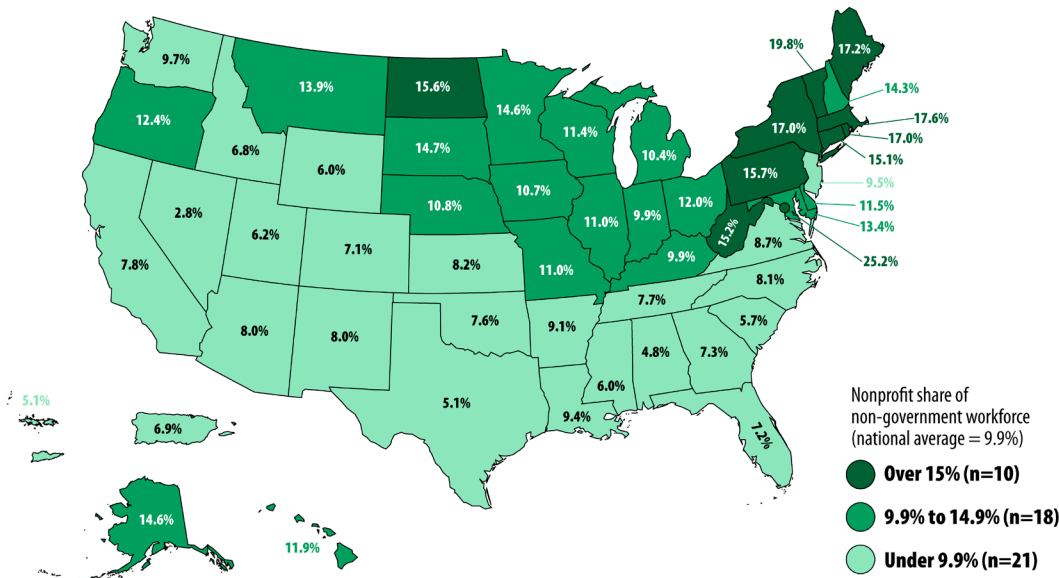
PART I: NONPROFITS IN 2022

1) Nonprofits are a major employer in virtually all states and territories

The 12.8 million paid workers employed by U.S. nonprofits as of 2022 accounted for 9.9% of the total U.S. private (i.e., non-governmental) workforce, highlighting the nonprofit sector's role as a vital driver of employment across the nation.

As shown in **Figures 1 and 2**, nonprofits exceed the national average of 9.9% of private employment in 26 states and the District of Columbia, and account for 15% or more of the private workforce in 10 states and Washington DC, including the District of Columbia (25.2%), Vermont (19.8%), and Massachusetts (17.6%) at the high end of nonprofit employment. Indeed, nonprofits fell below 5% of private employment in only two states—Nevada (2.8%) and Alabama (4.8%).

Figure 2. Nonprofit share of private employment, by state and territory, 2022

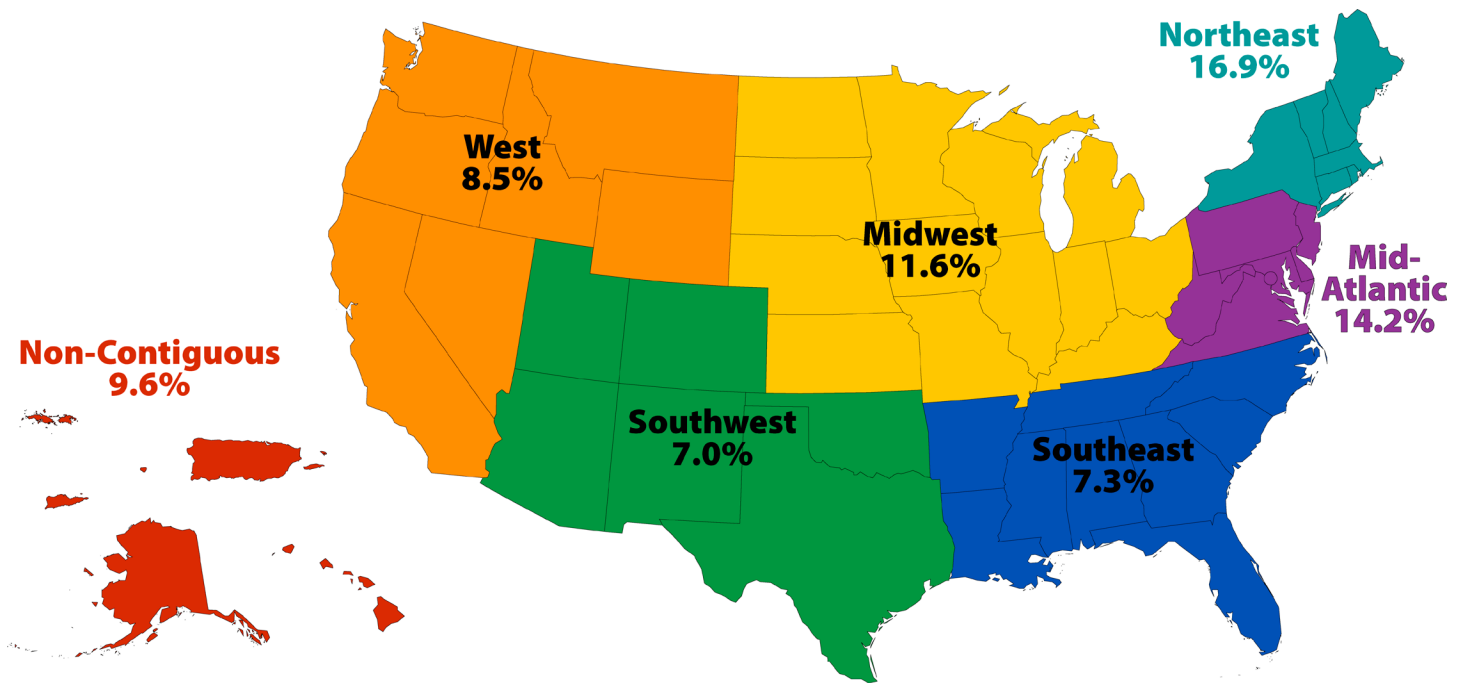


There are significant regional differences in terms of nonprofit share of private employment, with nonprofits in the Northeast (16.9%), Mid-Atlantic (14.2%), and Midwest (11.6%) regions comprising an above-average share of the private workforce, and states in the West (9.5%), Southeast (7.3%), and Southwest (7%) falling below the national average, as shown in **Figure 3**.¹

¹ Regional figures are calculated by averaging the state-level percent of non-government employment represented by nonprofits (Figure 2) in each of the included states.

Figure 1. Nonprofit workers and nonprofit employment as a percent of the total private workforce, by state and territory, 2022

State or Territory	Nonprofit Employment in 2022	Share of Private Workforce
U.S. National	12,766,057	9.9%
Alabama	79,830	4.8%
Alaska	35,095	14.6%
Arizona	214,303	8.0%
Arkansas	96,343	9.1%
California	1,206,206	7.8%
Colorado	169,154	7.1%
Connecticut	216,029	15.1%
Delaware	45,142	11.5%
D.C.	129,446	25.2%
Florida	596,797	7.2%
Georgia	297,194	7.3%
Hawaii	59,651	11.9%
Idaho	47,507	6.8%
Illinois	569,998	11.0%
Indiana	271,496	9.9%
Iowa	139,249	10.7%
Kansas	94,909	8.2%
Kentucky	163,033	9.9%
Louisiana	147,753	9.4%
Maine	91,248	17.2%
Maryland	288,231	13.4%
Massachusetts	557,292	17.6%
Michigan	388,594	10.4%
Minnesota	361,461	14.6%
Mississippi	55,556	6.0%
Missouri	266,695	11.0%
Montana	57,309	13.9%
Nebraska	89,319	10.3%
Nevada	36,316	2.8%
New Hampshire	84,168	14.3%
New Jersey	340,347	9.5%
New Mexico	52,571	8.0%
New York	1,347,020	17.0%
North Carolina	323,968	8.1%
North Dakota	52,848	14.7%
Ohio	563,822	12.0%
Oklahoma	99,723	7.6%
Oregon	208,100	12.4%
Pennsylvania	817,298	15.7%
Rhode Island	71,405	17.0%
South Carolina	105,162	5.7%
South Dakota	54,121	14.7%
Tennessee	209,998	7.7%
Texas	576,031	5.1%
Utah	87,621	6.2%
Vermont	49,423	19.8%
Virginia	283,432	8.7%
Washington	287,587	9.7%
West Virginia	81,770	15.2%
Wisconsin	285,990	11.4%
Wyoming	12,496	6.0%
Puerto Rico	44,146	6.9%
U.S.V.I.	1,396	5.1%

Figure 3. Nonprofit share of private employment, by region, 2022

- All states in the **Northeast** region are above the national average, with the smallest share being seen in New Hampshire at 14.3%.
- In the **Mid-Atlantic** region, only Virginia at 8.7% and New Jersey at 9.5% fall below the national average. In Washington D.C., the nonprofit sector makes up over a quarter of the private workforce, and in both West Virginia and Pennsylvania, nonprofits employ more than 15% of all non-government workers
- In the **Midwest** states, only Kansas falls below the national average at 8.2%, while all other states meet or exceed that mark.
- In the **West**, 4 out of 9 states exceed the national average. However, Nevada, at 2.8%, continues to have the smallest nonprofit sector in the nation in terms of employment share.
- No states in the **Southeast** or **Southwest** regions meet or exceed the national average. At 4.8%, Alabama had the smallest nonprofit employment share in the Southeast, and Louisiana, at 9.4% had the highest share. In the Southwest, Texas' 5.1% nonprofit share of private workers was the lowest, with both New Mexico and Arizona having the highest shares at 8%.
- In the **non-contiguous states and territories** (Alaska, Hawaii, Puerto Rico, and the U.S. Virgin Islands), nonprofits employed an average of 9.6% of the non-government workforce. However, there is significant deviation, with nonprofits in both Alaska (14.6%) and Hawaii (11.9%) comprising larger-than-average nonprofit workforces, and in Puerto Rico (6%) and the Virgin Islands (5.8%) comprising smaller than average workforces.

On the field level, nonprofits nationally employ large shares of non-government workers in the key fields of health care (41.6%), social assistance (36%), religious, grantmaking, civic, professional, and similar organizations (58.6%), and education (70%). While distributions vary state-to-state, this pattern generally holds true across the country, as shown in our state-by-state [data dashboard](#).

Between 2017 (the last year for which data were previously available) and 2022, U.S. nonprofits added just under 277,500 jobs, an increase of 2.2%. On the state level, employment changes varied widely, with 17 states, Washington DC, and Puerto Rico seeing reductions in the nonprofit workforce ranging from a low of -0.2% in Missouri (426 jobs) to a high of -4.8% in Mississippi (2,639 jobs), as shown in **Figure 4**. On the other hand, nonprofits added jobs in 35 states and the U.S. Virgin Islands. Of those, seven states saw growth rates of 10% or more, including Oklahoma at 14.5% (14,448 jobs), Idaho at 13.7% (6,530 jobs), South Carolina and Louisiana at 11.7% (12,312 and 17,285 jobs, respectively), Nevada at 11.1% (4,016 jobs), Florida at 10.3% (61,412 jobs), and Arizona at 10.1% (21,680 jobs). Nonprofit employment in an additional 17 states and the U.S. Virgin Islands exceeded the overall 2.2% growth rate, with Texas leading the pack at 9.8%, representing an additional 56,566 jobs.

Because the manufacturing sector is often seen as a bellwether for the health and vitality of a region's economy, it is especially revealing to note that as of 2022 nonprofits employed more workers than all branches of manufacturing in 30 of the 53 states and territories for which data are available, including states as diverse as Pennsylvania (nonprofit workforce was 145% of manufacturing workforce), North Dakota (194%), West Virginia (179%), and Florida (146%), as shown in **Figure 5**. In an additional five states, nonprofits represent over 75% of total manufacturing employment, including Ohio (83%), Nebraska (86%), California (90%), and Missouri (94%). Nonprofits employed under 75% of the workers employed by manufacturing firms in just 17 states and Puerto Rico, with nonprofit employment below 50% of manufacturing employment in only three states—South Carolina (40%), Mississippi (38%), and Alabama (29%). In the U.S. overall, the nonprofit workforce comprised approximately 15,000 more workers than all branches of manufacturing combined.

Figure 5. Nonprofit employment as share of manufacturing employment, by state and territory, 2022

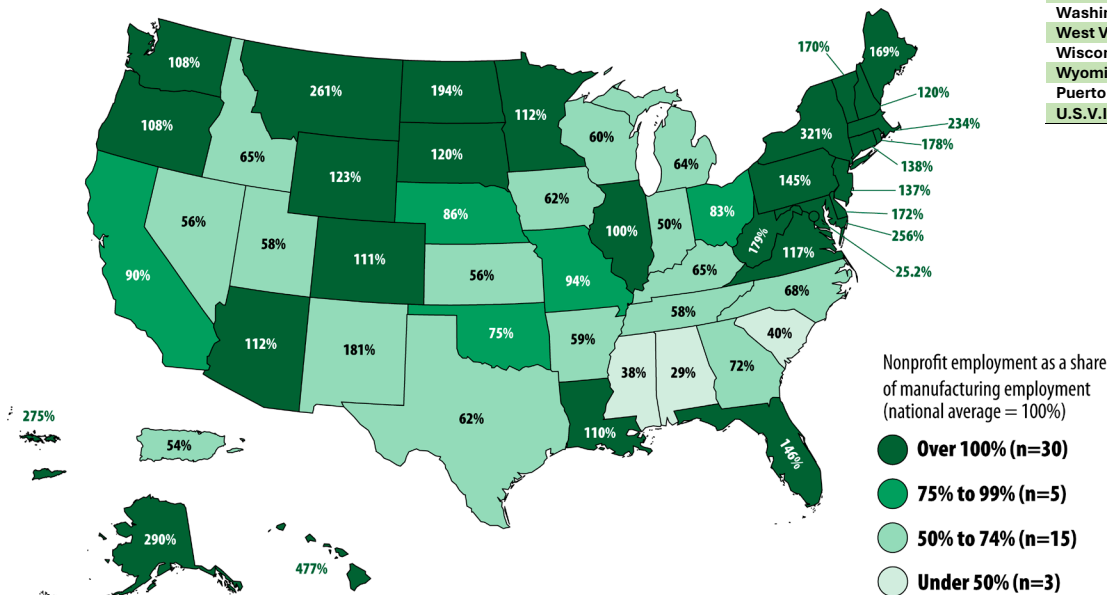


Figure 4. Nonprofit employment by state and territory, 2017 vs. 2022, and percent change

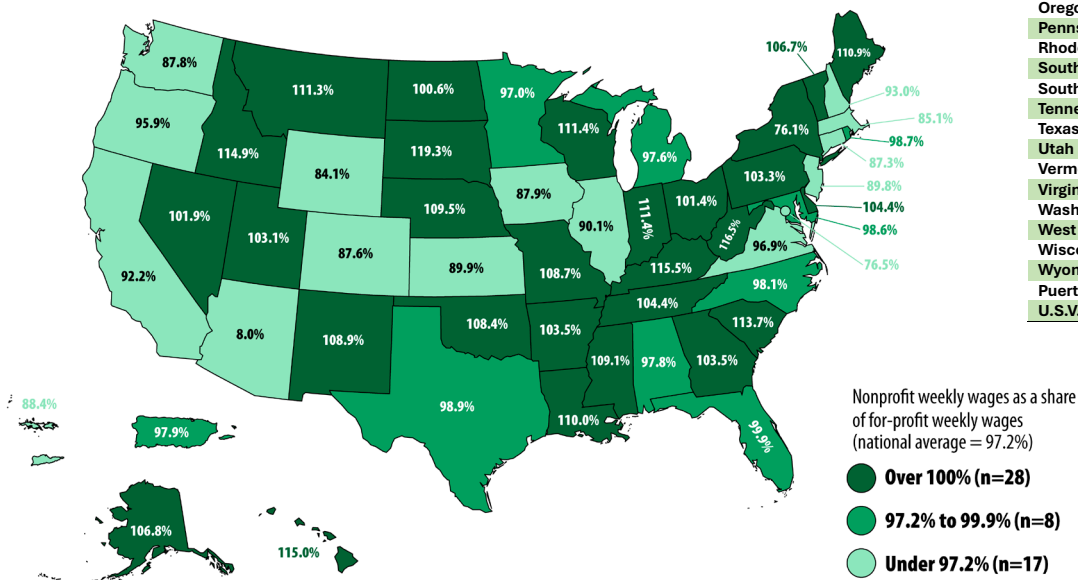
State or Territory	Nonprofit Employment as of 2017	2022	Percent Change
U.S. National	12,488,563	12,766,057	2.2%
Alabama	80,326	79,830	-0.6%
Alaska	34,543	35,095	1.6%
Arizona	192,623	214,303	10.1%
Arkansas	93,679	96,343	2.8%
California	1,144,666	1,206,206	5.1%
Colorado	167,663	169,154	0.9%
Connecticut	210,283	216,029	2.7%
Delaware	45,307	45,142	-0.4%
D.C.	134,500	129,446	-3.9%
Florida	535,385	596,797	10.3%
Georgia	277,365	297,194	6.7%
Hawaii	61,965	59,651	-3.9%
Idaho	40,977	47,507	13.7%
Illinois	585,086	569,998	-2.6%
Indiana	267,615	271,496	1.4%
Iowa	147,936	139,249	-6.2%
Kansas	93,793	94,909	1.2%
Kentucky	154,213	163,033	5.4%
Louisiana	130,468	147,753	11.7%
Maine	92,740	91,248	-1.6%
Maryland	280,159	288,231	2.8%
Massachusetts	551,117	557,292	1.1%
Michigan	402,228	388,594	-3.5%
Minnesota	368,278	361,461	-1.9%
Mississippi	58,195	55,556	-4.8%
Missouri	267,121	266,695	-0.2%
Montana	55,698	57,309	2.8%
Nebraska	86,458	89,319	3.2%
Nevada	32,300	36,316	11.1%
New Hampshire	85,283	84,168	-1.3%
New Jersey	329,920	340,347	3.1%
New Mexico	51,897	52,571	1.3%
New York	1,404,492	1,347,020	-4.3%
North Carolina	310,381	323,968	4.2%
North Dakota	54,953	52,848	-4.0%
Ohio	570,420	563,822	-1.2%
Oklahoma	85,275	99,723	14.5%
Oregon	195,168	208,100	6.2%
Pennsylvania	807,075	817,298	1.3%
Rhode Island	69,184	71,405	3.1%
South Carolina	92,850	105,162	11.7%
South Dakota	51,514	54,121	4.8%
Tennessee	203,379	209,998	3.2%
Texas	519,465	576,031	9.8%
Utah	81,017	87,621	7.5%
Vermont	48,977	49,423	0.9%
Virginia	283,480	283,432	0.0%
Washington	269,361	287,587	6.3%
West Virginia	77,685	81,770	5.0%
Wisconsin	291,713	285,990	-2.0%
Wyoming	12,389	12,496	0.9%
Puerto Rico	45,328	44,146	-2.7%
U.S.V.I.	1,331	1,396	4.7%

2) Nonprofit wages are a crucial part of state economies

Overall, U.S. nonprofits paid over \$8.73 billion in wages to their 12.8 million employees in 2022. As shown in **Figure 6**, average annual nonprofit wages per employee rose significantly between 2017 and 2022, growing by 27.4% per employee—meaning that the average nonprofit employee earned \$14,728 more in 2022 than they did in 2017. On the state and territory level, wages were up across the board, exceeding 20% in all but Washington DC (19.1%, or \$14,248) and Puerto Rico (15.8% or \$4,115, the smallest dollar increase). In 32 states, wages increased at a faster rate than the national average, with Kansas nonprofit workers enjoying the largest percent raise (38.6%, or \$14,549) and New Jersey's nonprofit workers receiving the largest real dollar bump at \$17,138 (a 31.5% increase over 2017 salaries).

While nonprofit jobs are generally believed to be low-paying compared to jobs in the business sector, this belief is not supported by the data. In fact, U.S. nonprofits overall paid nearly the same average weekly wages as for-profits in 2022, at 97 cents on the dollar. As shown in **Figure 7**, in 28 states, nonprofit average weekly wages actually exceed those paid by for-profit industry, with nonprofit workers in five states—South Dakota (nonprofit wages per employee are 119.3% of for-profit wages), West Virginia (116.5%), Kentucky (115.5%), and Hawaii (115%)—receiving wages equal to or more than 115% higher on average than for-profit employees in those states. Nonprofit workers in only 15 states, the District of Columbia, and the U.S. Virgin Islands earn less on average per week than for-profit employees.

Figure 7. Nonprofit average weekly wages as a share of for-profit average weekly wages, by state and territory, 2022



Moreover, in some of these states, this disparity can potentially be attributed to high concentrations of high-paying industries in which nonprofits are not active. For instance, tech industry jobs in California (92.2%), Oregon (95.9%), and Washington state (87.8%) may at least partially explain lower nonprofit wages vs. the overall for-profit sector. Similarly, high concentrations of finance and insurance industry and other highly compensated jobs in New York (76.1%), New Jersey (89.9%), and Connecticut (87.3%) may contribute to nonprofit overall wage disparities in those states. As such, it is important to look at nonprofit wages at the field level as well, which are available in the **data dashboard**.

Figure 6. Nonprofit average annual wages by state and territory, 2017 vs. 2022, and percent change

State or Territory	Nonprofit Wages per Employee as of		Percent Change
	2017	2022	
U.S. National	\$53,667	\$68,394	27.4%
Alabama	\$42,365	\$55,510	31.0%
Alaska	\$53,187	\$68,575	28.9%
Arizona	\$51,379	\$65,468	27.4%
Arkansas	\$41,876	\$55,883	33.4%
California	\$62,559	\$78,352	25.2%
Colorado	\$52,407	\$66,834	27.5%
Connecticut	\$58,000	\$73,338	26.4%
Delaware	\$54,536	\$71,434	31.0%
D.C.	\$74,671	\$88,919	19.1%
Florida	\$48,576	\$63,607	30.9%
Georgia	\$53,432	\$68,729	28.6%
Hawaii	\$52,054	\$66,958	28.6%
Idaho	\$49,306	\$62,332	26.4%
Illinois	\$52,322	\$67,208	28.5%
Indiana	\$48,438	\$64,549	33.3%
Iowa	\$39,976	\$51,212	28.1%
Kansas	\$37,695	\$52,244	38.6%
Kentucky	\$48,920	\$63,757	30.3%
Louisiana	\$46,729	\$62,136	33.0%
Maine	\$48,545	\$63,548	30.9%
Maryland	\$56,628	\$70,308	24.2%
Massachusetts	\$65,659	\$79,886	21.7%
Michigan	\$49,076	\$62,595	27.5%
Minnesota	\$54,709	\$68,619	25.4%
Mississippi	\$38,651	\$50,874	31.6%
Missouri	\$50,874	\$64,780	27.3%
Montana	\$45,243	\$59,452	31.4%
Nebraska	\$48,443	\$62,291	28.6%
Nevada	\$50,042	\$62,185	24.3%
New Hampshire	\$54,318	\$69,548	28.0%
New Jersey	\$54,369	\$71,507	31.5%
New Mexico	\$45,380	\$58,110	28.1%
New York	\$55,572	\$71,881	29.3%
North Carolina	\$49,433	\$62,522	26.5%
North Dakota	\$49,563	\$61,653	24.4%
Ohio	\$47,935	\$61,392	28.1%
Oklahoma	\$43,889	\$57,898	31.9%
Oregon	\$51,205	\$63,049	23.1%
Pennsylvania	\$53,801	\$69,216	28.7%
Rhode Island	\$51,249	\$62,283	21.5%
South Carolina	\$48,236	\$62,352	29.3%
South Dakota	\$50,802	\$63,510	25.0%
Tennessee	\$49,865	\$65,410	31.2%
Texas	\$56,323	\$70,148	24.5%
Utah	\$48,872	\$63,436	29.8%
Vermont	\$50,488	\$62,510	23.8%
Virginia	\$54,446	\$69,279	27.2%
Washington	\$59,363	\$75,782	27.7%
West Virginia	\$47,044	\$60,121	27.8%
Wisconsin	\$52,024	\$65,605	26.1%
Wyoming	\$35,350	\$47,724	35.0%
Puerto Rico	\$26,060	\$30,175	15.8%
U.S.V.I.	\$31,391	\$39,418	25.6%

PART II: NONPROFITS AND THE COVID-19 PANDEMIC

3) Nonprofits in most states retained more of their workforce than their for-profit counterparts in 2020, the first year of the pandemic

Between 2019 and 2020 nonprofits suffered significant job losses, losing 580,426 jobs or 4.5% of their workforce. Reflecting this, with the exceptions of Puerto Rico, the U.S. Virgin Islands, Delaware, and Minnesota, nonprofits in all states saw declines in their workforce in 2020, as shown in **Figure 8**. Sixteen states saw losses above the national average, with the highest percentage of jobs lost in Kansas (-15.1%), South Dakota (-10%), and Louisiana (-7.9%). Conversely, nonprofits in 31 states retained more of their workers than the national average, with Iowa and North Carolina nonprofits both losing just 1.6% of their workforce, and Rhode Island losing just 1.4%.

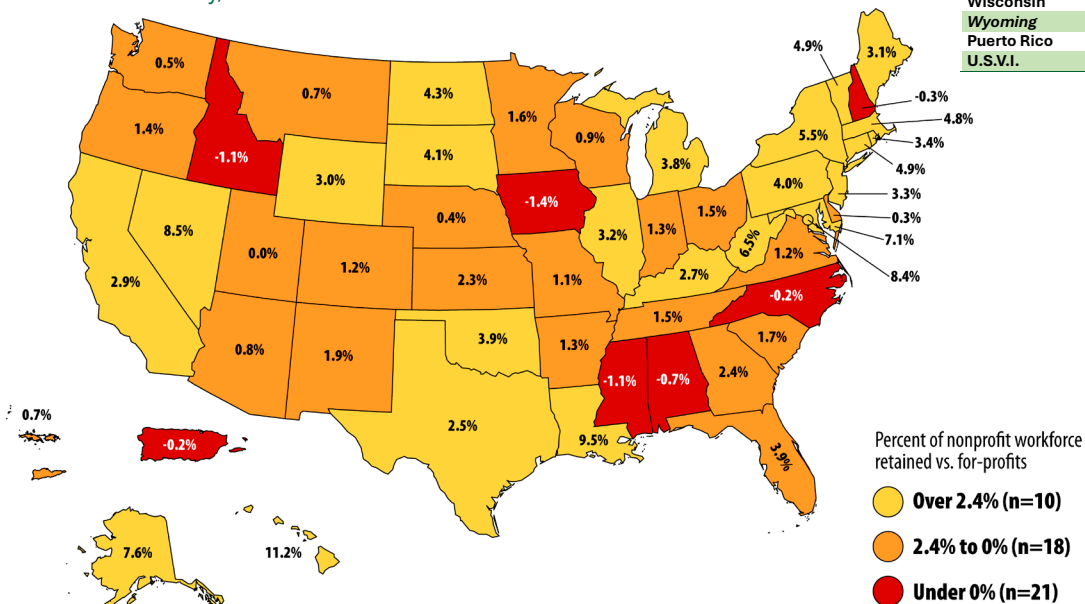
At the onset of the pandemic, **seven states** declined to issue full stay-at-home orders, in part to prevent job losses. However, in terms of nonprofit, these states present a mixed bag of results. Four—Iowa (1.6%, second lowest), North Dakota (2.5%), Wyoming (2.6%), and Nebraska (3.5%)—saw below average rates of nonprofit job losses, while nonprofits in Utah (6.3%), Arkansas (6.7%), and South Dakota (10%) shed higher-than-average shares of their workforces during the first year of the pandemic. Indeed, at 10% of the workforce, South Dakota nonprofits shed the highest share of their workforce in the nation.

While the national nonprofit workforce contracted by 4.5% during the first year of the pandemic, this decrease was significantly lower than that experienced by for-profit businesses, which shed 6.9% of their 2019 workforce in 2020. As a result, nonprofits were able to retain an average of 2.4% more of their workers than their for-profit counterparts. As shown in **Figure 9**, this nonprofit resilience is reflected on the state level, with nonprofits in 43 states,

Figure 8. Nonprofit employment and percent of jobs lost, 2019 vs. 2020, by state and territory

State or territory	Nonprofit employment as of 2019	2020	Difference	Percent change
U.S. National	12,950,658	12,370,232	-580,426	-4.5%
Alabama	3,695,927	3,808,765	-112,838	-3.1%
Alaska	2,052,456	2,134,771	-82,315	-4.0%
Arizona	11,385,996	12,063,502	-677,506	-6.0%
Arkansas	4,347,683	4,637,615	-289,932	-6.7%
California	80,528,088	83,030,882	-2,502,794	-3.1%
Colorado	9,477,107	9,919,667	-442,560	-4.7%
Connecticut	13,483,235	14,093,770	-610,535	-4.5%
Delaware	2,776,361	2,727,372	48,989	1.8%
D.C.	10,789,506	11,022,711	-233,205	-2.2%
Florida	29,527,774	31,065,240	-1,537,466	-5.2%
Georgia	16,802,041	17,445,731	-643,690	-3.8%
Hawaii	3,579,549	3,709,928	-130,379	-3.6%
Idaho	2,282,846	2,374,339	-91,493	-4.0%
Illinois	33,084,535	34,204,290	-1,119,755	-3.4%
Indiana	14,296,908	14,888,292	-591,384	-4.1%
Iowa	6,331,172	6,432,478	-101,306	-1.6%
Kansas	3,770,483	4,337,969	-567,486	-15.1%
Kentucky	8,115,964	8,518,256	-402,292	-5.0%
Louisiana	7,179,658	7,748,792	-569,134	-7.9%
Maine	4,970,755	5,234,946	-264,191	-5.3%
Maryland	17,233,775	18,151,423	-917,648	-5.3%
Massachusetts	39,194,239	40,181,663	-987,424	-2.5%
Michigan	21,242,872	21,604,838	-361,966	-1.7%
Minnesota	22,067,654	22,014,826	52,828	0.2%
Mississippi	2,443,005	2,521,082	-78,077	-3.2%
Missouri	15,046,305	15,318,378	-272,073	-1.8%
Montana	2,749,950	2,906,211	-156,261	-5.7%
Nebraska	4,668,325	4,831,787	-163,462	-3.5%
Nevada	1,774,593	1,878,437	-103,844	-5.9%
New Hampshire	5,151,947	5,285,767	-133,820	-2.6%
New Jersey	20,165,402	21,352,162	-1,186,760	-5.9%
New Mexico	2,621,914	2,729,088	-107,174	-4.1%
New York	85,703,143	87,454,378	-1,751,235	-2.0%
North Carolina	17,143,539	17,417,280	-273,741	-1.6%
North Dakota	2,921,380	2,993,110	-71,730	-2.5%
Ohio	29,611,469	30,385,979	-774,510	-2.6%
Oklahoma	4,523,274	4,728,255	-204,981	-4.5%
Oregon	11,245,620	11,550,332	-304,712	-2.7%
Pennsylvania	48,796,372	50,291,958	-1,495,586	-3.1%
Rhode Island	3,817,924	3,870,906	-52,982	-1.4%
South Carolina	4,925,668	5,095,145	-169,477	-3.4%
South Dakota	2,873,205	3,159,759	-286,554	-10.0%
Tennessee	11,241,994	11,757,308	-515,314	-4.6%
Texas	32,446,942	33,546,753	-1,099,811	-3.4%
Utah	4,433,973	4,714,363	-280,390	-6.3%
Vermont	2,710,317	2,783,521	-73,204	-2.7%
Virginia	17,040,886	17,453,307	-412,421	-2.4%
Washington	18,398,607	18,823,127	-424,520	-2.3%
West Virginia	4,047,255	4,308,669	-261,414	-6.5%
Wisconsin	16,488,478	16,806,557	-318,079	-1.9%
Wyoming	506,412	519,722	-13,310	-2.6%
Puerto Rico	1,218,373	1,180,345	38,028	3.1%
U.S.V.I.	50,028	48,912	1,116	2.2%

Figure 9. Percent change in annual average nonprofit vs. for-profit employment, by state and territory, 2019-2020



the District of Columbia, and the U.S. Virgin Islands similarly retaining more of their pre-pandemic workforce than their for-profit counterparts between 2019 and 2020, though there was significant variation. On the high end, nonprofits in Hawaii retained 11.2% more of their workers than Hawaii-based businesses, with nonprofits in Louisiana (9.5%), Nevada (8.5%), D.C. (8.4%), Alaska (7.6%), Maryland (7.1%), West Virginia (6.5%), and New York (5.5%) retaining over 5% more of their workforce compared to for-profit counterparts. On the other end of the spectrum, nonprofits in six states lost a higher percent of their workers than state for-profits, including in Iowa (1.4% more), Mississippi (1.1% more), Idaho (1.1% more), Alabama (0.7% more), New Hampshire (0.3% more), and North Carolina (0.2% more). Nonprofits in Puerto Rico also lost 0.2% more workers than Puerto Rico-based for-profits, while nonprofits in Utah lost workers at the same rate as their for-profit counterparts.

4) Nonprofits in most states struggled to keep up with for-profits during the recovery

As of 2022, as much of the nation's workforce had recovered from pandemic-induced losses, the national nonprofit sector workforce remained 1.4% smaller than it was in 2019. As shown in **Figure 10**, nonprofits in 28 states and territories employed fewer workers in 2022 than they had in 2019, with Delaware nonprofits employing 7.6% fewer workers, and nonprofits in New York (6.3%), Iowa (5.7%), North Dakota (5.4%), Hawaii (5.2%), and DC (5%) all having nonprofit workforces more than 5% smaller than they did prior to the pandemic.

Figure 8. Percent change in annual average nonprofit vs. for-profit employment, by state and territory, 2019-2022

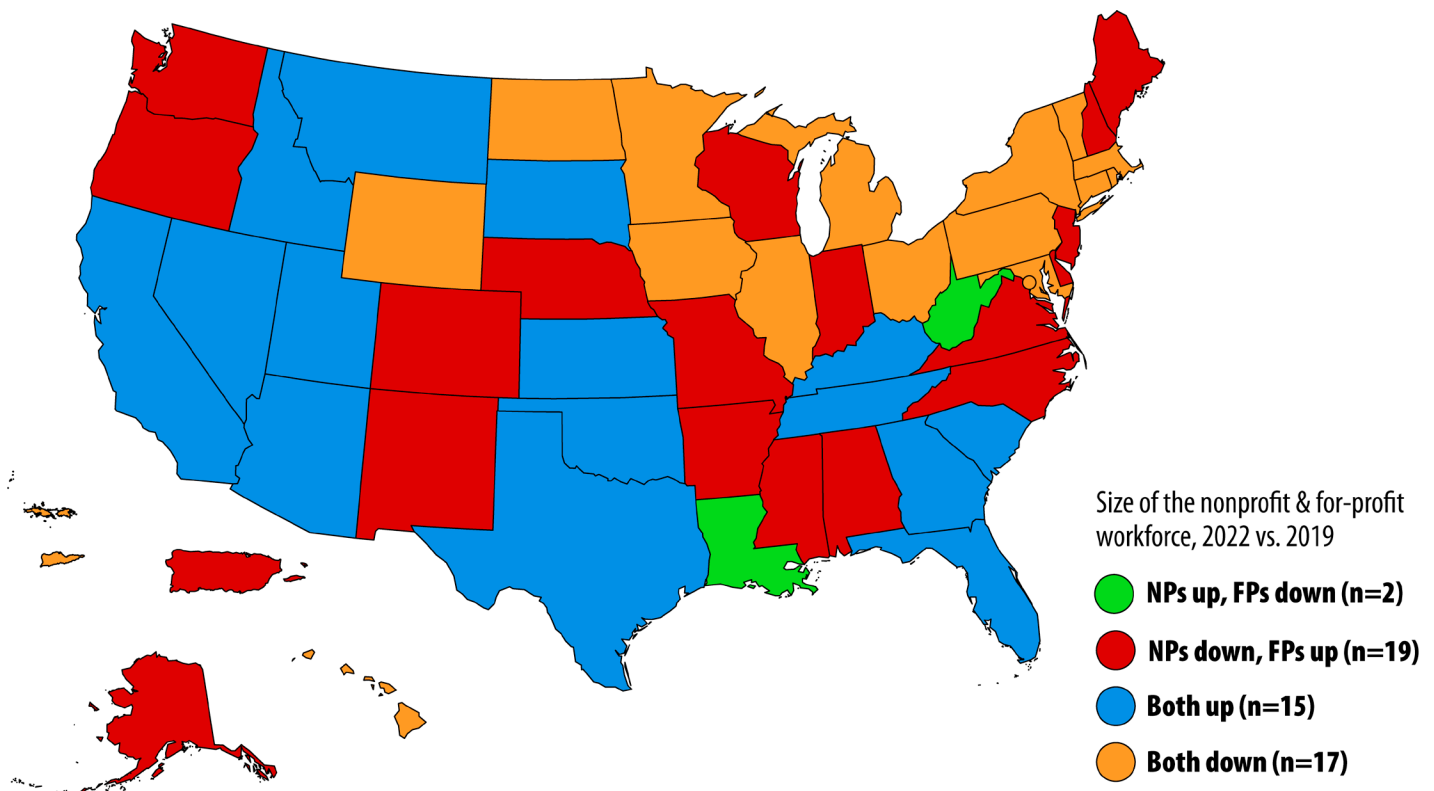
State or territory	Sector	Percent change in employment			
		2019-2020	2020-2021	2021-2022	2019-2022
U.S. National	Nonprofit	-4.5%	0.6%	2.6%	-1.4%
	For-profit	-6.9%	4.5%	5.2%	2.2%
Alabama	Nonprofit	-5.3%	0.5%	1.4%	-3.5%
	For-profit	-4.6%	3.8%	3.7%	2.6%
Alaska	Nonprofit	-3.2%	1.4%	0.6%	-1.3%
	For-profit	-10.8%	3.6%	4.2%	-3.7%
Arizona	Nonprofit	-2.3%	1.8%	3.8%	3.2%
	For-profit	-3.1%	5.1%	5.5%	7.4%
Arkansas	Nonprofit	-2.7%	0.9%	1.6%	-0.3%
	For-profit	-4.0%	3.3%	4.7%	3.8%
California	Nonprofit	-5.0%	1.1%	4.7%	0.6%
	For-profit	-7.9%	4.6%	6.0%	2.2%
Colorado	Nonprofit	-4.3%	0.8%	2.6%	-1.0%
	For-profit	-5.6%	4.7%	4.8%	3.6%
Connecticut	Nonprofit	-3.7%	1.0%	2.2%	-0.5%
	For-profit	-8.6%	3.9%	3.7%	-1.5%
Delaware	Nonprofit	-6.1%	-2.6%	1.1%	-7.6%
	For-profit	-6.5%	3.9%	4.9%	1.9%
D.C.	Nonprofit	-3.4%	-3.2%	1.6%	-5.0%
	For-profit	-11.8%	0.7%	7.5%	-4.5%
Florida	Nonprofit	-1.7%	1.7%	5.1%	5.0%
	For-profit	-5.6%	6.0%	6.5%	6.5%
Georgia	Nonprofit	-2.9%	0.7%	3.5%	1.2%
	For-profit	-5.3%	5.1%	6.0%	5.6%
Hawaii	Nonprofit	-7.6%	-0.3%	2.9%	-5.2%
	For-profit	-18.8%	7.4%	7.1%	-6.6%
Idaho	Nonprofit	-1.3%	4.5%	5.4%	8.7%
	For-profit	-0.2%	6.7%	4.1%	10.9%
Illinois	Nonprofit	-4.6%	-0.5%	1.9%	-3.4%
	For-profit	-7.8%	3.0%	4.6%	-0.7%
Indiana	Nonprofit	-4.4%	0.5%	1.2%	-2.8%
	For-profit	-5.7%	4.2%	4.2%	2.3%
Iowa	Nonprofit	-6.6%	0.6%	0.3%	-5.7%
	For-profit	-5.1%	2.4%	2.4%	-0.5%
Kansas	Nonprofit	-2.7%	0.8%	2.0%	0.0%
	For-profit	-5.1%	2.3%	3.4%	0.4%
Kentucky	Nonprofit	-3.4%	3.3%	3.0%	2.7%
	For-profit	-6.2%	4.6%	3.9%	2.0%
Louisiana	Nonprofit	0.4%	2.4%	2.5%	5.4%
	For-profit	-9.1%	2.8%	3.4%	-3.3%
Maine	Nonprofit	-4.2%	0.4%	0.2%	-3.6%
	For-profit	-7.2%	6.4%	3.5%	2.1%
Maryland	Nonprofit	-1.8%	0.7%	0.9%	-0.2%
	For-profit	-8.9%	3.8%	3.0%	-2.6%
Massachusetts	Nonprofit	-5.3%	1.6%	1.8%	-2.0%
	For-profit	-10.1%	5.2%	4.8%	-0.9%
Michigan	Nonprofit	-6.2%	1.7%	0.6%	-4.0%
	For-profit	-10.0%	5.3%	4.8%	-0.7%
Minnesota	Nonprofit	-5.6%	0.8%	0.6%	-4.4%
	For-profit	-7.3%	3.5%	3.5%	-0.7%
Mississippi	Nonprofit	-5.6%	-0.1%	0.8%	-4.9%
	For-profit	-4.5%	3.7%	3.4%	2.5%
Missouri	Nonprofit	-4.2%	-0.2%	0.9%	-3.5%
	For-profit	-5.3%	3.5%	3.8%	1.7%

State or territory	Sector	Percent change in employment			
		2019-2020	2020-2021	2021-2022	2019-2022
Montana	Nonprofit	-2.7%	3.0%	1.6%	1.9%
	For-profit	-3.4%	6.1%	4.9%	7.6%
Nebraska	Nonprofit	-3.4%	1.9%	1.4%	-0.3%
	For-profit	-3.8%	2.1%	2.3%	0.5%
Nevada	Nonprofit	-2.8%	2.8%	7.7%	7.7%
	For-profit	-11.3%	8.5%	9.2%	5.1%
New Hampshire	Nonprofit	-6.7%	1.1%	1.3%	-4.4%
	For-profit	-6.4%	5.2%	4.2%	2.6%
New Jersey	Nonprofit	-5.7%	1.1%	3.0%	-1.8%
	For-profit	-9.0%	6.1%	6.1%	2.4%
New Mexico	Nonprofit	-5.7%	1.0%	2.6%	-2.3%
	For-profit	-7.6%	3.1%	5.6%	0.6%
New York	Nonprofit	-6.8%	-1.4%	1.9%	-6.3%
	For-profit	-12.2%	4.6%	6.9%	-1.8%
North Carolina	Nonprofit	-4.4%	0.9%	3.1%	-0.6%
	For-profit	-4.2%	5.8%	5.1%	6.5%
North Dakota	Nonprofit	-3.5%	-1.1%	-0.9%	-5.4%
	For-profit	-7.8%	1.2%	3.9%	-3.1%
Ohio	Nonprofit	-4.9%	0.1%	1.8%	-3.1%
	For-profit	-6.4%	3.3%	3.2%	-0.2%
Oklahoma	Nonprofit	-1.5%	2.3%	4.7%	5.5%
	For-profit	-5.4%	2.0%	3.9%	0.2%
Oregon	Nonprofit	-5.2%	-0.3%	1.9%	-3.7%
	For-profit	-6.6%	3.2%	4.1%	0.4%
Pennsylvania	Nonprofit	-4.6%	-0.9%	1.9%	-3.6%
	For-profit	-8.7%	4.4%	4.7%	-0.2%
Rhode Island	Nonprofit	-6.5%	0.2%	5.5%	-1.2%
	For-profit	-9.9%	6.1%	3.9%	-0.8%
South Carolina	Nonprofit	-3.9%	6.4%	5.7%	8.1%
	For-profit	-5.6%	4.1%	4.9%	3.1%
South Dakota	Nonprofit	0.4%	1.1%	1.1%	2.7%
	For-profit	-3.7%	4.0%	3.6%	3.8%
Tennessee	Nonprofit	-2.9%	1.1%	2.3%	0.4%
	For-profit	-4.4%	4.4%	5.5%	5.2%
Texas	Nonprofit	-2.4%	2.3%	6.3%	6.2%
	For-profit	-4.9%	4.6%	6.6%	6.0%
Utah	Nonprofit	-1.1%	0.9%	3.5%	3.3%
	For-profit	-1.1%	6.2%	4.8%	10.1%
Vermont	Nonprofit	-5.7%	1.8%	2.7%	-1.3%
	For-profit	-10.6%	4.4%	3.8%	-3.1%
Virginia	Nonprofit	-4.4%	0.0%	1.5%	-2.9%
	For-profit	-5.6%	3.5%	3.7%	1.4%
Washington	Nonprofit	-5.2%	1.3%	3.7%	-0.4%
	For-profit	-5.7%	3.8%	5.5%	3.3%
West Virginia	Nonprofit	-2.4%	2.7%	2.0%	2.3%
	For-profit	-8.9%	3.0%	2.9%	-3.4%
Wisconsin	Nonprofit	-4.8%	0.3%	0.8%	-3.8%
	For-profit	-5.7%	3.2%	3.3%	0.5%
Wyoming	Nonprofit	-4.2%	-0.3%	1.7%	-2.9%
	For-profit	-7.2%	2.6%	3.4%	-1.6%
Puerto Rico	Nonprofit	-6.3%	0.3%	4.6%	-1.6%
	For-profit	-6.1%	7.9%	6.8%	8.2%
U.S.V.I.	Nonprofit	-7.7%	-0.9%	6.6%	-2.6%
	For-profit	-8.4%	-5.0%	-1.9%	-14.7%

However, in the 17 other states, nonprofits were able to restore and even increase their workforces over this period, with Idaho nonprofits boasting a 2022 workforce that was 8.7% larger than the 2019 level, and nonprofits in South Carolina (8.1%), Nevada (7.7%), Texas (6.2%), Oklahoma (5.5%), Louisiana (5.4%), and Florida (5%) employing at least 5% more workers than they did pre-pandemic.

Overall, as of 2022, employment levels in both nonprofits and for-profits were down from 2019 levels in 15 states, D.C., and the U.S. Virgin Islands, as shown in **Figure 11**. In an additional 18 states and Puerto Rico, 2022 nonprofit employment remained below 2019 levels, while for-profit employment increased. Both nonprofits and for-profits boasted larger workforces in 2022 in 15 states, with five of those states (Oklahoma, South Carolina, Nevada, Kentucky, and Texas) adding nonprofit jobs at a faster pace than their for-profit counterparts. However, nonprofits in only two states—Louisiana and West Virginia—had fully recovered and exceeded 2019 employment levels as of 2022, while their for-profit counterparts had not yet recovered from their 2020 losses.

Figure 11. Relative size of the nonprofit and for-profit workforces in 2022 vs. 2019



5) Nonprofit wages rose faster than for-profit wages in the majority of states during the recovery period

As discussed above, overall nonprofit wages have been largely competitive with wages paid by for-profits overall. As shown in **Figure 12**, this competitiveness actually increased during the three years that comprise the pandemic and recovery periods for which data are available. Indeed, nonprofits increased their employees' average weekly wages at a faster clip than counterpart for-profits in 32 states and the U.S. Virgin Islands. In five of these states—Oklahoma, Delaware, North Dakota, Arkansas, and Ohio—nonprofit average weekly wages fell below 100% parity with for-profits prior to the pandemic, but exceeded that mark as of 2022. In the other 18 states, Puerto Rico, and the District of Columbia, nonprofit wages lost ground to those paid by for-profits overall, with the largest drops being seen in Vermont (-8.3%), D.C. (-6.9%), and South Dakota (-5.3%). However, even among these 20 states and territories, nonprofits continued to pay a higher average weekly wage than for-profits in nine states (Hawaii, Arizona, Nebraska, Montana, Nevada, Maine, Idaho, South Dakota, and Vermont).

Figure 12. Nonprofit average weekly wages as a share of for-profit average weekly wages, by state and territory, 2017 vs. 2022

State or Territory	Nonprofit Wages per Employee as of		Percent Change
	2017	2022	
U.S. National	\$53,667	\$68,394	27.4%
Alabama	\$42,365	\$55,510	31.0%
Alaska	\$53,187	\$68,575	28.9%
Arizona	\$51,379	\$65,468	27.4%
Arkansas	\$41,876	\$55,883	33.4%
California	\$62,559	\$78,352	25.2%
Colorado	\$52,407	\$66,834	27.5%
Connecticut	\$58,000	\$73,338	26.4%
Delaware	\$54,536	\$71,434	31.0%
D.C.	\$74,671	\$88,919	19.1%
Florida	\$48,576	\$63,607	30.9%
Georgia	\$53,432	\$68,729	28.6%
Hawaii	\$52,054	\$66,958	28.6%
Idaho	\$49,306	\$62,332	26.4%
Illinois	\$52,322	\$67,208	28.5%
Indiana	\$48,438	\$64,549	33.3%
Iowa	\$39,976	\$51,212	28.1%
Kansas	\$37,695	\$52,244	38.6%
Kentucky	\$48,920	\$63,757	30.3%
Louisiana	\$46,729	\$62,136	33.0%
Maine	\$48,545	\$63,548	30.9%
Maryland	\$56,628	\$70,308	24.2%
Massachusetts	\$65,659	\$79,886	21.7%
Michigan	\$49,076	\$62,595	27.5%
Minnesota	\$54,709	\$68,619	25.4%
Mississippi	\$38,651	\$50,874	31.6%
Missouri	\$50,874	\$64,780	27.3%
Montana	\$45,243	\$59,452	31.4%
Nebraska	\$48,443	\$62,291	28.6%
Nevada	\$50,042	\$62,185	24.3%
New Hampshire	\$54,318	\$69,548	28.0%
New Jersey	\$54,369	\$71,507	31.5%
New Mexico	\$45,380	\$58,110	28.1%
New York	\$55,572	\$71,881	29.3%
North Carolina	\$49,433	\$62,522	26.5%
North Dakota	\$49,563	\$61,653	24.4%
Ohio	\$47,935	\$61,392	28.1%
Oklahoma	\$43,889	\$57,898	31.9%
Oregon	\$51,205	\$63,049	23.1%
Pennsylvania	\$53,801	\$69,216	28.7%
Rhode Island	\$51,249	\$62,283	21.5%
South Carolina	\$48,236	\$62,352	29.3%
South Dakota	\$50,802	\$63,510	25.0%
Tennessee	\$49,865	\$65,410	31.2%
Texas	\$56,323	\$70,148	24.5%
Utah	\$48,872	\$63,436	29.8%
Vermont	\$50,488	\$62,510	23.8%
Virginia	\$54,446	\$69,279	27.2%
Washington	\$59,363	\$75,782	27.7%
West Virginia	\$47,044	\$60,121	27.8%
Wisconsin	\$52,024	\$65,605	26.1%
Wyoming	\$35,350	\$47,724	35.0%
Puerto Rico	\$26,060	\$30,175	15.8%
U.S.V.I.	\$31,391	\$39,418	25.6%

CONCLUSION

As described in this and previous reports, nonprofits are a major employer in the U.S., accounting for 9.9% of the non-government workforce in 2022, with nonprofit employment outpacing manufacturing employment in a majority of states. Nonprofits are especially significant employers in the Northeast, Mid-Atlantic, and Midwest regions—though in all regions, nonprofits account for 7% or more of the paid non-government workforce. However, this represents a modest decrease in the share of non-government workers employed by nonprofits, which employed 10.2% of the nation's workers in 2017.

In 2022, average annual wages for nonprofit workers in the U.S. were almost \$68,400, an increase of 27.4% from 2017. Contrary to popular belief, average wages in the nonprofit sector are nearly as high as they are in the for-profit sector, with nonprofit workers in 28 states and territories earning more than the average for-profit worker, and those in five states earning an average of \$1.15 or more to every dollar earned by an employee of a for-profit business in the same state. The difference is even more pronounced in most of the fields in which nonprofits are particularly active and employ the majority of non-government workers—including health care, social services, and education.

In 2020, the first year of the COVID-19 pandemic, nonprofits overall fared somewhat better in terms of their workforce than businesses, holding their losses to 4.5% of their employees, while for-profit employment declined by 6.9%. This held true on the state level, with nonprofits in only six states and Puerto Rico shedding a higher share of their workforce than state for-profit businesses.

However, as the recovery progressed through 2022, for-profits rebounded faster than nonprofits, so that by 2022 for-profit employment was 2.2% higher than pre-pandemic 2019 levels, while the nonprofit workforce was still 1.4% smaller. On the state level, the 2022 story was mixed. Most significantly, the nonprofit workforce in 38 states had yet to return to 2019 levels, while for-profits in 19 of those states employed more workers as of 2022 than they had in 2019. Conversely, the nonprofit workforce grew and the for-profit workforce shrank in only two states—Louisiana and West Virginia. Despite this, nonprofit wages held their own relative to for-profit wages during the same period, with nonprofits increasing their employees' average weekly wages at a faster clip than counterpart for-profits in 32 states and the U.S. Virgin Islands.

The BLS dataset on which this report draws can be tapped for important insights into the nonprofit workforce. While we were unable to include field-level and year-over-year changes in this brief report, we have developed a companion data dashboard that presents these important data on a state-by-state level. This effort complements the even more detailed data—including county- and city-level breakdowns, available in the [GMU Nonprofit Works](#) portal, both of which can be found via the George Mason University's Center on Nonprofits, Philanthropy, and Social Enterprise website. We hope that these resources will be of use to researchers, nonprofit leaders, and advocates in better understanding and communicating the economic impact of this crucial sector.

APPENDIX A:

Methodology

The nonprofit employment data included in this study cover tax exempt entities under the IRS Section 501(c)(3). These data come from the Quarterly Census of Employment and Wages (QCEW), which is administered by state Labor Market Information agencies (e.g., the Department of Labor in New York or Maryland Department of Labor, Licensing, and Regulation) and at the federal level by the Bureau of Labor Statistics (BLS). QCEW is an administrative dataset collected by states as a part of the federal Unemployment Insurance (UI) program and draws on the quarterly surveys of workplaces that state employment security offices have conducted since the 1930s. QCEW accounts for approximately 97% of all wage and salary civilian employment nationally (however, the program does not cover self-employed and family workers). Under federal law, all nonprofit places of employment with four or more employees are required to participate in the unemployment insurance system. However, 22 states also extend this requirement to places of employment with one or more employees.

The principal exclusions from the QCEW dataset vary by state and include employees of religious organizations, railroad workers, small-scale agriculture workers, domestic service workers, crew members on small vessels, state and local government elected officials, and insurance and real estate agents who receive payment solely by commission. In terms of nonprofit employment, the exclusion of religious organizations as well as entities with less than four employees is the most significant; however, religious organizations may elect to be covered by the unemployment insurance program and those that do are covered in the data. At this time the exact number of employees in tax-exempt establishments not covered by QCEW is not known, but we estimate it to be no more than 3% of total employment in the nonprofit sector.

Finding Nonprofits in the QCEW. While nonprofit places of employment have long been covered by the QCEW surveys, the data generated by these surveys have never broken out the nonprofit employment separate from the for-profit employment. As a consequence, the nonprofit sector has essentially been buried in the data. The Johns Hopkins Center for Civil Society Studies' Nonprofit Economic Data Project developed a methodology for identifying nonprofit employers in the QCEW micro-data by record matching with the publicly available register of tax exempt entities maintained by the Internal Revenue Service (IRS). The nonprofit micro-data were subsequently aggregated by county and fields of activity to meet the federal disclosure rules, mandated by law to protect the confidentiality of company-specific information. The result is the most accurate and up-to-date picture of nonprofit employment yet available.

In 2014, BLS started releasing nonprofit data at the national, state, county, and Metro Statistical Area levels following a similar methodology of record matching. However, BLS improved that methodology by adding organizations called “reimbursables” that were not included in the IRS business register. Reimbursables are organizations that under state unemployment laws are not required to pay unemployment insurance contributions each quarter, but rather are allowed to reimburse the unemployment insurance system when a claim is made. Most states will restrict such units to 501(c)(3) nonprofits. The QCEW micro-data include information on reimbursables. More information and the full downloadable data tables produced by the BLS for 2013-2022 are available [here](#).

Data Limitations and Suppression. The primary limitation of the data come from federally mandated disclosure rules that require suppression of statistical information that allows the identification of single institutional units. This suppression is applied at the industry level. In practice, this suppression can take two forms. First, the so-called “primary suppression” is applied when aggregates contain fewer than 3 units or when a single unit exceeds 80% of the aggregate total. Second, the so-called “secondary suppression” must be applied if the value of the non-disclosable aggregate can be calculated from the disclosed values (e.g. by subtraction); when this is the case, the disclosure of additional aggregates must also be suppressed to eliminate this possibility. For more on the BLS confidentiality policies, see: bls.gov/bls/confidentiality.htm.

Another limitation is that the QCEW dataset does not include information on the positions of the employees counted; as such, it is not possible to examine the “position composition” of the nonprofit sector or wages by position using these data.



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About the Center on Nonprofits, Philanthropy, and Social Enterprise in the Schar School of Policy and Government at George Mason University

The **Center on Nonprofits, Philanthropy, and Social Enterprise** seeks to improve the effectiveness of nonprofit organizations, philanthropy, and social enterprise through research, training, public education, and other initiatives that engage those who care about these important institutions and activities. Current major interests are: the state of the regional, national, and international nonprofit sectors; nonprofit-government relations; the role of foundations and philanthropy in our society; nonprofit accountability, governance, and effectiveness; global civil society; and social enterprise and social entrepreneurship. Mason's center is a long-time member of the Nonprofit Academic Centers Council (NACC), the major association of university-based, nonprofit research centers in the U.S. This new center replaces the previous Center for Nonprofit Management, Philanthropy, and Policy.

About the George Mason University – Nonprofit Employment Data Project (GMU-NED)

The **George Mason University – Nonprofit Employment Data (GMU-NED) Project** generates new information on economic trends in the nonprofit sector and produces cutting-edge reports on key components of the nonprofit economy in regions and states across the country. These reports demonstrate the significant economic scale and importance of the nonprofit sector on the national, state, and regional levels. To produce these reports, the GMU-NED Project utilizes a novel methodology developed by researchers at Johns Hopkins University to draw on a previously untapped source of data to document the size, composition, distribution, and growth of nonprofit employment and wages. In 2022, the Center on Nonprofits, Philanthropy, and Social Enterprise in the Schar School of Policy and Government at George Mason University was tapped to continue the crucial work of the JHU-NED Project following the passing of Dr. Lester Salamon. The GMU-NED Project is led by Center Director Dr. Alan Abramson, in collaboration with his Center faculty colleagues Dr. Stefan Toepler and Dr. Mirae Kim. The Project is supported by former JHU-NED Project Manager Chelsea Newhouse through a partnership with the East-West Management Institute, where she serves as a Senior Program Manager and consultant on the GMU-NED project. The GMU-NED Project is made possible by the generous support of the Charles Stewart Mott Foundation.

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