



Andy Beshear
GOVERNOR

EDUCATION AND LABOR CABINET

500 Mero Street, 3rd Floor
Frankfort, Kentucky 40601
Phone (502) 564-3070

Jamie Link
SECRETARY

October 31, 2024

Hon. Christian McDaniel, Co-Chair, Interim Joint Committee on Appropriations and Revenue
Hon. Jason Petrie, Co-Chair, Interim Joint Committee on Appropriations and Revenue
Legislative Research Commission
Room 300, State Capitol
Frankfort, Kentucky 40601

**Re: Unemployment Insurance System Replacement Project Report –
Quarter ending September 30, 2024**

Dear Co-Chairs McDaniel and Petrie:

The following quarterly Unemployment Insurance System Replacement Project Report is hereby submitted in accordance with HB 6 RS 24.

A. Restricted Funds Usage

The project has a total appropriation of \$96,750,000. This appropriation consists of the following funding sources:

\$11,250,000 Federal Funds
\$10,000,000 Bond Funds
\$7,500,000 General Fund
\$68,000,000 Restricted Funds (Service Capacity Upgrade Funds - SCUF)

As of September 30, 2024, there have been \$631,996.92 in total expenditures related to this project. At this time, no Restricted Funds have yet been utilized.

B. Timeline for Expected Completion and Implementation

The Project is being developed in two phases. The first phase of the project will replace the current Employer Tax system. This phase is scheduled for completion in 2026.

The second phase of the project will replace the current Benefits and Appeals system. This phase is scheduled for completion in 2028.

Sincerely,



Greg Higgins, Executive Director
Office of Unemployment Insurance
Education and Labor Cabinet