



Andy Beshear
GOVERNOR

EDUCATION AND LABOR CABINET

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

Jamie Link
SECRETARY

April 2, 2025

Director Jay Hartz
Legislative Research Commission
700 Capital Avenue
Frankfort, Kentucky 40601

Re: Unemployment Insurance Trust Fund Report – Second Quarter Ending December 31, 2024

Dear Mr. Hartz:

The following quarterly Unemployment Insurance report is submitted in accordance with KRS 341.240(3)(d):

A. Financing Related to Title XII of the Social Security Act and Cap Efforts

No Title XII advances were needed in the second quarter of the 2025 state fiscal year. The Kentucky Unemployment Trust Fund currently has no outstanding advances or loans. The most recent Title XII advance was repaid during the first quarter of the 2022 fiscal year. The Office of Unemployment Insurance does not foresee the need for federal advances in the near future.

KRS 341.595(2) requires an application to secure a cap on the federal unemployment tax credit reduction; however, such efforts are unnecessary at this time.

B. Status of Unemployment Insurance Trust Fund

The Kentucky Unemployment Insurance Trust Fund Account had a starting cash balance of \$1,016,883,446.55 at the beginning of the second quarter, and a closing balance of \$1,020,960,559.57 at the end of the quarter. During this period, the Trust Fund Account earned \$7,968,000 in interest.

Starting July 7, 2024, the maximum weekly benefit amount (WBA) increased to \$694, per KRS 341.380(3). During the second quarter, the average WBA was \$503.98. Over the past 12 months, the average duration of benefits was 13.5 weeks, and a total of 34,041 initial claims were filed.

At the end of the second quarter, the civilian labor force totaled 2,084,000.

C. Surcharge

Under KRS 341.614, employers subject to unemployment insurance contributions must pay a surcharge in any year there are inadequate funds in the unemployment compensation administrative fund to cover interest payments on advances or to repay any money received for the purpose of paying interest on those advances. However, since there were sufficient funds, no surcharges were applied to employers during the second quarter.

Respectfully,

A handwritten signature in black ink, appearing to read "Jamie Link", written in a cursive style.

Jamie Link, Secretary
Kentucky Education and Labor Cabinet