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## EDUCATION AND LABOR CABINET

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Jamie Link  
SECRETARY

December 13, 2024

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

### **Re: Unemployment Insurance Trust Fund Report – First Quarter Ending September 30, 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 required during the first quarter of the 2025 state fiscal year. The Kentucky Unemployment Trust Fund 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 anticipate a need for federal advances in the foreseeable future.

KRS 341.595(2) requires an application to obtain a cap on the federal unemployment tax credit reduction and cap efforts are unnecessary.

#### **B. Status of Unemployment Insurance Trust Fund**

The first quarter beginning cash balance of the Kentucky Unemployment Insurance Trust Fund Account was \$1,001,004,888 and the cash balance at the close of the first quarter was \$1,016,883,447. The Trust Fund Account earned \$7,823,195 in interest during this period.

The maximum weekly benefit amount increased to \$694, effective July 7, 2024, in accordance with KRS 341.380(3). Prior to July 7, 2024, the maximum weekly benefit amount was \$665. The average weekly benefit amount was \$484.62 during the first quarter. The average duration for the past twelve months was 13.7 weeks and a total of 26,423 initial claims were filed.

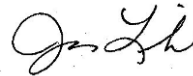
In accordance with KRS 341.270, the employer contribution rate is on Schedule A with a minimum tax rate of 0.30% and a maximum tax rate of 9.00%. The civilian labor force was 2,076,000 at the close of the first quarter.

### C. Surcharge

KRS 341.614 requires a surcharge be paid by employers that are subject to unemployment insurance contributions for any year there are insufficient funds in the unemployment compensation administrative fund for the payment of interest on advances in accordance with Title XII of the Social Security Act or for the repayment of money, including interest thereon, received from any source related to the payment of interest on such advances.

There were sufficient funds in the unemployment compensation administrative fund, therefore, no surcharges were assessed on Kentucky employers during the first quarter.

Sincerely,

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

Jamie Link

Secretary