Federal Labor Rules End Extended Unemployment Aid for Kentuckians

FRANKFORT, **Ky.** (Nov. 24, 2020) - The U.S. Department of Labor (USDOL) has decided to abruptly end extended unemployment insurance payments for Kentuckians. Extended benefit payments for 4,723 claimants will cease this weekend due to federal rules.

The Kentucky Labor Cabinet received notification yesterday from the USDOL that the state's insured unemployment rate (IUR) – the number of people currently receiving unemployment insurance as a percentage of the labor force – had fallen below the threshold for the state to continue administering extended UI benefits (EB). Kentucky's 13-week IUR for the week ending November 7, 2020 was 4.67 percent which is below the 5.00 percent threshold necessary to remain on EB. The EB period for Kentucky will end on November 28, 2020, and the state will be barred from distributing EB for a minimum of 13 weeks.

Kentucky Gov. Andy Beshear said Kentucky families are struggling and hurting financially, but he has no recourse to reverse the federal agency's decision.

"As we have noted before, the USDOL sets the rules for unemployment eligibility, and we are required to follow those rules," Gov. Beshear said.

The Governor said he was disappointed because Kentuckians are relying on extended unemployment aid at a time when many are out of work due to the coronavirus.

The Kentucky Education and Workforce Development Cabinet announced last week that the seasonally adjusted preliminary Oct. 2020 unemployment rate was 7.4 percent. The preliminary Oct. 2020 jobless rate was up 1.8 percentage points from Sept. 2020 and up 3.1 percentage points from the 4.3 percent recorded for the state one year ago.

The state will not be able to pay any extended benefits after Nov. 28. No new applications will be accepted after that date, and claimants who have yet to exhaust all benefits will not receive the balance of their funds.

Claimants who continue to be off work due to COVID-19, however, may be eligible for PUA benefits through the end of the year.

The loss of the extended benefit program will not affect the ability of Kentuckians losing their jobs to qualify for traditional unemployment insurance or the state's ability to administer that program.

Kentuckians who are impacted can go to <u>Focus Career</u> to create or upload a resume and to view available jobs in their area. For other information on the Kentucky Career Centers, please go to <u>kcc.ky.gov</u>.