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Pandemic and Post-Pandemic Jobless Benefits in Kentucky

How federal jobless benefits helped Kentucky and what we might see in the legislature in 2022

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At the height of the COVID-19 unemployment crisis, roughly one in six U.S. adults (about 40 million people) received unemployment insurance benefits... Access to unemployment insurance reduced the official poverty rate from 12.9% to 11.4%, preventing 4.7 million people, including 1.4 million children, from falling into poverty in 2020...

At the same time, the rush of pandemic claims exposed the poor condition of states' unemployment insurance infrastructure.

- Amy Traub, National Employment Law Project

Jobless Benefits During the Pandemic

Jobless benefits in Kentucky were extremely high, and came in three forms:

Regular State Unemployment Insurance
\$1.6 billion

Pandemic Unemployment Assistance
\$119.1 million

Pandemic Emergency Unemployment Compensation
\$511.4 million

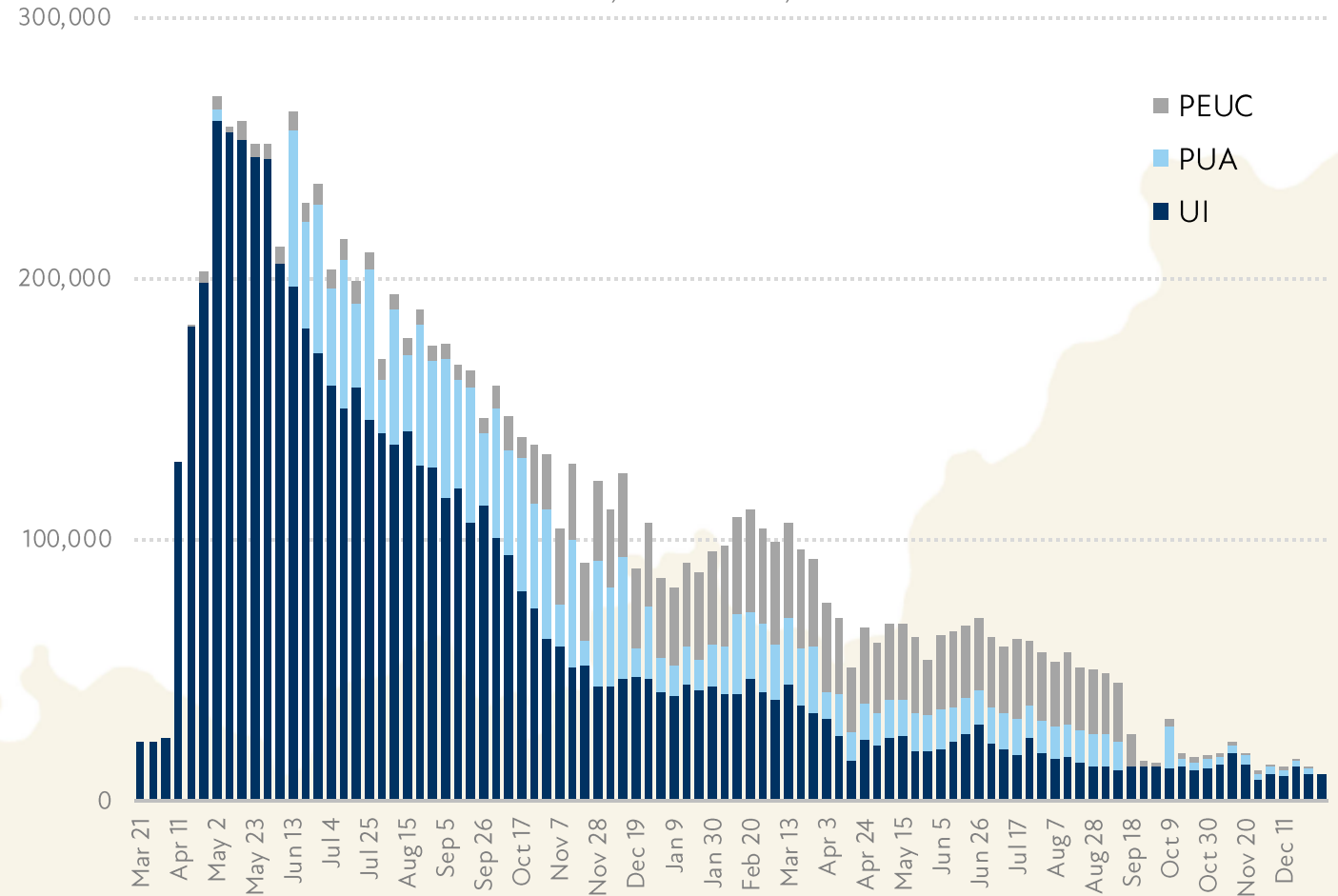
Additionally supplementary benefits were immense:

Federal Pandemic Unemployment Compensation
\$4.3 billion



Continued Jobless Claims in Kentucky

Weekly continued claims for regular state unemployment insurance (UI), Pandemic Unemployment Assistance (PUA) and Pandemic Emergency Unemployment Compensation (PEUC)
Mar. 14, 2020 - Dec. 25, 2021



Source: U.S. Department of Labor.

Boosted Pandemic Unemployment Benefits Alleviated Hardship

Selected hardship measures by unemployment insurance reciprocity Mar. 13 - Dec. 21, 2020

Hardship Measure	Applied for Unemployment Benefits	
	Received	Not received
Having difficulty with household expenses	55.9%	66.6%
Experiencing food insecurity	18.9%	29.1%
Not current on mortgage or rent	20.1%	27.4%
Not confident on upcoming mortgage or rent payment	31.7%	40.4%
Having symptoms of anxiety	45.2%	53.2%
Having symptoms of depression	36.7%	45.5%

Source: BLS analysis of Household Pulse Survey Data

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Unemployment Insurance is Anti-Recessionary

In addition to SNAP, UI is a core anti-recession, anti-poverty program.

- UI reduced the downturn during the Great Recession by 18% - likely much more during the COVID downturn.
- Boosted and supplementary benefits led to more spending and no changes to work searching.
- Personal hardship was greatly mitigated among those who received benefits.





Helpful Legislation to Look For:

Short Time Compensation (STC, Work Sharing)

Good cause reason for separation for employment when fleeing intimate partner violence

Improved employer contribution process targeted to solvency



Harmful Legislation to Look For:

Indexing the available weeks

Increased work searching requirements

Reduced employer contributions through tax cuts



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