

**341.270 Determination of employer's contribution rate. (Effective January 1, 2023)**

- (1) Except as otherwise provided in this section, each employer's contribution rate shall be three percent (3%). Effective for employers who become subject to this chapter on or after January 1, 1999, except as otherwise provided in this section, each employer's contribution rate shall be two and seven-tenths percent (2.7%).
- (2) Except as otherwise provided in this section, no subject employer's contribution rate shall be less than two and seven-tenths percent (2.7%), unless he or she has been an employer subject to the provisions of this chapter for four (4) consecutive calendar quarters ended as of the computation date. In any calendar year in which the rate schedule prescribed in paragraph (3)(a) of this section is in effect, no subject employer who was assigned an entry rate of three percent (3.0%) under the provisions of subsection (1) of this section prior to January 1, 1999, shall have a contribution rate less than two and eight hundred fifty-seven thousandths percent (2.857%), unless subject to this chapter for the minimum time period specified above.
- (3) For the calendar year 2001 and each calendar year thereafter, employer contribution rates shall be determined in accordance with "Table A" set out in subsection (4) of this section. For each calendar year, the secretary shall determine the rate schedule to be in effect based upon the "trust fund balance" as of September 30 of the preceding year. If the "trust fund balance":
  - (a) Equals or exceeds one and eighteen hundredths percent (1.18%) of the total wages paid in covered employment in the state during the state fiscal year ended as of June 30 of that year, the rates listed in the "Trust Fund Adequacy Rates" schedule of "Table A" shall be in effect;
  - (b) Equals or exceeds five hundred million dollars (\$500,000,000) but is less than the amount required to effectuate the "Trust Fund Adequacy Rates" schedule as provided in paragraph (a) of this subsection, the rates listed in "Schedule A" of "Table A" shall be in effect;
  - (c) Equals or exceeds three hundred fifty million dollars (\$350,000,000) but is less than five hundred million dollars (\$500,000,000), the rates listed in "Schedule B" of "Table A" shall be in effect;
  - (d) Equals or exceeds two hundred fifty million dollars (\$250,000,000) but is less than three hundred fifty million dollars (\$350,000,000), the rates listed in "Schedule C" of "Table A" shall be in effect;
  - (e) Equals or exceeds one hundred fifty million dollars (\$150,000,000) but is less than two hundred fifty million dollars (\$250,000,000), the rates listed in "Schedule D" of "Table A" shall be in effect; and
  - (f) Is less than one hundred fifty million dollars (\$150,000,000), the rates listed in "Schedule E" of "Table A" shall be in effect.
- (4) For the calendar year 1982 and each calendar year thereafter, contribution rates shall be determined upon the basis of an individual employer's reserve ratio as of the computation date and the schedule of rates established under subsection (3) of this section. Except as otherwise provided in this section, the contribution rate for each subject employer for the calendar year immediately

following the computation date shall be the rate in that "Schedule" of "Table A," as set out below, effective with respect to the calendar year, which appears on the same line as his or her reserve ratio as shown in the "Employer Reserve Ratio" column of the same table.

TABLE A  
Rate Schedule

Employer Trust D	Trust E	A	B	C	
Reserve Ratio	Fund	Adequacy			
	Rates				
8.0% and over	0.000%	0.30%	0.40%	0.50%	0.60%
.00%					
7.0% but under 8.0%	0.000%	0.40%	0.50%	0.60%	0.80%
.05%					
6.0% but under 7.0%	0.008%	0.50%	0.60%	0.70%	0.90%
.10%					
5.0% but under 6.0%	0.208%	0.70%	0.80%	1.00%	1.20%
.40%					
4.6% but under 5.0%	0.508%	1.00%	1.20%	1.40%	1.60%
.80%					
4.2% but under 4.6%	0.808%	1.30%	1.50%	1.80%	2.10%
.30%					
3.9% but under 4.2%	1.008%	1.50%	1.70%	2.20%	2.40%
.70%					
3.6% but under 3.9%	1.308%	1.80%	1.80%	2.40%	2.60%
.00%					
3.2% but under 3.6%	1.508%	2.00%	2.10%	2.50%	2.70%
.10%					
2.7% but under 3.2%	1.608%	2.10%	2.30%	2.60%	2.80%
.20%					
2.0% but under 2.7%	1.708%	2.20%	2.50%	2.70%	2.90%
.30%					
1.3% but under 2.0%	1.808%	2.30%	2.60%	2.80%	3.00%
.40%					
0.0% but					

under 1.3% .50%	1.908%	2.40%	2.70%	2.90%	3.10%
-0.5% but under -0.0% .50%	6.500%	6.50%	6.75%	7.00%	7.25%
-1.0% but under -0.5% .75%	6.750%	6.75%	7.00%	7.25%	7.50%
-1.5% but under -1.0% .00%	7.000%	7.00%	7.25%	7.50%	7.75%
-2.0% but under -1.5% .25%	7.250%	7.25%	7.50%	7.75%	8.00%
-3.0% but under -2.0% .50%	7.500%	7.50%	7.75%	8.00%	8.25%
-4.0% but under -3.0% .75%	7.750%	7.75%	8.00%	8.25%	8.50%
-6.0% but under -4.0% .25%	8.250%	8.25%	8.50%	8.75%	9.00%
-8.0% but under -6.0% .50%	8.500%	8.50%	8.75%	9.00%	9.25%
Less than -8.0% 0.00%	9.000%	9.00%	9.25%	9.50%	9.75%

- (5) As used in this section and elsewhere in this chapter, unless the context clearly requires otherwise:
- (a) "Trust fund balance" means the amount of money in the unemployment insurance fund, less any unpaid advances made to the state under Section 1201 of the Social Security Act. In determining the amount in the fund as of a given date all money received by the Office of Unemployment Insurance on that date shall be considered as being in the fund on that date;
  - (b) "Total wages" means all remuneration for services, as defined in KRS 341.030(1) to (7), paid by subject employers;
  - (c) An employer's "reserve ratio" means the percentage ratio of his or her reserve account balance as of the computation date to his or her taxable payrolls for the four (4) consecutive calendar quarters ended as of June 30 immediately preceding the computation date;
  - (d) For the purposes of this section, an employer's "reserve account balance" means the amount of contributions credited to his or her reserve account as of the computation date, less the benefit charges through June 30 immediately preceding the computation date. If benefits charged to an account exceed contributions credited to the account, the account shall

be considered as having a debit balance and a reserve ratio of "less than zero"; and

- (e) "Computation date" is July 31 of each calendar year prior to the effective date of new rates of contributions.
- (6) Notwithstanding any other provisions of this chapter, for the calendar years 2021 and 2022, the employer contribution rates shall be determined using the rates listed in Schedule A of Table A.

**Effective:** January 1, 2023

**History:** Amended 2022 Ky. Acts ch. 21, sec. 3, effective January 1, 2023; ch. 29, sec. 2, effective March 24, 2022; and ch. 236, sec. 139, effective July 1, 2022. -- Amended 2021 Ky. Acts ch. 177, sec. 3, effective April 1, 2021. -- Amended 2019 Ky. Acts ch. 146, sec. 60, effective June 27, 2019. -- Amended 2010 (1st Extra. Sess.) Ky. Acts ch. 5, sec. 4, effective August 28, 2010. -- Amended 2006 Ky. Acts ch. 211, sec. 144, effective July 12, 2006. -- Amended 2000 Ky. Acts ch. 547, sec. 10, effective July 14, 2000. -- Amended 1998 Ky. Acts ch. 167, sec. 1, effective July 15, 1998. -- Amended 1996 Ky. Acts ch. 266, sec. 7, effective July 15, 1996. -- Amended 1984 Ky. Acts ch. 1, sec. 2, effective July 13, 1984. -- Amended 1982 Ky. Acts ch. 261, sec. 2, effective January 1, 1982. -- Amended 1980 Ky. Acts ch. 67, sec. 1, effective January 1, 1980; ch. 188, sec. 270, effective July 15, 1980; and ch. 385, sec. 4, effective July 15, 1980. -- Amended 1978 Ky. Acts ch. 389, sec. 15, effective July 1, 1978. -- Amended 1974 Ky. Acts ch. 74, Art. VI, sec. 107(23), (31). -- Amended 1972 Ky. Acts ch. 21, sec. 18. -- Amended 1962 Ky. Acts ch. 223, sec. 1. -- Amended 1958 Ky. Acts ch. 4, sec. 6. -- Amended 1952 Ky. Acts ch. 154, sec. 9, effective January 1, 1953. -- Amended 1950 Ky. Acts ch. 206, sec. 1. -- Amended 1948 Ky. Acts ch. 216, sec. 6. -- Amended 1942 Ky. Acts ch. 19, secs. 5 and 14; and ch. 20, secs. 2 and 8. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 4748g-7.

**Legislative Research Commission Note (1/1/2023).** This statute was amended by 2022 Ky. Acts chs. 21, 29, and 236, which do not appear to be in conflict and have been codified together.

**Legislative Research Commission Note (1/1/2023).** 2022 Ky. Acts ch. 21, sec. 26, provides that the Act, which amended this statute, may be cited as the Unemployment Insurance Sustainability Act of 2022.

**Legislative Research Commission Note (3/24/2022).** 2022 Ky. Acts ch. 29, sec. 5, provides that the amendments made to this statute in that Act are retroactive to January 1, 2022.

**Legislative Research Commission Note (4/1/2021).** The language in subsection (6) of this statute has been changed in codification from the way it was enacted to delete a reference to calendar year 2022, which was deleted in the Governor's line-item veto of 2021 HB 413 (2021 Ky. Acts ch. 177, sec. 23).

**Legislative Research Commission Note (4/1/2021).** Ky. Acts ch. 177, sec. 7, provides that the amendments made to this statute in that Act are retroactive to March 6, 2020.