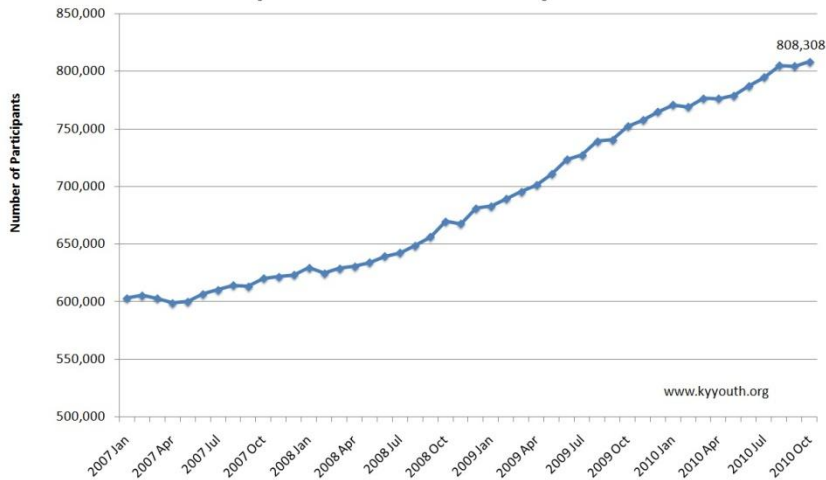


**October SNAP Participation Increases**

Key Economic Indicators Show Continued Need for Public Investment

Supplemental Nutrition Assistance Program (SNAP) participation peaked in October 2010, and increased by 0.5 percent since September. More than 808,000 Kentuckians still need government assistance to meet their daily needs. SNAP is a federally funded program that both helps Kentuckians get enough nutritious food to eat and brings money into our economy through grocery stores.

**SNAP participation increases in October, up over 28 percent since January 2008**

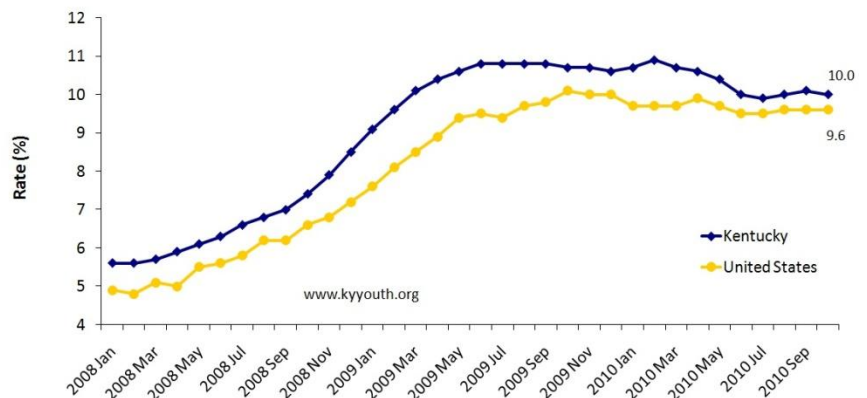


Source: Cabinet for Health and Family Services: Division of Family Support.

**Unemployment remains high**

The unemployment rate in October dropped 0.1 percent to 10.0. Still, Kentucky struggles in the aftermath of the national recession. Kentucky has experienced six months in a row of year-over-year job growth, which provides evidence that the state's economy is on the slow mend, according to Dr. Justine Detzel, chief labor market analyst for Office of Employment and Training. While the unemployment rate is showing some signs of improvement, SNAP

**Unemployment decreases in October 2010**  
Up 4.4 percentage points since January 2008



SOURCE: News Release, Kentucky Education and Workforce Development Cabinet. Available at <http://www.workforcekentucky.ky.gov/article.asp?PAGEID=4&SUBID=&articleID=1021>.

participation, a clear indicator of the needs of Kentuckians, remains persistently high. Meanwhile, thousands of unemployed Kentucky workers received a blow yesterday when Congress failed to extend their unemployment insurance benefits.

### Moderate growth in state revenues

The unemployment rate is a direct result of the recession and impacts Kentucky families' financial stability. It also affects state revenues because high unemployment results in decreased sales and income tax revenues. In October 2010, revenues are showing some signs of stabilization. Individual income tax receipts increased 7 percent and are up 4.6 percent for the year and sales and use tax receipts are up 5.5

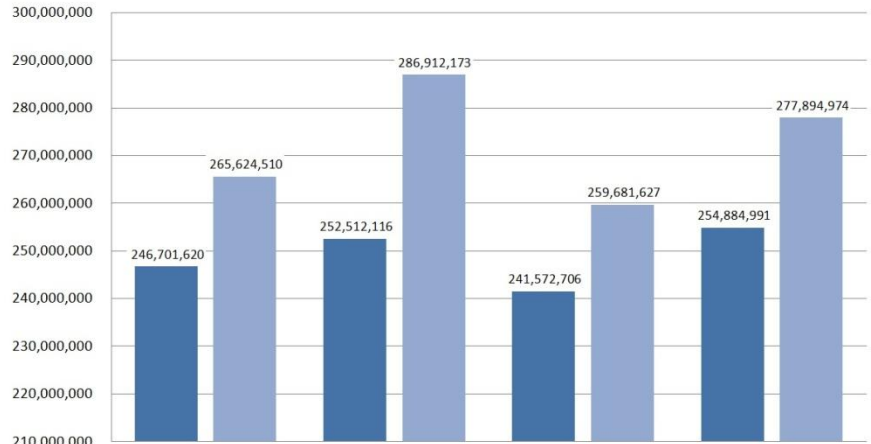
percent in October. Despite these increases, revenues from both taxes remain slightly behind what was anticipated

and budgeted. This revenue growth is a positive sign, yet stagnate unemployment rates and high SNAP participations all indicate that Kentucky is far from making a complete economic recovery. At the state level, Kentucky policymakers will continue to face tough decisions about how to balance the state's budget as mid-year gaps emerge and federal recovery dollars dissipate.

To access this issue and archives of the Kentucky Economic Watch, visit:  
[http://www.kyyouth.org/Issue\\_Areas/budget/KentuckyEconomicWatch.html](http://www.kyyouth.org/Issue_Areas/budget/KentuckyEconomicWatch.html).

**Kentucky Youth Advocates** is home to the Kentucky Tax and Budget Initiative. We work to promote an adequate, sustainable and transparent budget upon which we can build strong public structures and the long-term economic vitality of the Commonwealth. Funding is provided by the Annie E. Casey Foundation and the Stoneman Family Foundation.

Income and sales taxes improve over last year, income taxes still below 2008 levels



SOURCE: Office of the State Budget Director, "General Fund and Road Fund Receipts for September 2010" Available:  
<http://www.osbd.ky.gov/NR/rdonlyres/E0B1652E-762B-4D46-AA66-B4732D18356E/0/1009TaxReceipt.pdf>