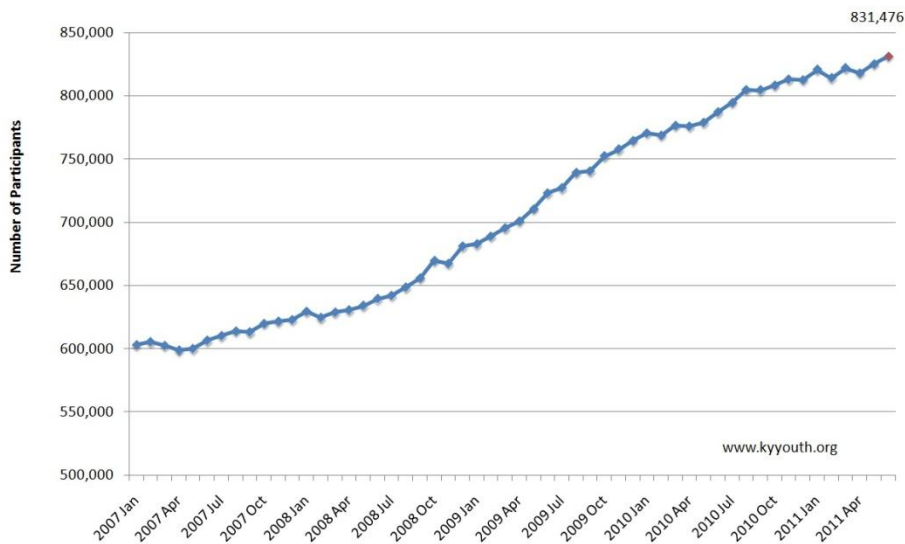


SNAP Participation Continues to Increase in Kentucky
State Revenues Continue to Improve

Despite the fact that the recession is officially over, participation in the Supplemental Food Nutrition Assistance Program (SNAP) in Kentucky continues to climb. The number of people participating in the program peaked again in June 2011 after also increasing in May. In June, more than 831,000 Kentuckians relied on this program to feed their families, an increase of more than 6,000 from May 2011. SNAP is a federally funded program that reduces food insecurities by helping Kentuckians get enough nutritious food to eat, and it brings money into our economy through spending at grocery stores. About 20 percent of Kentucky children are food insecure.

SNAP Participation Continues Climbing in June 2011



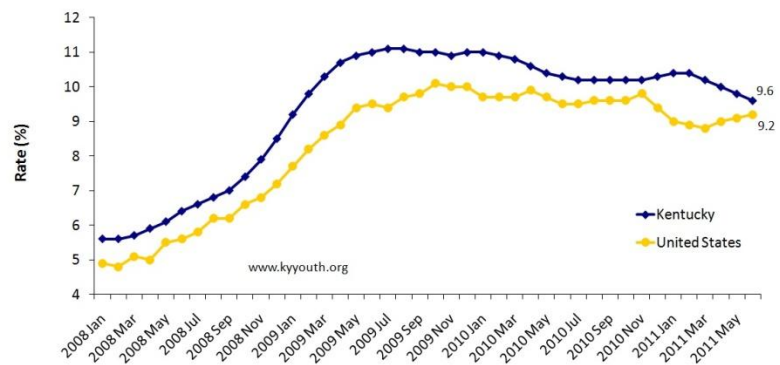
SOURCE: CABINET FOR HEALTH AND FAMILY SERVICES: DIVISION OF FAMILY SUPPORT.

Unemployment Rate Decreases

The unemployment rate continued to decrease in June 2011, dropping 0.2 percentage points since May 2011. Kentucky's unemployment rate of 9.6 percent is the lowest it has been since January 2009.

Since June 2010, Kentucky's nonfarm employment has grown by 18,200 workers. While some of the decrease in unemployment is due to a growth

Unemployment Rate Declines Again in June 2011

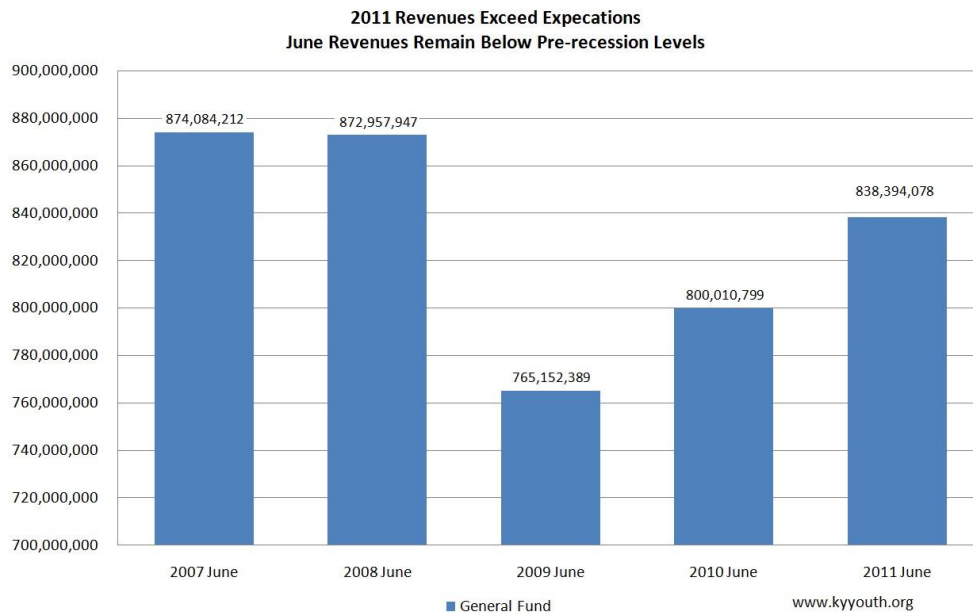


SOURCE Kentucky Education and Workforce Development Cabinet. Available at: <http://www.workforcekentucky.ky.gov/article.asp?PAGEID=4&SUBID=&articleID=1129>

in jobs since 2010, some of it is also due to the fact that fewer people are starting job searches, according to Dr. Justine Detzel, OET chief labor market analyst. People are discouraged and have stopped looking for work. This, combined with higher food and energy prices mean Kentuckians are still struggling as the current unemployment rate is significantly higher than before the recession hit Kentucky. The economy has a long way to go before reaching a full recovery.

State Revenues Grow

Kentucky’s fiscal year ended June 30, 2011 and the money brought in from tax revenues exceeded estimates. Sales and use tax receipts for the year are up 3.7 percent, the General Fund revenue has increased 6.5 percent, and individual income tax receipts have increased 8.3 percent since Fiscal Year 2010. Total General Fund revenues were 1.9 percent higher than the official estimates. Because of the higher than anticipated revenues, Kentucky was able to put money back into the depleted Budget Reserve Trust Fund. This “rainy day fund” was depleted during the recession to help close prior budget shortfalls. Putting money back into the fund shows increasing financial health of the state and will help with future economic crises. Despite the growth in 2011, revenues are still far below where they were in 2007, indicating Kentucky’s economy has not fully recovered from the recession.



SOURCE: Office of the State Budget Director, “General Fund Receipts Exceed Estimates by \$166 Million for FY 2011...” Available at <http://www.osbd.ky.gov/NR/rdonlyres/37A0B440-0607-49F9-859E-262FA70F1B9F/0/1106TaxReceipt.pdf>

To access this issue and archives of the Kentucky Economic Watch, visit:
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.