

<b>TRAINING AND EMPLOYMENT NOTICE</b>	<b>NO .</b> 22-24
	<b>DATE</b> February 27, 2025

**TO:** STATE WORKFORCE AGENCIES

**FROM:** LENITA JACOBS-SIMMONS  
Deputy Assistant Secretary



**SUBJECT:** Interest Rate on Title XII Advances During Calendar Year (CY) 2025

1. **Purpose.** To announce the rate of interest that the U.S. Department of the Treasury (Treasury) will charge on Title XII advances during CY 2025
2. **Action Requested.** States expecting to request a Title XII advance should take necessary action to establish a mechanism to provide funds for the payment of interest on those advances, in accordance with the provisions of Section 1202(b), Social Security Act (SSA) (42 U.S.C. §1322(b)), and subject to the limitations in Sections 303(c)(3) and 1202(b)(5), SSA (42 U.S.C. §§503(c)(3) and 1322(b)(5)) and Section 3304(a)(17), Federal Unemployment Tax Act (FUTA) (26 U.S.C. §3304(a)(17)).
3. **Summary and Background.**
  - a. Summary – Interest on Title XII advances is due and payable each September 30 and may not be paid from the state’s unemployment fund or from Federal funds. However, there are several provisions for interest relief, including “Cash flow loans,” “May/September delays,” “High-unemployment deferrals,” and “High-unemployment delays.” For further information concerning relief from Title XII interest payments, see 20 CFR part 606, subparts D and E.
  - b. Background – The criteria for establishing the rate of interest to be charged on Title XII advances during any CY are described in Section 1202(b)(4), SSA (42 U.S.C. §1322(b)(4)), which specifies that the annual interest rate is the quarterly yield earned by the Unemployment Trust Fund (UTF) during the fourth quarter of the previous CY.
4. **CY 2025 Interest Rate.** Treasury has established the yield earned by the UTF for the quarter ending December 31, 2024, to be 3.1227 percent. This becomes the rate of interest that will be charged to repayable Title XII advances outstanding during CY 2025.
5. **Inquiries.** Questions should be directed to the appropriate Employment and Training Administration Regional Office.

**6. References.**

- Sections 303 and 1202, SSA;
- Section 3304, FUTA; and
- 20 CFR part 606.

**7. Attachment(s). N/A**