

2020-2021

# Annual Report

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# COMMISSIONER'S MESSAGE



2021 was yet another uniquely challenging year. Our state, as well as the country, continued to work through the impacts of the pandemic. For a good portion of the year, enhanced federal unemployment benefits continued to be a priority, work locations continued to be adjusted, and people across our agency continued to put in long hours in service to our fellow Tennesseans. The sense that we were “all in this together” permeated almost every effort and action. And despite the challenges, we continued to make progress.

In partnership with local jails and county sheriffs, the Adult Education Department spearheaded the implementation of a new pilot program for corrections education, which allows incarcerated individuals to use Android tablets (via the vendor APDS) to access education and training resources.

Despite the impacts of the pandemic, Tennessee experienced record growth in Registered Apprenticeship programs. The state had more apprentices in 2021 than ever before, creating a pipeline of skilled workers for employers.

Our cumulative impact in 2021 was impressive. At the height of the pandemic, the Department received approximately 41,000 calls per day. The average number of calls per day in 2021 dropped to 11,300. TOSHA conducted 167 seminars and logged 4,369 attendees at these training sessions. In Workers Compensation, annual survey results indicated overall high marks for the performance of judges. Almost 9,000 displaced workers received assistance in making a career transition through Workforce Services’ rapid response efforts. Workplace Regulations & Compliance issued 333 annual operating permits to amusement device companies, covering 2,871 devices through its Amusement Device Unit. Finally, the Workforce Insights, Research & Reporting Engine Division (WIRED) brought the visibility that leads to better decision-making through new reports and dashboards. Throughout the year, our agency not only moved forward, it also got better.

Because of the talent and commitment of the people employed by Labor and Workforce Development and its partners, the work done in 2021 was amazing, but not surprising. In 2022, we are still “all in this together”. It’s with optimism we meet the new challenges that this year brings so that we can serve more and serve better.

**Jeff McCord**  
**Commissioner**

Labor and Workforce Development

# ADULT EDUCATION

8,542

Total Participants

7,204

Adult Basic Education (ABE)  
Participants

1,338

ESL Participants

846

Incarcerated Participants

2,980

High School Equivalency  
Diplomas

38.24%

% Total Students Achieving  
Measurable Academic Skills Gains

40.93%

% ABE Students Achieving  
Measurable Academic Skills Gains

23.62%

% ESL Students Achieving  
Measurable Academic Skills Gains



The mission of the Adult Education program is to **provide basic education services to adults in Tennessee** to help them improve their literacy, math, and English language skills. The program also integrates workforce preparation skills, helps students earn their high school equivalency diploma, and transitions them to college and career opportunities.

During the program year 2020-2021, the Adult Education Division administered the program with \$16.7 million (\$12.9 million federal funds and \$3.8 million state funds). The Division provided oversight and guidance to 14 local adult education service providers across Tennessee. The statewide program provided significant levels of service (i.e., the students engaged with the program for at least 12 hours) to 8,542 Tennesseans. Of these, 7,204 were Adult Basic Education (ABE) students (typically native English speakers), and 1,338 were English as a Second Language (ESL) students. Forty percent of the ABE students showed measurable gains in their literacy and math skills. Twenty-three percent of the ESL students showed measurable gains in their English language acquisition skills. Furthermore, the Division awarded 2,980 high school equivalency diplomas to Tennesseans who passed the HiSET® exam.

PY20, while still very challenging for Tennessee's AE programs, did see improved performance. Our negotiated MSG target for the year was 37.9%. Our final MSG was 38.24%, up from 33.24% in PY19. The pandemic became the "new normal," and local staff became more comfortable and capable of doing distance education. The Department also was intentional in training the local leadership, staff, and teachers on how to use their data to make informed decisions about program improvement.

To address local program performance issues, Department leaders regularly looked at each program's performance to determine which were struggling the most. We then made plans for reaching out to those programs and providing technical assistance in the areas where they were struggling. Going forward, we plan to make this process even more robust to identify areas of poor performance. This includes implementing more intentional local program performance improvement plans based on low performance in enrollment, MSG, or workforce initiatives.

The Adult Education Division continued its collaboration with local jails across the state to provide education services to the incarcerated population. This collaborative work sought to focus on students re-entering society with the education and skills they needed to participate meaningfully in their families and the workforce. The Adult Education program served 846 incarcerated individuals across Tennessee during the year.

At the height of the COVID-19 pandemic, the Division sought ways to implement distance learning opportunities for all students, including justice-involved individuals. Department staff spearheaded the implementation of a new pilot program for corrections education, which allows incarcerated individuals to use Android tablets (via the vendor APDS) to access education and training resources. The pilot includes 24 tablets at each of the three county jails in Tennessee. The tablets can be checked out and used by students in jail to work on basic academic skills curriculum and HiSET® preparation. This project is a joint effort of the Tennessee Department of Labor and Workforce Development's AE, the Department's Workforce Services, and the Governor's office, and was funded using CARES

funds. In the next program year, live video conferencing between students and teachers will be available on the tablets. Department staff has provided training to local staff on how to implement and utilize the tablets.

The Division continued to develop collaborative partnerships with other agencies to offer pathways to postsecondary education and training for students. Several integrated education and training programs were initiated, with adult education students simultaneously working toward their high school equivalency and postsecondary training credentials. Other programs included adult education ESL students receiving English language acquisition instruction at their workplace, focusing on the vocabulary necessary to succeed at their jobs.

As the administrative overseer of Tennessee's high school equivalency credential and associated records, the Division liaised between the Tennessee public and DiplomaSender, the third-party agency that maintains and distributes high school equivalency records. The Division strived for the highest standards of customer service and ensured that DiplomaSender did the same in assisting individuals with their records requests. The Division also liaised between Educational Testing Service (ETS)—the publisher of the HiSET® exam—and local test centers to ensure HiSET® testing needs were met across the state. The Division procured HiSET® vouchers from ETS to remove the prohibitive cost barrier for students. The Division provided access to these vouchers to all Tennesseans, including students under the jurisdiction of the Tennessee Department of Correction and several nonprofit organizations.

# **EMPLOYMENT SECURITY**



The Employment Security Division administers Tennessee's Unemployment Compensation program. In 2021, the Division also continued administering several federal unemployment programs contained within the CARES Act, which had been introduced in 2020 in response to the COVID-19 pandemic, as well as programs to aid individuals impacted by natural disasters the state experienced during March and August 2021.

In addition to the state unemployment compensation program, Tennessee continued paying benefits under four additional federal programs through the week ending July 3, 2021. Those programs included Pandemic Unemployment Assistance, Pandemic Emergency Unemployment Compensation, Federal Pandemic Unemployment Compensation, and Mixed Earner Unemployment Compensation.

In March 2021, severe storms in Middle Tennessee led President Joseph Biden to declare disasters in Davidson, Williamson, and Wilson counties, which cleared the way for individuals whose jobs were impacted to receive Disaster Unemployment Assistance. In August, another major disaster was declared due to severe storms and flooding, which again activated Disaster Unemployment Assistance for affected individuals in Humphreys, Dickson, Hickman, and Houston counties.

While the number of initial claims in 2021 decreased from the record-high of one million claims filed in 2020, the Division continued to process a high volume of new claims with 401,544 filed in 2021. By comparison, only 124,000 new claims were filed in 2019.

The Unemployment Security Division has four Claims Operations Centers located in Nashville, Chattanooga, Crossville, and Knoxville. After tripling claims staff to more than 1,200 employees in 2020, the Division maintained those staffing levels to address the backlog of claims created by the pandemic. CARES Act legislation allowed for and funded third-party vendors to provide supplemental staff to handle call center operations and certain claims processing functions. Those vendors continued to support the Division throughout 2021.

Before COVID-19, the Department received an average of 880 calls each business day. At the height of the pandemic, the Department received approximately 41,000 calls per day. The average number of calls per day in 2021 dropped to 11,300, which is still 12 times the pre-pandemic average.

As the number of claims increased, so did the number of claim adjudications and appeals. The Division nearly doubled the number of adjudicators in 2020 with the addition of 31 positions. The Division retained those positions in 2021 to address the number of pending claims

created by the pandemic. An adjudicator investigates a claim and determines the claimant's eligibility to receive benefits, gathering information from both the claimant and the former employer as part of the investigative and determination process.

Claimants and employers can appeal the Department's decision on the eligibility of a claim. The Division doubled the number of hearing officers by adding 20 people to that unit in 2020. Those positions were also retained because of the continued high volume of appeals. The Appeals Tribunal, the lower appeals level, conducts de novo hearings in which parties testify under oath and offer documents and other evidence for consideration, such as the testimony of witnesses. Employers can also appeal their liabilities for unemployment insurance premiums and other issues.

Throughout 2021, Commissioner Jeff McCord provided relief to Tennessee's employers by maintaining a policy established in March 2020 that waived charges against employers' unemployment tax accounts, in response to the surge in unemployment across the state.

As of December 13, 2021, the trust fund balance was \$1,111,157,227, despite historic levels of unemployment in 2020. The trust fund remained solvent throughout 2021 due to proactive measures taken by Governor Bill Lee's administration at the start of the pandemic.

# TOSHA

## **Safety Enforcement**

Inspections conducted: 427  
Violations cited: 1,849  
Proposed penalties: \$2,896,175

## **Health Enforcement**

Inspections conducted: 153  
Violations cited: 1,197  
Proposed penalties: \$510,025

## **Public Sector Operations**

Inspections conducted: 590  
Violations cited: 2,305  
Proposed penalties: \$0

## **Consultative Services**

Consultative visits: 288  
Hazards identified during visits: 2,409  
Proposed penalties: \$0

## **Recognition Programs**

Volunteer STAR:  
Sites: 35  
Employees: 25,183  
SHARP:  
Sites: 17  
Employees: 1,865

## **Training & Education**

Seminars & formal programs conducted: 167  
Number of attendants at activities: 4,369



TCA 50-3-107(f) states: "The commissioner shall include within the department's annual report to the general assembly and the governor a listing of employers whose penalties remain unpaid more than one (1) year after a final order has been entered. The listing shall include the amount of any unpaid penalty for each employer."

The Tennessee Occupational Safety and Health Administration's mission is to **ensure the safety and health of Tennessee's workers** by setting and enforcing standards; providing training, outreach, and education; establishing partnerships; and encouraging continuous improvement in workplace safety and health.



### Training and Education

Through a variety of programs, the TOSHA Training and Education section assists employers, employees, and their representatives in reducing safety and health hazards in their workplaces and in complying with the requirements of TOSHA standards and regulations. A series of seminars is held statewide in the spring and fall covering a variety of safety and health issues. During FY 2020-2021, TOSHA conducted 167 seminars and logged 4,369 attendees at these training sessions.



### Consultative Services

The Consultative Services Program offers free consultation to smaller employers who seek safe and healthy working conditions for their employees. Services offered by this program include technical advice and assistance, hazard abatement recommendations, and employee training. During FY 2020-2021, the program performed 288 consultative visits and identified 2,409 workplace hazards.



### Compliance Unit

The Compliance Unit is responsible for enforcement of the Tennessee Occupational Safety and Health Act of 1972 (Title 5, Chapter 3) with emphasis on employee exposures to chemical and physical hazards. Onsite monitoring and inspections are conducted to identify safety and health hazards and to ensure that hazards are controlled or eliminated. During FY 2020-2021, the Compliance Unit performed 1,170 workplace inspections and identified 5,351 safety and health hazards.



### Public Sector Activity

During FY 2020-2021, Tennessee OSHA performed 43.90% of all inspections in the public sector (source: SAMM). Public sector employers were given the opportunity to participate in the public sector program during the first two years following the formation of Tennessee OSHA and again, by statute, between July 1, 2004, and July 1, 2006. State law mandates that Tennessee OSHA inspect these entities every two years. Participants in the program must designate a safety and health director and establish a safety and health program. Participants are not issued monetary penalties for violations; however, the governor can remove a participant from the program for failure to comply with the TOSH Act. All public employers not currently participating in the program are treated as private employers as mandated by state law. The 2019 total case incident rate (TCIR) for state and local government in Tennessee was 3.6, which is significantly lower than the national average of 3.9.

# BUREAU OF **WORKERS' COMPENSATION**

470

Injured Workers Assisted  
by Ombudsman

1,889

Mediations Conducted

17

Next Step Program Applicants

3,000+

TN Drug Free Workplaces  
Participating Employers

1,226

UR Appeals Resolved

89

MIR Physician Peer-Reports Issued

66

Appeals Filed with the  
Appeals Board

859

Employees gained workers'  
compensation coverage due to  
EMEEF program efforts

178

Cases with the Subsequent Injury  
Fund were opened

450+

Certified Insurance Adjusters

Tennessee's first workers' compensation legislation was signed into law by Governor Albert H. Roberts in 1919. Since its inception, the goal of this agency has been to **lessen the negative consequences associated with a work-related accident** for employees and employers alike. The law has been revised multiple times over the past century, though it continues to provide employees injured on the job access to necessary medical care and partial wage replacement benefits and to provide employers a financial safety net by limiting the benefits that they must provide to only those outlined in the law. Tennessee's workers' compensation laws are administered by the Bureau of Workers' Compensation and its Administrator, Abbie Hudgens.

#### Mediation and Ombudsman Services of Tennessee (MOST) Program

Since every injury is unique, key factors of a claim can sometimes be disputed, such as the need for medical care or the determination whether work was the primary cause of the injury. Bureau ombudsmen and mediators help to resolve these types of disputes prior to either party proceeding to court.

- Ombudsmen assisted 14,482 Tennesseans, **helping 470 injured workers** obtain benefits at the earliest stage of Bureau involvement.
- Mediators concluded **1,889 mediations to help resolve disputes** in the next stage. Of these, 1,618 (or 85.6%) resulted in a mutually agreed-upon settlement.
- **1,183 mediations** occurred that involved permanent disability benefits, of which 82% were resolved without going to court.

#### Next Step Program

Some workplace injuries are so severe that the injured employee is left permanently impaired. The Next Step Program provides assistance, such as job training and connections to available state resources, to injured workers who are unable to return to their pre-injury jobs due to their workplace injury.

- The program received **17 applications** with 12 returning to work, 8 attending school, and 13 potential scholarship recipients.



### Tennessee Drug Free Workplace Program

Employees not impaired by drugs or alcohol have fewer workplace injuries and cause fewer workplace accidents. The Tennessee Drug Free Workplace Program promotes drug- and alcohol-free workplaces. Participating employers receive a 5% discount on their workers' compensation insurance premiums and other benefits. Employees benefit by working in safer workplaces.

- More than **3,000 employers participate** in the program covering some **300,000 employees**. Sadly, this program has been negatively impacted by the pandemic and the Bureau's inability to promote it in face-to-face presentations to employers.

### Medical Services

The Bureau's Medical Services Unit ensures that the medical treatments provided in workers' compensation cases and their associated expenses are appropriate, medically necessary, and consistent with the statute, treatment guidelines, and Bureau rules.

- The Utilization Review (UR) Appeals Program evaluates the appropriateness and medical necessity of medical treatment recommended by the authorized treating physician yet denied by the insurance carrier. The number of appeals of these denials that were resolved in **2021** was **1,226**. Determinations are completed by the Bureau's Medical Directors in an average of **2.19** days after medical records are received.
- The Unit verifies that Nurse Case Managers and each insurance carriers' Utilization Review Organizations comply with statutory requirements for education, credentialing, and licensing. The unit processes its registrations and renewals. There are **45** active utilization review organizations and **1,204** case managers and case manager assistants working in Tennessee.
- The Medical Advisory Committee advises the Administrator

on medical treatment guidelines and other issues related to medical care in workers' compensation such as access to care, telemedicine, and evaluation of the changes to the AMA Guides®. It met **4** times in 2021.

- The Medical Payment Committee reviews the Medical Fee Schedule yearly and recommends revisions. It hears disputes between payers and providers concerning reimbursement for services. There were **108** cases resolved with rulings on **69** of those made by the committee in 2021.
- The Medical Impairment Rating Registry (MIRR) is the administrative process for resolving impairment rating disputes. It is comprised of **85** specially trained physicians. The number of peer-reviewed reports issued in 2021 was **89**, with **30** of those being reconsidered and amended before release. The process accuracy has been consistently upheld by the courts. The MIRR quarterly journal, The AdMIRable Review, is distributed to over **750** subscribers and has received national recognition from the American Medical Association.

### Court of Workers' Compensation Claims

The Court of Workers' Compensation Claims is a specialty court dedicated solely to workers' compensation matters. Four judges were **reappointed** in 2021. The Court

- switched to telephonic hearings early in the pandemic to keep settlement approvals safe and timely and
- **increased flexibility** by offering video conferencing, safety-conscious in-person evidentiary hearings, and optional telephonic hearings as appropriate.

The practicing bar has been receptive to the measures and expressed gratitude that the judges took steps to ensure the continuation of justice during unprecedented times.

Annual survey results indicated overall **high marks for judge performance**. Attorneys gave the following composite ratings (with 5 being the highest):

- legal ability: 4.6

- written decisions: 4.5
- temperament: 4.7
- diligence: 4.7
- impartiality: 4.5

### Appeals Board

The Workers' Compensation Appeals Board focuses on providing a fair, efficient, and meaningful appellate review of decisions issued by the Court of Workers' Compensation Claims. During calendar year 2021, the Appeals Board conducted virtual oral arguments on three occasions. There were 66 notices of appeals filed, and the Appeals Board resolved 61 appeals.

In addition, the Appeals Board continues to clarify important points of law that had not been addressed under post-reform law. For example, in *Philalom v. State Farm*, the Appeals Board concluded that a nurse case manager is neutral, and his or her communications with an employer's attorneys are not protected from discovery by the attorney-client privilege or the attorney work product doctrine. In *Cody v. G.U.B.M.K Constructors*, the Appeals Board concluded that an employee can file a claim for medical benefits for an alleged occupational disease even if that employee has not yet missed work as a result of the occupational disease.

The number of workers' compensation appeals filed in the Tennessee Supreme Court continues to be drastically reduced from pre-reform times. In the last seven years, 61 decisions (cases with dates of injury on or after July 1, 2014) were appealed to the Supreme Court, compared to the more than 600 workers' compensation appeals filed in the seven years prior to the effective date of the reforms.

### Legislative and Legal Services/Penalty Program

The Bureau's Legislative and Legal Services/Penalty Program provides legal counsel to the Bureau's Administrator and



Medical Director, monitors compliance with court orders, and assesses and collects penalties to properly enforce the workers' compensation law and rules.

The Bureau addressed **79 inquiries** from the Tennessee General Assembly, Governor's Office, and other state and federal agencies. The BWC's administration bill (PC 286) **passed** by unanimous vote in the House and Senate and was signed by Governor Lee on 4/23/2021 and became effective on that date. The BWC's two administration bills were passed by unanimous vote in the House and Senate. All rules presented in FY 2020/2021 to the legislature's Joint Government Operations Committee were given a **positive recommendation** by the Committee.

- The penalty program assessed **53 penalties totaling \$18,450** for 2021.

### Compliance

The Compliance program includes the Uninsured Employers Fund (UEF) and the Employee Misclassification Education and Enforcement Fund (EMEEF).

- The UEF program ensures that employers covered by the workers' compensation laws secure the required workers' compensation coverage. When coverage is in place, employees injured on the job have access to appropriate medical and wage replacement benefits and employers compete on a level economic playing field.

- The EMEEF program ensures that all employers accurately classify their workforce as employees or independent contractors, properly describe the work that their workforce performs, and accurately report their number of employees when they purchase workers' compensation insurance. An additional **859 employees** gained the protections of workers' compensation coverage in 2021 due to the efforts of this program.

### Subsequent Injury and Vocational Recovery Fund

The Subsequent Injury Fund (SIF) encourages employers to employ or retain workers who have previously suffered permanent physical disabilities by limiting the employer's potential future workers' compensation exposure or liability. The SIF attorneys actively participate in all aspects of the Bureau's initial mediations and the Court of Workers' Compensation Claims' proceedings in cases where it has been identified as having potential liability.

- The SIF opened 178 new workers' compensation cases during 2021 and began paying benefits in 24 cases.

### Education and Outreach

Many of the Bureau's Educational and Outreach Programs continued to be impacted by the pandemic in 2021. Bureau leadership spoke at far fewer in-person events hosted by other organizations.

- The 24th Educational Conference was conducted as a **hybrid event** in November with over 300 in-person attendees and over 150 attendees watching the recorded sessions online.

Our voluntary Adjuster Certification Program was successfully transformed into a virtual offering and the Bureau held four online classes. These classes help educate over 150 adjusters about Tennessee-specific claims handling requirements.

- There are now over **450 Certified Adjusters**.

Other outreach efforts were not impacted. Multiple forms and brochures were created or revised. The Bureau's website was continually updated, and the *Bureau Bulletin* newsletter was distributed to over 2,000 external customers in January, May, and October.

In 2021, we developed a new program called REWARD (Return Employees to Work And Reduce Disabilities). To kick things off, we published a Toolkit for employers in February 2021. Since then, other components of the program have begun with two meetings for interested employers, a training program, and a dozen presentations spreading the word about the program. In addition, a thought-provoking newsletter, the REWARD Report, debuted and was distributed in October and December to employers interested in information centered around successful return-to-work initiatives.

# WORKFORCE SERVICES

7,054

Adult Participants

99

TN SCSEP Seniors and Total  
Participants Served

7,239

New Apprentices

2,427

Dislocated Worker Participants

\$1,594,057

TAA Funds Spent

63,357

WOTC Issued Tax Credit  
Certifications

3,576

WIOA Youth Program  
Participants Served

5,488

RESEA Participants Served

\$161.1 Million

Potential Income Tax Savings to  
Qualified TN Employers

696

TAA Participants

505

RESEA Participants Returned  
to Work

\$3,076,693

Awarded in IWT Grants

160

TAA Participants Enrolled  
in Training

160

H-2B Job Orders

\$1,542,804

Awarded in OJT Grants

486

H-2A Job Orders

832

H-2A Program On-Site  
Preoccupancy Housing Inspections

8,935

Displaced Workers Received  
Assistance in Making a Career Transition

The Workforce Services (WFS) Division focuses on job placement and training programs for Tennesseans. The priority is for Tennessee to lead in jobs, education, and government efficiency. The workforce system supports strong regional economies and plays an active role in community and workforce development. In 2021, the Division continued to respond to the COVID-19 pandemic with a spirit of innovation and optimism. The Division, along with all critical workforce partners, effectively provided services across the state, allowing Tennesseans to **successfully enter the workforce despite numerous barriers to employment** in addition to the challenges faced in the past year during the pandemic.

**Reemploy TN** is an initiative launched in Program Year 2020 that continues to provide solutions that accelerate the economic recovery for Tennessee. The strategies embedded in Reemploy TN center include (1) strengthening service integration through better data-sharing measures, (2) approaching reemployment services in a more targeted manner, and (3) investing in virtual systems to expand capacity for training, education, and professional development opportunities. These accomplishments provide benefits beyond the response to the pandemic. They are solutions that represent the long-term vision of the Division and Agency to provide a more robust, integrated, and proactive approach to serving Tennesseans and employers, regardless of their workforce need.

### American Job Centers

American Job Centers (AJCs) are valuable community resources that meet the needs of Tennesseans seeking employment, education, and training. While services vary by location, free assistance, including access to Jobs4TN.gov, on-site employers, and personalized engagement with staff, is available to all looking for work, currently employed, or seeking to further their careers.

To link diverse talent to companies, the Business Services Team works diligently across programs, scheduling employers to recruit on-site and provide free virtual recruiting options on Jobs4TN.gov.

During program year 2021, the AJCs provided 13,980,577 services to individuals, assisted 827,394 reportable Wagner-Peyser applicants (including self-service) of which 20,582 received staff-assisted services and issued 2,939,739 referrals to job seekers. Entered employment (2nd quarter after exit) rate following services received was 62.9%.

The mobile AJCs provide AJC access on wheels with a focus on delivering services to rural areas and special populations who cannot easily access brick and mortar AJCs. The mobile AJC also serves as a mobile support system for numerous job fairs and other events across Tennessee. On average the mobile AJCs visit 31 counties across the state per month with many of those counties being rural and below the poverty level. For more information about the Mobile AJCs, visit [www.getonthecoach.tn.gov](http://www.getonthecoach.tn.gov).

The virtual American Job Center is a proactive website that supports an information-first approach for citizens and staff, allowing them to actively engage in understanding the programs and services pivotal for reemployment and training. Since the site's launch in December 2020, WFS has focused efforts on developing the site's virtual service capacity to meet the evolving and advancing needs of citizens due to COVID-19. These efforts include, but are not limited to, expanding virtual service provision to include all partner and program staff to create a comprehensive and collaborative virtual environment. The site's "Match me with Services" wizard is a pivotal tool for informing citizens of

the different services and programs available. Of the 29,145 unique visitors to the site from 2020-2021, 8,809 individuals completed the service wizard. As these tools and resources evolve to meet people where they are, this information-first approach will continue to empower citizens with the opportunity to effectively engage in a “one-stop” virtual service delivery system that accelerates their path to gainful employment.

#### **Jobs4TN.gov**

Jobs4TN.gov extends services far beyond the American Job Center. It provides job and career information, a comprehensive talent pool for employers, the latest labor market data, and the case management tools that staff need to assist their clients effectively and efficiently. Jobs4TN.gov significantly increases the size and quality of the available talent pool and access to jobs.

#### **PROGRAMS AVAILABLE TO JOB SEEKERS AT THE AMERICAN JOB CENTERS**

##### **Workforce Innovation Opportunity Act (WIOA) Adult and Dislocated Worker Program (Title I)**

WIOA Title I Adult and Dislocated Worker funding is available to eligible participants for career and training services. Local Workforce Development Areas (LWDAs) coordinate the program, which may include support and assistance for individuals participating in provided career and training services. Priority is given to public assistance recipients, other low-income individuals, veterans, and those who are “basic skills-deficient.”

During program year 2021, the WIOA Adult and Dislocated Worker program served 3,336 Adult participants and 1,377 Dislocated Worker participants.

##### **Youth Services (Title I)**

WIOA Youth Services are available to eligible youth, ages 14-24, who face employment and education barriers. Service strategies, delivered by workforce providers, prepare

youth for employment and/or postsecondary education through academic and occupational learning. Under the direction of Local Workforce Development Boards, local communities partner with American Job Centers to provide youth activities and services. To be eligible for services, an individual must meet specific requirements related to age, income, and school statuses that result in an employment barrier. Program participation is distinguished by the terms “in-school youth” (ISY) and “out-of-school youth” (OSY). During program year 2021, the WIOA Youth Program served 2,025 youth participants.

##### **Trade Adjustment Assistance (TAA)**

The Federal TAA program assists U.S. workers who have lost their jobs as a result of foreign trade. Supporting re-employment, TAA seeks to provide these trade-affected workers with opportunities to obtain the skills, resources, and support needed to become reemployed. Benefits include financial and job search assistance. The fiscal element includes:

- Textbooks, tools, and supplies
- Tuition and training assistance
- Relocation assistance
- Travel reimbursement

There were 750 TAA participants of which 160 were enrolled in TAA training. Expended funds spent totaled approximately \$1,594,057.

##### **SNAP Employment & Training – Employment & Training (SNAP E&T)**

SNAP E&T prepares SNAP (formerly referred to as Food Stamps) recipients for employment through work-related education and training activities. This includes any SNAP recipient who does not receive TANF benefits and able-bodied adults without dependents (ABAWDs) who need to meet their 20-hour federal work/activity requirement. The grant enables SNAP E&T staff members to provide case management, including a program overview and client assessment, determining an appropriate training

component to include:

- Postsecondary education
- Vocational /technical and other training
- Adult Education classes
- WIOA and workforce training
- Veterans Program

During program year 2021, the SNAP Program served 2,827 participants.

The Jobs for Veterans State Grants (JVSG) program helps veterans transition to meaningful civilian employment by providing employment services at the American Job Centers and other locations. Funding allows Disabled Veterans Outreach Program (DVOP) specialists and Local Veterans Employment Representative (LVER) staff to specialize services designed to reach and advocate for veterans. JVSG funds support services to veterans experiencing employment barriers and their eligible spouses. Those barriers include disabilities as well as special economic or educational disadvantages and homelessness. The individuals are included with the reportable Wagner-Peyser applicant figures.

##### **Re-Employment Services and Eligibility Assessment (RESEA)**

RESEA is a federally funded program that provides reemployment services to unemployment claimants. The foundational element of the RESEA program is an in-person or virtual meeting between the claimant and an American Job Center (AJC) staff member. The RESEA program’s main purposes are

- to reduce Unemployment Insurance (UI) duration through improved employment outcomes,
- to strengthen UI program integrity,
- to promote alignment with the vision of the Workforce Innovation and Opportunity Act (WIOA), and
- to establish RESEA as an entry point to other workforce system partners.



These services are offered across the entire state in both comprehensive and affiliate American Job Centers. During the period beginning July 1, 2020, and ending June 30, 2021, 5,488 claimants were selected to participate, 4,481 claimants participated in the initial RESEA orientation meeting, and 505 claimants returned to work. Staff continues to provide services remotely due to COVID-19.

### **Agricultural Outreach and H-2A Programs**

Tennessee Department of Labor and Workforce Development manages the Migrant and Seasonal Farmworker (MSFW) and H-2A Certification for Temporary Agricultural Workers' programs. The MSFW program provides outreach and basic labor exchange services to those who are identified as migrant or seasonal farmworkers. The H-2A program helps employers recruit temporary alien workers when qualified U.S. workers are not available. During the period beginning October 1, 2020, and ending September 30, 2021, Tennessee recorded 602 registered individuals who identified as MSFW. The following job orders were posted: 160 H-2B (temporary nonagricultural jobs) and 486 H-2A (temporary agricultural jobs). The H-2A program conducted 832 on-site preoccupancy housing inspections and 3,224 visas were approved.

### **Senior Community Service Employment Program (SCSEP)**

The Senior Community Service Employment Program provides marketable community service and work-based job training to seniors 55 and older. SCSEP participants gain work experience in a variety of community service activities at non-profit and public facilities, including schools, hospitals, daycare, and senior centers. The Tennessee Department of Labor and Workforce Development currently has six sub-grantees and works with two national grantees, the National Council on Aging and Senior Service America, Inc., to administer the program statewide.

During the program year July 1, 2020, through June 30, 2021,

the state program served 99 seniors throughout Tennessee. This number is reflective of services being provided during a pandemic.

### **Eligible Training Provider List (ETPL)**

The Eligible Training Provider List (ETPL) is a directory of approved programs offered by postsecondary schools and training providers that participants can use to upgrade their education and/or skills.

WIOA requires Tennessee to maintain a list of institutions certified to accept students using WIOA funds. This list is used by participants when researching career and training options based on their career goals.

WIOA expanded the eligible training provider lists for technical and occupational classroom training programs and strengthened the provisions regarding training provider eligibility. There are a total of **155 providers on the ETPL**.

The provider composition is as follows:

- **81** private schools
- **27** TCATs (Tennessee College of Applied Technology)
- **17** community colleges
- **10** four-year universities
- **20** Registered Apprenticeships

### **Apprenticeship TN**

Apprenticeship TN actively promotes Registered Apprenticeship Programs (RAPs) and increased participation with employers throughout Tennessee. Currently, three regional Apprenticeship Directors are serving West, Middle, and East Tennessee. Each of the Regional Apprenticeship Directors works closely with the Regional Business Services Directors of the nine Local Workforce Development Boards (LWDBs) as well as the local staff who operate at the AJCs. Upon establishing or expanding RAPs, the Regional Apprenticeship Directors connect employers with the Business Services staff in the appropriate region. Those staff then connect employers and apprentices with WIOA services and funding options to support the expansion of activities working with the state's nine regional LWDBs.

From July 2020 through June 2021, 37 new sponsors, representing 11 industry sectors, were registered. While traditional industry sectors such as Advanced Manufacturing (33%) and Construction (22%) led the growth, Tennessee also increased sponsors in non-traditional industry sectors, Information Technology (9%), Healthcare (7%), and Hospitality (4%). In addition to gaining new sponsors, Apprenticeship TN expanded the number of registered occupational programs within existing sponsors, which in turn provides more opportunities for individuals to enter apprenticeship programs. From July 2020 to June 2021, Tennessee added 39 new occupational programs to existing sponsors. As a result, the number of apprentices in Tennessee grew to an all-time high, hitting 7,239 apprentices, representing a 26% growth rate.

## **PROGRAMS/SERVICES AVAILABLE FOR EMPLOYERS AT THE AMERICAN JOB CENTERS**

### **Business Services Team (BST)**

Tennessee's American Job Centers are equipped to assist businesses with recruiting, hiring, training, or upgrading skills for their workforce. BST includes representation of Vocational Rehabilitation, LWDBs, and state departments of Economic and Community Development and of Labor and Workforce Development.

Representatives offer a range of customized training options to meet business needs, providing information about resources to assist with business decisions, including marketing and economic development opportunities.

### **Work Opportunity Tax Credit (WOTC)**

The Work Opportunity Tax Credit (WOTC) exists to incentivize private businesses to hire individuals who consistently face significant employment barriers. This targets specific groups with maximum tax credits of the following:

- \$1,200 for summer youth employees
- \$4,800 to \$9,600 for disabled veterans
- up to \$9,000 for long-term recipients of Temporary

Assistance to Needy Families (TANF) over two years

- \$2,400 for all other target groups

WOTC issued 63,357 tax credit certifications, which represent a potential federal corporate income tax savings of over \$161.1 million to qualified Tennessee employers.

### Business Grants

The State Workforce Development Board established policies to assist businesses by providing workers an opportunity to enroll in training programs such as Incumbent Worker Training (IWT), Apprenticeship Training Grants (ATG), and On-the-Job Training (OJT). These grants are administered through the LWDBs.

In 2021, a total of \$4,619,497 in Business Grants were awarded to aid in up-skilling the current workforce or developing new employees to grow the workforce. These business grants are known as Incumbent worker training (IWT) grants and On-the-Job Training (OJT) grants. A total of 66.6% were contracted under IWT across eight of the Local Workforce Development Areas. A total of 33.4% were contracted under OJT grants throughout six of the Local Workforce Development Areas.

### Rapid Response

Rapid Response offers many services to help businesses and workers deal with the effects of layoffs and plant closures. This includes those that result from increased competition from imports, natural disasters, and other events. The program is designed to quickly coordinate services and provide immediate aid to companies and their affected workers. Rapid Response teams work with employers and any employee representative(s) to hastily maximize public and private resources, minimizing disruptions associated with job loss. Customized services are provided on-site at an affected company to accommodate work schedules and assist workers through the transitions associated with job loss. This past year, 8,935 displaced workers received assistance in making a career transition.



# **WORKPLACE REGULATIONS & COMPLIANCE**



The Workplace Regulations and Compliance Division oversees a variety of units that **protect people from potential hazards**, enforce labor laws, or provide health and safety training. The units are Amusement Device, Boiler, Elevator, Labor Standards, and Mine Safety.



#### Amusement Device Unit

The Amusement Device Unit strives to ensure public safety by issuing annual operating permits to companies that meet statutory compliance requirements. Proof of inspection and insurance is obtained to reduce risks associated with the use of fixed and portable amusement devices. Amusement devices include, but are not limited to, trampolines, inflatables, rollercoasters, Ferris wheels, merry-go-rounds, glasshouses, and walk-through dark houses.

The unit verifies that third-party inspectors are certified, confirms proper industry standards are applied, and reviews inspection reports to ensure that all devices operated by the amusement device companies meet the applicable industry standards as of the date of inspection.

The unit consists of a manager, an administrative assistant, and three safety compliance officers. These officers serve as an extra layer of oversight, and they work to identify non-compliant companies. Safety compliance officers perform on-site visits to companies, fairs, and carnivals. The unit also processes accident reports and responds to public inquiries.

In fiscal year 2020-2021, the program issued 333 annual operating permits to amusement device companies, covering 2,871 devices, and received \$52,950 in permit fees.

#### Boiler Unit

The Boiler Unit inspects high-pressure vessels (i.e., hydronic hot water heating-steam boilers), low-pressure vessels (i.e., hot water heaters), and unfired-pressure vessels (i.e., air compressors) that are used in commercial industry. Hotels, restaurants, factories, dry cleaners, schools, and hospitals utilize these types of vessels. There are over 73,650 active boilers and pressure vessels operating across the state.

The unit employs 17 inspectors; a Chief Inspector, an Assistant Chief, and 15 deputy inspectors.

Depending on the type of vessel, inspections are performed every six months or biennially by either state inspectors or by insurance company special inspectors.

During fiscal year 2020-2021, state and private inspectors completed 46,623 boiler and pressure vessel inspections, which included 5,790 newly installed vessels. Also, the unit received and processed 2,437 installation permit applications for new vessels. The unit issued 37,217 Certificates of Boiler Inspection and generated \$3 million in revenue.

#### Elevator Unit

The Elevator Unit protects the public from the potential hazards inherent to the operation of elevators, escalators, aerial tramways, chairlifts, dumbwaiters, and moving walkways. The Unit consists of the Chief Inspector, Assistant Chief Inspector, and 27 additional qualified elevator inspectors.



Inspections are conducted every six months for all existing conveyances. Inspectors test and verify the proper operation of all required safety features to prevent potential hazards.

The unit reviews plans and specifications before issuing construction permits for the installation of new, altered, or relocated conveyances. Acceptance inspections take place for all new or altered devices before the state permits them to operate.

During fiscal year 2020-2021, the state conducted 28,191 inspections and issued 15,937 annual operating permits. The unit generated approximately \$2.9 million in revenue.

#### **Labor Standards Unit**

The Labor Standards Unit enforces the Non-Smoker Protection Act, Illegal Alien Act, Child Labor Act, Prevailing Wage Act, Wage Regulations Act, and the Tennessee Lawful Employment Act. The unit investigates Tennessee employers to determine whether companies are in compliance with state labor laws. The unit has a Director and nine inspectors who are assigned to specific regions across the state.

Common issues the unit investigates include an employer's failure in paying or timely paying wages, providing required breaks, posting no-smoking signs in public places, hiring persons who are authorized to work in Tennessee, and posting current prevailing wage rates. An employer's failure to ensure minors work only within hours required by law, provide minors with proper rest breaks, and protect minors from prohibited occupations are other issues.

During fiscal year 2020-2021, the unit conducted a total of 5,889 inspections, which resulted in 968 non-compliant employers and generated \$1.25 million in revenue.

#### **Mine Safety Unit**

The Mine Safety Unit provides health and safety training classes for mine workers and issues mine foreman certifications and operating licenses to surface and underground coal and metal mines. The unit includes a manager and two trainers, all of whom are highly accredited and certified safety instructors.

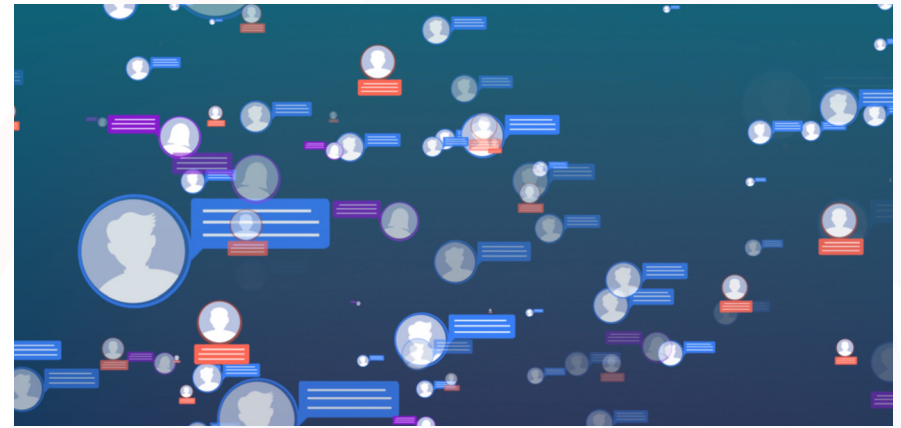
Safety classes are conducted for miners (i.e., new, annual refresher) and mine rescue team members (i.e., electrical, First Aid/CPR). The unit also administers foreman exams and issues certificates of competency to foremen who meet state, federal, and industry requirements.

These safety classes are normally conducted at the unit's Caryville facility but can also be scheduled at specific company work locations within the state.

For fiscal year 2020-2021, the Mine Safety Unit issued 6 mine licenses, conducted 297 mine safety classes, taught 1,642 individuals, issued 141 mine foreman certificates, and collected \$36,670 in revenue.

# COMMUNICATIONS

Communications **continued to play a vital role** in the Department's pandemic response strategy as the nation transitioned into the second year of impacts from COVID-19.



2021 brought more changes to federal pandemic unemployment programs and the Department was once again tasked with educating citizens about the assistance available to them. This meant enhancing new communication channels developed in 2020 to better serve claimants in an ever-changing environment. Communications worked closely with our partners to expand both the automated online chat and SMS text conversation programs the Department implemented in 2020. Tens of thousands of claimants interacted with the two channels that provided guidance through their unemployment journeys and help to get them back to work sooner.

**Social media** remained a key way to communicate with customers across the state. While growth for the Department's Facebook, Twitter, and Instagram pages was not as robust as it was at the start of the pandemic, the platforms continued to experience a substantial increase in followers throughout the year.

The Department embarked on its largest outreach campaign for job seekers in the summer of 2021. **The #TNWorkReady project** highlighted the workforce development services the Department offers to Tennesseans looking to find new employment or skill-up to advance their careers. The campaign utilized television, radio, and digital outreach

to take the Department's message across the state. The outreach campaigns were developed in both English and Spanish to reach a wider audience of job seekers.

Communications continued to partner with news outlets across the state to help disseminate critical information to customers. In 2020, during the height of the pandemic, the number of news inquiries the Department received reached an all-time high of **1,014**. That number dropped by more than half in 2021 to 420, but it still was more than double the number of inquiries that came into the Department before the start of the pandemic.

Unemployment Security was not the only Division impacted by COVID-19. The number of workplace health and safety complaints to Tennessee OSHA increased tremendously during the pandemic. The agency also implemented an Emergency Temporary Standard in 2021 related to healthcare workers. These topics garnered much media attention and accounted for a substantial number of the news inquiries Communications received during the year.

The constantly changing information regarding COVID-19 required Communications to prepare and implement several large updates to not only the Department's main website but also its intranet site dedicated to employee outreach. From

helping claimants become TN Work Ready, to educating the Department's employees about their gradual return to the office, Communications made pertinent information easily accessible through its online channels.

Despite the pandemic, various other tasks the Communications Division is responsible for continued seamlessly, despite staff members working from home for most of the year. The Division designed, produced, and procured nearly 100 forms, publications, brochures, banners, signs, and outreach materials for various Divisions within the Department. Nearly two dozen new videos were also created in 2021 to help convey important messages, not only for the Department's pandemic response but also as part of its overall strategy to make Tennessee work-ready.

The background features a large, faint graphic on the right side. It consists of a gear-like shape with a five-pointed star in the center. The gear has several teeth, and the star is positioned within the central hub of the gear. The entire graphic is rendered in a light, semi-transparent color, allowing the underlying gradient to be visible.

# **WORKFORCE INSIGHTS, RESEARCH & REPORTING ENGINE**

(WIRED)



Workforce Insights, Research & Reporting Engine Division (WIRED) was created November 1, 2017, to **bring together labor market statistical data** as well as real-time claimant and job seeker data and to utilize that information **to support data-driven decision making** within the Department's Divisions as well as for employers and employees in the workforce.



In 2021, WIRED added the WIOA Performance and Reporting Team to the Division. Now WIRED has four major sections: the Labor Market Information staff work in cooperation with the Bureau of Labor Statistics to conduct the surveys and censuses that produce economic indicators; the Customer Success Team provides the front line end-user support for all Divisions utilizing current technologies to track and prioritize all requests for assistance; the Data Analytics and Technical Support Team combines statistical, historical, and real-time data from Jobs4TN.gov to provide dashboards to support data-driven decision making using current technologies and tools; and the WIOA Performance and Reporting Team is responsible for managing the Jobs4TN.gov system that collects and reports individual-level performance data to the federal government for Title 1, 2, and 3 WIOA workforce programs. This team is also responsible for managing staff privilege accounts to the system, providing technical assistance and training, and ensuring that data that is entered into the system is calculated and reported accurately. Staff assists with system upgrades that are required to meet federal reporting changes and keep the system operating efficiently.

Labor Market Information produces data for six federal programs.

The Local Area Unemployment Statistics (LAUS) program produces monthly and annual employment, unemployment, and labor force data and publishes a monthly labor market newsletter.

The Current Employment Statistics (CES) program conducts a monthly survey of 145,000 businesses and government agencies and produces detailed industry employment, hours worked, and wage data.

The Quarterly Census of Employment and Wages (QCEW) program provides a count of employment and wages by industry, identification of multiple worksite locations, and the annual refiling survey to ensure accurate industry classification of employers.

The Occupation Employment and Wage Statistics (OEWS) program produces employment and wage estimates annually for over 800 occupations by conducting two survey panels each year.

The Occupational Safety and Health Statistics (OSHS) program conducts the census of fatal occupational injuries (CFOI) and the survey of occupational injuries and illnesses (SOII) to provide statistics related to workplace safety.

The Workforce Information Grant (WIG) program produces

state and sub-state employment projections to assist local workforce partners. WIG's annual economic report, "Tennessee's Economy 2020-2021," included an analysis of the effects of COVID-19 on Tennessee's industries and labor force, targeted industries, and occupations for local workforce development and identified significant barriers to employment for identified populations in the local labor force. WIG collaborated in the production of improved statistical and real-time labor market information with the departments of Economic and Community Development, Education, and the Tennessee Higher Education Commission to improve measures of labor market demand and report on student employment and earnings outcomes by academic programs. New visualizations and data sets were deployed on the Department's website to respond to the many requests for information on employment changes due to the ongoing pandemic.

All labor market data is stored in the workforce information database on Jobs4TN.gov, where it is combined with employer and individual/job seeker data to provide access to information related to supply and demand by industry, occupation, location, education, salary, skills, training, and certifications. Division leadership provides guidance at conferences and workforce board meetings on how to

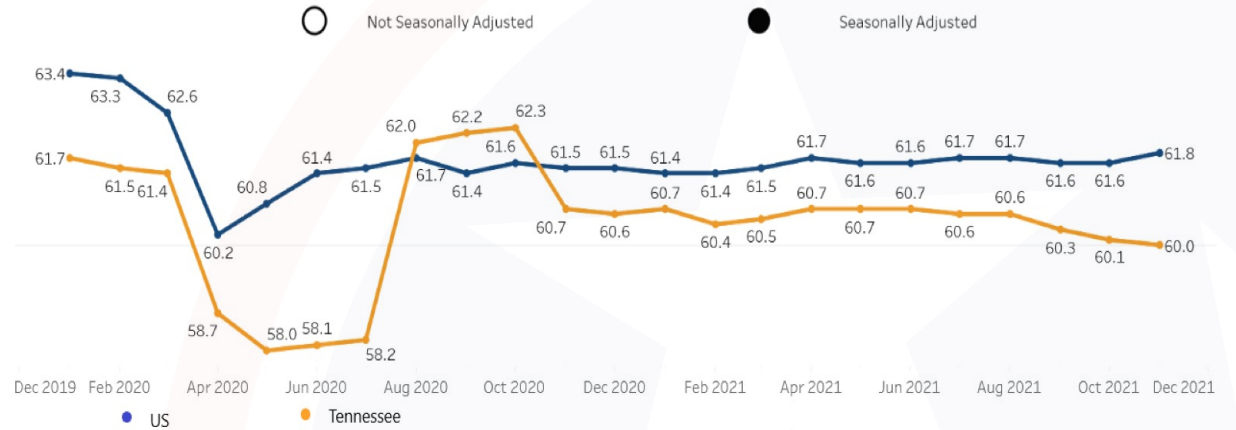
access and use this data to assist individuals, employers, and potential businesses.

During the pandemic, the data analytics and technical team continued to review labor market data collection processes and automated and streamlined some manual processes. The team is continuously helping and fulfilling the requests for unemployment and labor force statistics received from internal/external customers. The team provides the key data points needed by state and local workforce boards to update their respective plans as required under the Workforce Innovation and Opportunity Act (WIOA).

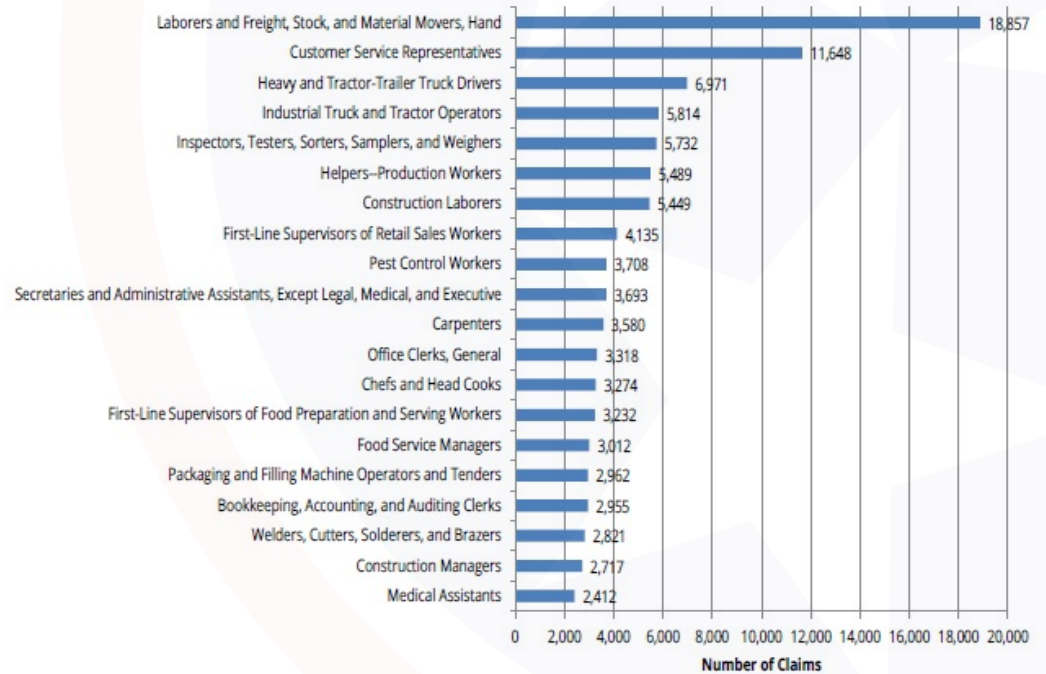
WIRED is responsible for the management of the Zendesk program, the Department's customer relationship management (CRM) platform. The team has provided maintenance of Zendesk Support, Talk, Chat, and Helpdesk self-service channels, which include business rules, IVR menus, ticket forms, ticket views, and ticket groups. WIRED is also responsible for the development of integrations such as webhooks that use the Zendesk API to streamline internal processes. Zendesk training documents are developed and distributed by the WIRED team. Because of continuing factors caused by the pandemic, our Zendesk has more traffic and requires more frequent administrative support internally. Over the year, we have assisted with troubleshooting Zendesk issues on individual and group levels.

The WIRED Division has set up and distributed reports to each Division to provide feedback on their agents' performance monthly through Zendesk. The team has maintained reporting dashboards for all Divisions to include the main metrics for Customer Satisfaction, First Reply Time, and Full Resolution time for customer service tickets created through Zendesk. These reports also cover agent activity in units including the unemployment claims center, BPC, Employer Accounts, Workforce Services, Adult Education, Workplace Regulations & Compliance, and Tennessee OSHA.

US / Tennessee LFPR Seasonally Adjusted



TN Demand Occupations by Total Claims 2021



Total Claims= total initial and continued claims on June 26, 2021  
 Source: TN Dept of Labor and Workforce Development, WIRED Division, PROMIS Data, 9-7-2021 and TN Short Term Projections, 2020-2022, occupations with greater than 100 employment

# FUNDING

**\$11,935,000**

Administration

**\$17,157,500**

Adult Education

**\$6,868,000**

Boilers, Elevators and  
Amusement Devices

**\$84,564,400**

Unemployment Insurance

**\$1,211,800**

Labor Standards

**\$546,200**

Mines

**\$10,633,700**

TOSHA

**\$10,287,600**

Subsequent Injury

**\$16,062,600**

Workers' Compensation

**\$1,161,200**

Workers' Compensation  
Employee Misclassification  
& Enforcement Fund

**\$91,494,900**

Workforce Services

**\$251,922,900**

Total