

The logo consists of the letters 'TN' in a bold, white, sans-serif font, enclosed within a white square border.

Department of
**Labor & Workforce
Development**

A photograph of three welders in a workshop. They are wearing protective gear, including helmets and aprons. One welder in the foreground is actively welding a metal piece on a table, with bright sparks flying. Two other welders stand behind him, observing. The scene is dimly lit, with the primary light source being the welding process.

2018-2019 ANNUAL REPORT

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Commissioner's Message

During the past 12 months, employees with the Tennessee Department of Labor and Workforce Development worked to capitalize on the momentum the agency has gained in recent years. It has been a year of strategy and organization.

In May, I asked Deniece Thomas and Steve Hawkins to become the Department's deputy commissioners. This change allowed us to move forward with a plan that will benefit each of our divisions, and ultimately the citizens of Tennessee.

Deputy Commissioner Thomas oversees Workforce Learning and Development. She has oversight of the Workforce Services, Adult Education, and WIRED divisions. Workforce Learning and Development is focused on enhancing connections with existing employers, building an opportunity pipeline for our citizens, establishing ongoing integration with economic development, and developing clear analytics.

Deputy Commissioner Hawkins oversees Employment Safety and Security, which includes the Tennessee OSHA, Workforce Regulations and Compliance, and Unemployment Security divisions. Employment Safety and Security is focused on attaining operational effectiveness and achieving customer service excellence.

These Department leaders have a clear vision for the future. By organizing the Department into two units, a Deputy can focus on the strategies of each division as well be intentional on cross-departmental collaboration . This plan will allow the programs to grow, become more efficient, and better serve the people of Tennessee.

The new organization also brought new leaders to three of the Department's divisions. Wendy Fisher is now the Assistant Commissioner for Tennessee OSHA. Kenyatta Lovett joined the Department as Assistant Commissioner of Workforce Services, and Tom Herrod is the new Assistant Commissioner of Workplace Regulations and Compliance.

With this talented team of leaders in place, and with over 1,000 dedicated employees across the state, the Department has positioned itself to make Tennessee's workforce development and safety programs the best in the nation.

But to move forward, an organization must identify areas where it needs to improve. One of the areas identified; how we serve customers who qualify for unemployment benefits. In 2019, we made a change that put claims agents back into several local communities. Once again, our neighbors have someone they can meet, face-to-face, who can help them navigate a stressful and challenging time.

We also changed Tennessee's approach toward Registered Apprenticeships. They are a time-proven method of developing a skilled workforce, something the state needs to attract new and expand existing businesses. In the fall, the Department, along with six other state agencies that make up the Tennessee Workforce Development System, started the process of launching ApprenticeshipTN. This program will streamline efforts in how we recruit businesses and employees to take part in this work-based learning model, ultimately expanding the number of programs across the state.

Every change made during 2019 was done so in collaboration, with careful thought and purpose. The Department is now in a position to move forward in 2020 with a strategy that will help make Tennessee the best place in the nation to work and operate a business.



***Dr. Jeff McCord,
Commissioner***



Adult Education

11,563

Total Participants

10,364

Adult Basic Education
Participants

1,199

ESL Participants

1,889

Incarcerated Participants

3,097

High School Equivalency

40%

Measurable Academic
Skill Gains

23%

Measurable English
Language Acquisition
Skill 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 program year 2018-2019, the Adult Education Division administered the program with a federal grant award of \$12 million, and a state appropriation of \$4.5 million. The Division provided oversight and guidance to nine local providers across Tennessee. The program provided significant levels of service (i.e., the participants engaged with the program for at least 12 hours) to 11,563 Tennesseans. Of these, 10,364 were “adult basic education” (ABE) students (typically native English speakers), and 1,199 were English-as-a-Second-Language (ESL) students. 40% of the ABE students showed measurable gains in their literacy and math skills. 23% of the ESL students showed measurable gains in their English language acquisition skills. Furthermore, the Division awarded 3,097 high school equivalency diplomas to program participants.

The Adult Education Division made significant strides in developing innovative ways to better assist Tennesseans seeking educational opportunities. The Division began strategic work to plan and implement pathways to postsecondary education for students. These pathways will draw on similar work from the Department of Education, facilitate collaboration with the State’s TCATs and community colleges, and allow Adult Education students to leverage Tennessee Reconnect.

The Division furthered its collaboration with other State agencies to address the educational needs of the incarcerated population. This collaborative work focuses on re-entry initiatives, ensuring incarcerated students re-enter society with the education and skills they need to participate meaningfully in their families and the workforce. The Adult Education program served 1,889 incarcerated individuals.

The Division seeks to remove barriers for Tennesseans who need to take the HiSET exam in order to earn their high school equivalency diploma. To that end, the Division continued to oversee the HiSET voucher system, now in its fourth year, ensuring that qualified students do not have to pay out of pocket to sit for the exam. The Division also worked with the TN Department of Correction to provide access to HiSET vouchers to the State’s incarcerated population.



Employment Security

The Employment Security Division administers Tennessee's Unemployment Insurance program. Unemployment Insurance (UI) provides unemployment benefits to workers who have lost their jobs through no fault of their own. Designed as a state and federal partnership, this program is a stabilizing force that keeps a flow of dollars moving into the local economy.

As of December 31, 2019 the Unemployment Insurance Trust Fund balance was \$1.267 billion.

UI Claims Center Operations

The division has four Claims Operations centers located in Nashville, Chattanooga, Crossville, and Knoxville. During the reporting year, Claims Operations processed 124,205 claims. The Claims Operations unit also processes special claims such as Trade Readjustment Act (TRA) claims for eligible workers covered by a Trade Adjustment Assistance (TAA) petition. TRA weekly benefits may be payable to eligible workers following the exhaustion of unemployment insurance (UI) benefits.

Disaster Unemployment Assistance (DUA), Combined Wage, and Interstate Claims programs and SAVE (Systematic Alien Verification for Entitlements), which processes for all alien claimant UI compensation applications are also processed within Claims Operations.

The Unemployment Insurance Integrity Unit oversees Benefit Payment Control (BPC), Benefit Accuracy Measurement (BAM), and Reports and Compliance. During the fiscal year, the BAM unit audited more than 930 claims for benefit payment accuracy. BPC unit issued 13,529 non-fraud overpayments and issued 3,917 fraud overpayments. The agency also identified \$13,947,873 in overpayments and for the same time period collected \$8,248,366 of overpaid benefits.

The Training, Research, and Compliance (TRAC) unit is responsible for reviewing legislative changes that impact Employment Security Law and the processing of claims. Since the UI program is essentially a federal program, all proposed legislative changes impacting the program must be reviewed by the U.S. Department of Labor (USDOL) for conformity and compliance with federal regulations.

Claimants and employers can appeal departmental decisions relating to claims. The Appeals Tribunal, the lower appeals level, conducts de novo hearings in which parties testify under oath and can 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. In fiscal year 2019, the Appeals Tribunal heard and ruled on over 18,789 unemployment appeals, and is once again meeting USDOL standards for case aging and timeliness of hearings.

Tennessee's Premium & Wage Online Reporting System (TNPAAWS)

The TNPAAWS Online reporting system gives employers the option of filing their Wage & Premium reports online. More than 80,000 Tennessee employers used TNPAAWS to complete this process. TNPAAWS also allows employers the option to pay their quarterly taxes online. Through the period ending June 30, 2019, \$82,162,921.47 in taxes was paid online.

\$1,287,757,005

Trust Fund Balance

124,205

Processed UI Claims

930

Audited Claims

13,529

Issued Non-Fraud Cases

3,917

Issued Fraud Cases

\$13,947,873

Overpayments

\$8,248,366

Recovered Overpayment Collections

18,789

Heard And Ruled Unemployment Appeals

80,257

Employers Used TNPAAWS

\$82,162,921.47

Taxes Paid Online

TOSHA Activity 2018-2019



SAFETY ENFORCEMENT

Inspections conducted: 831
Violations cited: 2,995
Proposed penalties: \$4,174,475



TRAINING & EDUCATION

Seminars & formal programs
conducted: 302
Number of attendance
at activities: 9,061



CONSULTATIVE SERVICES

Consultative visits: 421
Hazards identified
during visits: 3,490



PUBLIC SECTOR OPERATIONS

Inspections conducted: 595
Violations cited: 2,827



HEALTH ENFORCEMENT

Inspections conducted: 304
Violations cited: 1,617
Proposed penalties: \$623,700



RECOGNITION PROGRAMS

Volunteer STAR: sites - 39
employees - 24,618
SHARP: sites - 13
employees - 1,589



Tennessee Occupational Safety & Health

TOSHA's mission is to assure the safety and health of Tennessee's workers by setting and enforcing standards; providing training, outreach, education, establishing partnerships, and encouraging continuous improvement in workplace safety and health.

Consultative Services

The Consultative Services Program offers a free consulting 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 2018-2019, the program performed 421 consultative visits and identified 3,490 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. On-site monitoring and inspections are conducted to identify safety and health hazards and assure hazards are controlled or eliminated. During FY 2018-2019 the Compliance Unit performed 1,730 workplace inspections and identified 7,439 safety and health hazards.

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 2018-2019, TOSHA conducted 302 seminars and logged 9,061 attendees at these training sessions.

Public Sector Activity

During FY 2018-2019, Tennessee OSHA performed 34.28% 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 2018 total case incident rate (TCIR) for state and local government in Tennessee was 4.0 which is significantly lower than the national average of 4.8.

TCA 50-3-107(a) states: The commissioner shall refer any fine or penalty assessed under this chapter, which remains unpaid for more than six (6) months from the date the order against the violator becomes final, to the attorney general and reporter for enforcement In accordance with TCA 50-3- 107(f) please view the following employers with penalties that remain unpaid for more than one year [here](#).



Tennessee Safety & Health Conference

Since 1977, the Tennessee Safety and Health Conference, co-sponsored by TOSHA and the American Society of Safety Professionals, has brought together industry and subject matter experts to share knowledge, methods, and processes to improve workplace safety and health in Tennessee.

This year the Tennessee Safety and Health Conference celebrated its 42nd anniversary in Nashville on July 14 - 17. The event included 117 exhibitors and was attended by 546 delegates.

Over the years, the conference has become one of the most successful assemblies of safety and health professionals in the country. The 2019 conference featured safety experts leading more than 50 seminars designed for all levels of safety and health professionals. The conference provided a great learning environment and opportunity for like-minded people to network.

The exhibit hall featured 117 exhibitors offering a wide variety of safety equipment and products. The exhibitors were extremely knowledgeable and dedicated to their field and provided the latest information on cutting edge technology and safety trends.

This year's keynote speaker was Terry Gray of Terry Gray Enterprises. Terry is the creator and driving force of the highly sought out Safety Man Movement. The message he wanted to convey was that "The safety man is no longer one individual, but many individuals that are one!" Terry used the safety man movement to provide an enjoyable and motivational keynote address.

Commissioner Jeff McCord addressed the conference delegates during the opening session.



Bureau of Workers' Compensation

The Bureau of Workers' Compensation administers workers' compensation law in a way that assists both employees and employers in minimizing the negative consequences of work-related injuries.

The **Mediation and Ombudsman Services of Tennessee (MOST) program** provides information about workers' compensation benefits and resolves disputes between injured employees and their employers or insurance companies concerning eligibility for benefits.

During the 2018/19 fiscal year, Bureau **Ombudsmen** provided information to 10,176 Tennesseans, helping 725 injured workers obtain their workers' compensation benefits.

Bureau Mediators conducted 2,569 **mediations** to help resolve disputes concerning temporary disability and medical benefits. Of these mediations, 2,064, or 80%, resulted in dispute-resolution. Bureau Mediators also conducted 1,329 in-person mediations concerning permanent disability benefits, in which 79% resulted in resolutions.

The **Tennessee Drug Free Workplace Program** promotes drug- and alcohol-free workplaces to improve safety and healthy work environments. Employees not impaired by drugs and alcohol have fewer workplace accidents and injuries and their employers operate from an enhanced competitive position that is free from the costs, delays, and tragedies caused by substance abuse. Currently, there are some 3,500 actively participating employers in the program covering over 335,000 workers.

The Bureau's **Medical Services Unit** helps evaluate the quality, timeliness and appropriateness of medical care available to injured and disabled employees and administers related programs.

The **Medical Advisory Committee**, comprised of 20 stakeholders representative of the industry, advises the Administrator on issues related to medical care such as access, treatment guidelines and provider complaints.

The **Medical Payment Committee** recommends revisions to the **Fee Schedule** and hears reimbursement disputes between payers and providers. The Fee Schedule is assessed on a yearly basis with the most recent recommendations becoming effective September 10, 2019. The Committee ruled on 43 reimbursement disputes in 2019.

The **Utilization Review (UR) Appeals program** evaluates the appropriateness and medical necessity of care requested by authorized treating physicians on behalf of injured employees. 162 appeals for treatments denied by carriers through their Utilization Review Organizations are received in an average month. After the medical records are received, determinations on these appeals are completed in an average of 5.3 days.

Thirty-five **Medical Fee Schedule** waivers for medical treatment provided by specialists or out-of-state providers were granted in 2019 for circumstances in which care for injured workers could not be obtained within the fee schedule.

The unit also keeps the **medical treatment guidelines and drug formulary** available and current online. **Advisories** to assist medical providers are posted when approved by the Administrator.

102,913
Workplace Injuries
Reported
in FY 2018/19

6.1%
Of Reported Claims Denied
By Insurance Carrier/TPA

725
Issues Resolved
By Ombudsmen

79%
of all 3,898
Disputes Resolved
by Bureau Mediators

>335K
Employees work
at TN Drug Free
Workplaces

1868
UR Appeals submitted
to the Bureau in 2019

Verification of credentials, registrations and renewals are processed yearly for some 50 active Utilization Review Organizations and bi-annually for over 1,200 Case Managers and Assistants.

The **Medical Impairment Rating Registry** comprises over 80 specially trained physicians to assist in resolving impairment rating disputes. Sixty-nine reports were issued in FY18/19. The quarterly news journal, *The AdMIReble Review*, is distributed to over 150 individuals and regularly receives national recognition. Educational outreach includes an annual conference for physicians and various presentations to case managers, providers, adjusters, attorneys, employers, and insurers.

The **Court of Workers' Compensation Claims** remains focused on writing fair, expeditious orders: averaging release dates of seven and eleven business days, respectively, for expedited and compensation hearing orders and nine business days for summary judgment rulings. Their work receives positive reviews from lawyers. Survey respondents rated the judges' writing ability at 4.4 out of five and a 4.8 rating for judicial temperament.

The Court has taken extensive efforts to educate private-practice attorneys on TNComp, the court's new electronic platform for filing and managing cases. So far, TNComp has 423 users. Very few cases remain on the former system.

New locations for settlement approvals include Columbia, Morristown, Clarksville, and Dresden and provide greater convenience for parties and counsel in those areas.

The Court combined and rewrote its practice and procedure rules with the mediation and hearing procedures rules into a single set of rules known as the Court of Workers' Compensation Claims and Alternative dispute Resolution rules during FY18/19. These became effective on August 1, 2019, after approval by the Joint Government Operations committee of the House and Senate.

The Workers' Compensation **Appeals Board** focuses on providing fair, efficient, and meaningful appellate review of decisions issued by the Court of Workers' Compensation Claims. It continues to meet all statutory deadlines for issuing decisions, as it has since its inception in 2014.

Regulatory language was simplified and made more consistent with related statutory changes. The Appeals Board combined its practices and procedures with its rules and regulations to ensure the information needed to pursue an appeal was in a single document, easy to find, and consistent with statutory language. The Appeals Board clarified certain points of law that are important to employees and employers alike that had not been addressed under post-reform law. For example, an issue affecting large multi-state employers was that of forum selection clauses dictating the states in which an employee could pursue their claim. In *Travis v. Carter Express*, the Appeals Board concluded that a forum selection clause signed by the employee over two years before his work-related injury was invalid and that he was entitled to Tennessee benefits. The Appeals Board has continued to carefully examine each issue brought before it to ensure it is being decided consistently with Tennessee law.

There continues to be a reduction of appeals to the Tennessee Supreme Court. In the last five years, 43 decisions (with dates of injury on or after July 1, 2014) have been appealed to the Supreme Court, compared to the 425 cases appealed during the five years prior to the reforms.



5.3 days
Average UR Appeal
determination time once
records are received

8,749
Settlements Approved
by Trial Court in FY
18/19

7 days
Average Time to
issue Orders after an
Expedited Hearing
from Trial Court

4.4 / 5
Average Time to issue
Orders after an Expedited
Hearing from Trial Court

89%
Decrease in Appeals
sent to Supreme Court
since Appeals Board
was established



4
Sets of Rules approved
by the Legislature

42
Penalties Issued

277
Assessments issued
to employers found to
be non-compliant with
the insurance coverage
requirements

23
Employers found to
have misclassified
employees as
“Independent
Contractors”

30
Workers Benefited
from the Subsequent
Injury Fund

172
Adjusters Certified
in 2019

During the past year, the Bureau’s **Legislative and Legal Services/Penalty Program** continued to provide legal counsel to the Bureau’s Administrator and Medical Director, to monitor compliance with court orders and to assess penalties to properly enforce the workers’ compensation law and rules. In 2019, the Bureau addressed 101 inquiries (through Dec. 1, 2019) from the Tennessee General Assembly, Governor’s Office and from other state and federal agencies.

Highlights from the past year included:

- All rules presented in 2019 to the legislature’s Joint Government Operations Committee were given a positive recommendation by the Committee: Uninsured Employer Benefit Fund rules, Court of Workers’ Compensation Claims rules, Medical Fee Schedule rules, and Open Records rules.
- All 101 constituent inquiries were researched and addressed within two business days in 2019.
- The penalty program assessed 42 penalties totaling \$69,600 for 2019 (through Dec. 1, 2019).

The **Compliance program** includes the **Uninsured Employers Fund (UEF)** and the **Employee Misclassification Education and Enforcement Fund (EMEEF)**. The UEF program ensures that covered employers secure the required workers’ compensation coverage. When coverage is in place, employees injured on the job have access to appropriate medical and disability benefits and employers compete for business on a level economic playing field. The EMEEF program ensures that construction service employers accurately classify their workforce as employees or independent contractors.

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 was involved in 140 workers’ compensation cases during calendar year 2019. Of that number, the SIF began paying benefits in 30 of those cases.

The **Next Step Program** provides job search and education assistance to injured workers who lose their jobs because of a workplace injury and connects them to the vast resources provided by other Department of Labor and Workforce Development programs. Many of the Next Step Program participants were not aware of the American Job Centers prior to this assistance. The program provides a scholarship up to \$5,000.00 to qualifying injured workers who are not able to return to work as a result of their workplace injury. Two of the fifty program participants, in the first year of its existence, met the statutory requirements to receive the scholarship.

The Bureau’s **Educational and Outreach** efforts were fruitful as we hosted the 22nd Educational Conference that drew over 600 attendees with topics on improving workplace cultures, ethics and return-to-work success stories. Additionally, multiple brochures were created or revised, including one for the **Next Step Program** and guidance for medical care after a settlement is reached. The **Bureau Bulletin** newsletter was distributed in January, May, August, and November to about 2,222 external customers. Our voluntary **Adjuster Certification Program** held six classes in 2019 to help educate adjusters about Tennessee-specific claims handling requirements. There are now over 280 “Certified Adjusters”. Bureau leadership spoke at more than one hundred events to more than 2,000 attendees throughout the year.

Workforce Services

Executive Summary

The Workforce Services 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 2019, the divisions of Workforce Services, Adult Education and WIR2ED were combined to form the Workforce Learning and Development unit. Kenyatta Lovett, Ph.D. was appointed Assistant Commissioner of Workforce Services in August 2019. Lovett brings to the Department diverse experience in workforce development, as well as secondary and postsecondary education.

As we move into the future of the Workforce Innovation and Opportunity Act (WIOA), our vision is to be a national leader in developing an employable workforce and safe workplace environments.

American Job Centers

American Job Centers (AJCs) are valuable community resources that meet the needs of Tennesseans by reforming 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.

In order 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 2018 the AJC's provided 2,953,106 services to individuals, assisted 147,504 reportable Wagner-Peyser applicants (including self-service) of which 30,704 received staff assisted services and referred 281,031 job seekers to employment

opportunities. Entered employment (2nd quarter after exit) following services received for job seekers is 72.6%.

The Mobile AJCs provide AJC access on wheels with a focus of delivering services to rural areas and special populations that lack accessibility to brick and mortar AJCs. The Mobile AJC also serves as a mobile support system to numerous job fairs and other events across Tennessee.

In Program Year 2018 the Mobile AJCs served 7,456 participants across the state. 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.

There about 4.5 million people that accessed the Jobs4tn.gov site and we were only able to access a fraction of those people. We needed a way to reach those individuals. In 2019 the Virtual American Job Center (V-AJC) was created. In one year, the V-AJC went from a series of bullet points on a white board to a modular, proactive outreach program with the capacity to include partner programs and agencies. V-AJC is now able to connect to opportunity seekers and drive enrollments in areas that are the most difficult to serve. In less than 190 actual days of operation over the span of one year, the program has been able to attempt contact to over 4300 individuals resulting in 198 Title III participants as of December 30, 2019. Over all, the V-AJC program was able to turn over 4.5% of all attempted contacts to participants. Career specialists, working in a virtual space, were able to command an average response rate of 16% resulting in a 43% response to referral rate and 64% of referrals becoming participants in the Virtual American Job Center. The V-AJC has made Jobs4TN.gov a true virtual one stop, allowing opportunity seekers across the state to connect to career counselors, Disabled Veteran Outreach coordinators and WIOA Title I case managers while eliminating unnecessary trips to the

\$140,038,405
Combined Expended
WIOA Partner Programs

\$56.7 Million
Expended on Title I

\$63.5 Million
Expended on Title IV

2,953,106
AJC Services Provided
To Individuals

147,504
Reportable Assisted Wagner-Peyser
Applicants (Including Self-Service)

30,704
Received Staff Assisted
Wagner-Peyser Services

281,031
Referred Job Seekers To
Employment Opportunities

72.6%
Job Seekers Entered
Employment (2nd Quarter
After Exit) Following
Services Received

6,221
Mobile Ajcs Participants Served
In Almost 95 Counties



68

Mobile AJCS Visits Per Month
In Almost 95 Counties

7,987

Adult Participants

2,798

Dislocated Worker Participants

4,566

WIOA Youth Program
Participants Served

817

TAA Participants

158

TAA Participants
Enrolled In Training

\$1,946,821

TAA Funds Spent

\$499,615

TAA Funds Obligated
To Training

11,812

RESEA Participants Served

American Job center. Tennessee's workforce system clients can now receive essential, personalized services from their PC, tablet or smart phone.

Jobs4TN.Gov

Jobs4TN.Gov extends services far beyond the American Job Center. It is known for its access to the best jobs and career information, a comprehensive talent pool for your employers, the latest labor market data for researchers, and the case management tools the staff needs to effectively and efficiently assist their clients. Jobs4TN.Gov significantly increases the size and quality of your available talent pool and access to jobs.

Programs Available for 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 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 2018, the WIOA Adult and Dislocated Worker program served 7,987 Adult participants and 2,798 Dislocated Worker participants.

Youth Services (Title I)

WIOA Youth Services are available to eligible low-income youth, ages 14-24, who face employment barriers. Service strategies, developed by workforce providers, prepare youth for employment and/or post-secondary education through interdependent 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 Youth Services, an individual must meet specific requirements related to age, income and school statuses that result

in an employment barrier. Program participation distinguished by the term in-school youth (ISY) or out-of-school youth (OSY).

During Program Year 2018, the WIOA Youth Program served 4,566 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 817 TAA participants of which 158 were enrolled in TAA training. Funds spent totaled \$835,085 plus \$499,615 was obligated to fund TAA training.

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 that 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.

Components offered include:

- Post-secondary education
- Vocational /technical & other training
- Adult Education classes
- WIOA and workforce training
- Veterans Program

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 outreach 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 economical or educational disadvantages, and homelessness. The individuals are included with the reportable Wagner-Peyser applicant figures.

Re-Employment Services and Eligibility Assessment (RESEA)

RESEA assists unemployment claimants with returning to work quicker. Staff works one-on-one with participants to assess their interests and abilities and establish an employment development plan that guides their career endeavors. This includes conducting workshops and delivering other workforce related services to participants. These services are being offered across the entire state, in both comprehensive and affiliate American Job Centers. During the period beginning October 1, 2018 and ending September 30, 2019, the RESEA program served 11,812 participants, of which, 1,750 participants returned to work.

Agricultural Outreach & H2-A Programs

Tennessee Department of Labor & Workforce Development manages the Migrant and Seasonal Farmworker (MSFW) and H2-A 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 H2-A program helps employers recruit temporary alien workers when qualified U.S. workers are not available.

During the period beginning July 1, 2018 and ending June 30, 2019, the following job orders were posted:

68 H-2B (temporary nonagricultural jobs), and 467 H2-A (temporary agricultural jobs). The H2-A program conducted 877 on site preoccupancy housing inspections.

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 have 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, 2018 through June 30, 2019 the state program served 164 seniors throughout Tennessee. The State and Federal participation was 32,867 individuals.

Eligible Training Provider List (ETPL)

The Eligible Training Provider List (ETPL) is a directory for postsecondary school and training providers and programs that assist with upgrading participants' education and or skills.

WIOA requires Tennessee to maintain such a list of entities 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 159 providers on the ETPL. The provider composition is as follows:

- **91** Private Schools
- **27** Tennessee Technology Centers

1,750

RESEA Participants Returned to Work

68

H-2B Job Orders

877

H2-A Program On-Site Preoccupancy Housing Inspections

467

H2-A Job Orders

164

TN SCSEP Seniors and Total Participants Served

32,867

TN and National SCSEP Individuals Participated

121,782

Business Services Provided to Employers

71,019

WOTC Issued Tax Credit Certifications

\$194.7 Million

Potential Income Tax Savings to Qualified TN Employers

37

Companies Received Rapid Response Services

4,563

Displaced Workers Received Assistance in Making a Career Transition

386

Consolidated Business Grants Pre-Applications

\$5 Million

Earmarked for 201 Businesses To Train

8,101

Individuals

235

Companies Received Rapid Response Funds to Train

6,526

Trained Incumbent Workers

- **17** Community Colleges
- **10** 4-year Universities
- **15** Registered Apprenticeships

Programs/Services Available for Employers at the American Job Centers

Business Services Team (BST)

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

Representatives offer a range of customized training options to meet businesses' needs, providing information about local and federal resources to assist with business decisions, including marketing and economic development opportunities. The Business Services Teams, in partnership with the Local Workforce Development Areas, have provided 121,782 services to employers across Tennessee.

Work Opportunity Tax Credit (WOTC)

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

- \$4,800 to \$9,600 for disabled veterans
- \$4,000 for long-term recipients of Temporary Assistance to Needy Families (TANF)
- \$1,200 for summer youth employees
- \$2,400 for all other target groups

WOTC issued 71,019 tax credit certifications which represent a potential federal corporate income tax savings of \$194.7 million to qualified Tennessee employers.

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. Units provide customized services on-site at an affected company, accommodate any work schedules, and assist companies and workers through the painful transitions associated with job loss.

This past year, 36 companies received services and 4,563 displaced workers received assistance in making a career transition.

Consolidated Business Grants (CBG)

The Consolidated Business Grants program was established to assist businesses with training. The program works to build the skills of their employees, improve productivity and workforce retention.

The CBG sponsors the training programs based on the needs of the employer to help train and retain employees by providing skills upgrades and process improvement training for existing, full-time employees.

The restructuring of the CBG has allowed greater flexibility to serve businesses in the local areas as is evident by the total amount earmarked and the actual money spent by employers. During this program year there were 386 pre-applications. \$5 million was earmarked for 235 businesses to train 8,101 individuals (including Incumbent Worker Training, On-the-Job Training and apprenticeships). Also, Rapid Response funds went to 201 companies, which trained 6,526 Incumbent Workers.

Each program mentioned above has different eligibility requirements. Contact your local **American Job Center** to learn more.

JOBS4TN.GOV

Jobseeker Resources

JOBS4TN is a new kind of search engine that generates thousands of jobs listed by major Tennessee employers. It's the premier site for finding work and locating useful labor market information.

Employer Resources

JOBS4TN Online connects you to the ideal candidates based on the qualifications that are most important to you. It also provides valuable labor market information from the Tennessee and U.S. Departments of Labor as well as the Bureau of Labor Statistics.

Jobs4TN Individual and Total Services



68,297

Total Number Of
Individuals That Registered



239,529

Total Number Of Distinct
Individuals Receiving Services



2,955,106

Total Number Of Services
Provided To Individuals



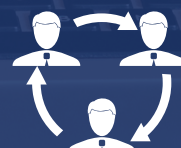
165,799

Total Number Of
Individuals That Logged In



88,956

Total Number Of Internal
Job Orders Created



357,242

Total Number Of Internal
Job Referrals Created



121,782

Total Number Of Services
Provided To Employers



Workplace Regulations and Compliance Division

Amusement Device Unit

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

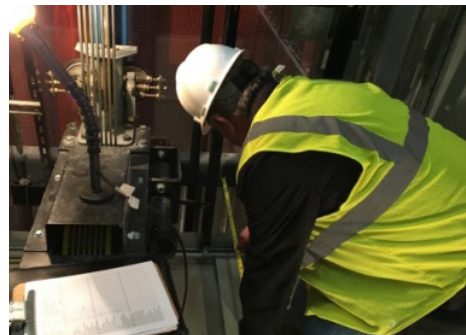
The unit verifies third party inspectors are certified, confirms proper industry standards are applied, and reviews inspection reports to ensure that all devices operated by the amusement device companies meet the applicable industry standards as of the date of inspection. The unit currently consists of a manager, an administrative assistant, and three (3) safety compliance officers who serve as an extra layer of oversight and discover noncompliant companies. Safety compliance officers perform onsite visits of companies, fairs and carnivals. The unit also processes accident reports and responds to public inquiries. In FY18/19, the program **issued 456 annual permits** to amusement device companies covering **4,247 devices and assessed/collected \$68,322.99 in revenue**.

Boiler Unit

The Boiler Unit inspects High Pressure (*i.e. hydronic hot water heating-steam boilers*), Low Pressure (*i.e. hot water heaters*) and Unfired Pressure Vessels (*i.e. air compressors*) that are used in the commercial industry. Hotels, restaurants, factories, dry cleaners, schools, and hospitals utilize these vessels. There are over 71,300 active boilers and pressure vessels operating across the state. Depending on the type of vessel, inspections are performed every 6 months and/or every 2 years by 15 state inspectors including the Chief Inspector or 13 insurance companies that employ 2 or more inspectors.



During FY18/19, a total of **33,827 boilers and pressure vessels were inspected** which included **1,904 newly installed vessels**. Additionally, **2,372 new installation permit applications** were received and processed. The unit **issued 32,028 Certificates of Boiler Inspection** and **generated over \$2.5 million dollars in revenue**.



Elevator Unit

The Elevator Unit is responsible for issuing permits if the company meets statutory compliance requirements and is comprised of 26 state inspectors, including the supervising inspector. The unit reviews plans and specifications before issuing construction permits for the installation of new, altered or relocated elevators, escalators, dumbwaiters, moving walks, aerial tramways and other conveyances. New conveyances are installed and inspected before they are placed in operation for the general public. The unit also performs routine safety inspections every 6 months for conveyances to test the operation and to prevent potential hazards. During FY18/19, **24,151 inspections were performed** and **11,803 annual operating permits were issued**. The unit generated over **\$2.5 million dollars 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 if companies are in compliance with state labor laws. The unit employs 10 inspectors who are assigned to specific regions across the state.



Common issues include an employer's failure to pay or timely pay wages, to provide required breaks, to post non-smoking signs in public places, to hire persons who are authorized to work in Tennessee and to post current prevailing wage rates. An employer's failure to ensure minors only work within hours required by law, provide minors with proper rest breaks and protect minors from prohibited occupations are other issues.

During FY18/19, a total of **3,177 inspections were performed resulting in 427 non-compliant employers.**

Mine Safety Unit



The Mine Safety Unit issues mine licenses to underground coal and metal mines as well as surface coal and metal mines. The unit administers mine foreman exams and issues certificates of competency to foremen who meet state, federal and industry requirements. Safety training classes are offered to individuals and companies. Training is performed by certified Mine Safety Instructors. Safety classes are conducted for miners (i.e. new, annual refresher) and mine rescue team members (i.e. electrical, First Aid/CPR). Safety classes can be held at the Caryville facility or any location across the state. The unit includes a manager who is a certified instructor, an administrative assistant, and two certified instructors.

For FY 18/19, the Mine Safety Unit **issued 11 mine licenses, conducted 258 mine safety classes, taught 1,837 individuals, issued 93 mine foreman certificates and collected \$36,270 in revenue.**



Communications

The Communications Division utilizes innovative and creative methods to inform the citizens of Tennessee about the variety of essential and impactful services available to help them. From social media and videos to websites and conferences, Communications plays an essential role in the external and internal messaging for the Department.

Governor Bill Lee made workforce development one of the focal points of his first year in office. During 2019, Communications added a new team member whose role focuses on promoting the Department's Workforce Services division. The team member is a liaison between Communications and division leadership and is involved in every aspect of Tennessee's workforce development plan. The division's external messaging about workforce programs and assistance available to citizens is crucial to growing a strong workforce development system. The internal messaging is just as important. Communications plays a key role in keeping state and partner staff up-to-date on the latest information and training. Communications assisted in planning of more than a half dozen conferences and training events during the year, including the WIOA Convening, SNAP E&T – Youth, and Dislocated Workers Conferences.

Social media continues to be one of the most powerful tools Communications has to interact with citizens of the state. The number of followers seeing the Department's social media posts grew tremendously in 2019. Both the Department's Facebook and Instagram pages doubled the number of followers during the year, expanding the reach of engaging content. Twitter continues to be the Department's strongest social media platform with an estimated **838,240 impressions** and nearly **500 new followers** in 2019.

Visually telling the Department's story is another way Communications connects with citizens. The division continues to produce Tennessee Workforce Today, an interview program that highlights programs throughout the Department. With **24 new episodes** in

2019, the show covered topics ranging from justice-involved individuals taking part in reentry programs to innovative programs from the Adult Education division. In addition to Tennessee Workforce Today, the division produced nearly 50 videos that highlight various services and programs within Tennessee State Government.

The Department's website is a continued source of information about every program offered to the citizens we serve. It is a site that contains many pages of critical and detailed information. The communications team updated the site with new and useful information approximately **300 times** during the year.

Communications is responsible for all printed material within the Department. In 2019, **more than 100 forms, publications, brochures, banners, signs, and outreach materials were designed, procured, ordered and delivered** to each division.

The division also operates the audio and visual equipment housed in the Department's PEARL Center. This multipurpose room hosts various events, including everything from training sessions to service award luncheons. During 2019, Communications **assisted in the A/V needs for 54 events** held in the PEARL Center.

Providing members of the media clear and accurate information about the Department is critical in telling the story of the work we do. During 2019, Communications **assisted 224 reporters** looking to produce stories on a wide variety of topics that involved the Department. In addition to reporter inquiries, Communications produced more than **50 news releases and media advisories** during the year.

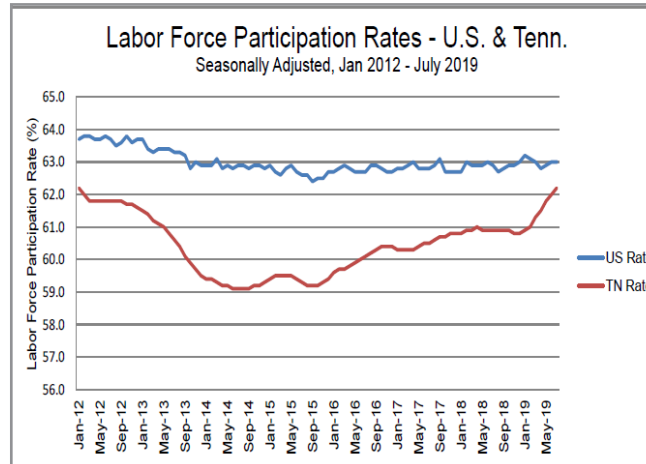


Workforce Insights, Research & Reporting Engine Division

Workforce Insights, Research & Reporting Engine Division (WIRED) was created November 1, 2017 for the purpose of bringing together labor market statistical data, as well as real time claimant and job seeker data, and utilize that information to support data driven decision making within the department's divisions as well as for employers and employees in the workforce. The division is composed of three 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; and the Data Analytics and Technical Support Team combine statistical, historical and real time data (Jobs4TN.gov) to provide dashboards to support data driven decision making using current technologies and tools.

Labor Market Information produces data for six federal programs. The local area unemployment statistics program produces monthly and annual employment, unemployment, and labor force data. The Current Employment Statistics program **conducts a monthly survey of 149,000 businesses and government agencies and produces detailed industry employment, hour and wage data.** The Quarterly Census of Employment and Wages program provides a count of employment and wages by industry, identification of multiple worksite locations and annual refiling survey to ensure accurate industry classification of employers. The Occupation Employment Statistics program **produces employment and wage estimates annually for over 800 occupations by conducting two survey panels each year.** The Occupational Safety and Health Statistics program conducts the census of fatal occupational injuries and the survey of occupational injuries and illnesses to provide statistics related to workplace safety. The Workforce Information Grant program produces an annual economic report analyzing the state's current labor market, contributes to the national workforce information database and disseminates data and publications.

All labor market data is stored in the workforce information database on Jobs4TN.gov where it is



combined with employer and individual/ jobseeker data to provide access to information related to supply and demand by industry, occupation, location, education, salary, skills, training and certifications. Division leadership presented details at conferences and workforce board meetings on how to access and use this data to assist individuals, employers, and potential businesses.

During this year the data analytics and technical team reviewed labor market data collection processes and automated and streamlined many manual processes to ensure more timely and accurate labor market data is available. The team also provided key data points needed by state and local workforce boards to update their respective plans as required under the Workforce Innovation and Opportunity Act. The technical team provided Jobs4TN support by ensuring user privileges and access were properly setup and functioning for all staff users.

The Customer Success Team provides a single point of contact for the department's customers through multiple communication channels. The team's **average satisfaction score for the year was 87.2.** The team's **first reply time averaged 5.7 hours for the year** and **full resolution averaged 14.1 hours for the year.** These averages were within targets set in the service level agreements by which performance is measured and a significant improvement over the prior year metrics.

2018-2019 Funding



ADMINISTRATION
\$15,107,100



ADULT EDUCATION
\$15,918,800



BOILERS AND ELEVATORS
\$6,014,200



EMPLOYMENT SECURITY
\$40,633,500



LABOR STANDARDS
\$1,156,600



MINES
\$561,900



TOSHA
\$10,332,900



SECOND INJURY FUND
\$10,304,300



WORKERS' COMPENSATION
\$15,101,500



WORKERS' COMPENSATION
EMPLOYEE MISCLASSIFICATION
& ENFORCEMENT FUND
\$1,184,700



WORKFORCE SERVICES
\$86,626,400

TOTAL **\$202,941,900**

