



Department of
**Labor & Workforce
Development**



2017-2018 ANNUAL REPORT



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Commissioner's Message

A Year of Change

It has been a year of change for the Tennessee Department of Labor and Workforce Development; changes that will positively impact the services we offer to the citizens of our state.

The most sweeping change came in our Workforce Services Division. Under the guidance of the State Workforce Development Board, the Department moved forward with the realignment of Tennessee's local workforce development areas.

The state moved from 13 areas, to nine. This realignment created better efficiencies, reduced administrative costs, and aligned the Department's service areas with other state agencies. The new workforce system will allow our partners to better serve Tennesseans in need of workforce development services.

The realignment also garnered national attention. Tennessee is one of a few states to successfully rework its workforce development areas. Seventeen states have asked for the Department's insight into making such a monumental change. This is a true testament to the determination and hard work of our Workforce Services Division and the vision of our State Workforce Development Board members.

Changes in technology have created improved business practices in our Workplace Regulations and Compliance Division. The Boiler, Elevator, and Amusement Device Units are using a new computer system to track inspections and permits. This will greatly improve the effectiveness of each of these units and help them keep Tennesseans safe while on the job or on the go.

A thriving organization continuously evolves and each division within this Department changed for the better over the year. From Unemployment Security to Adult Education, Tennessee OSHA and WIRED, the enhancement of policies, technologies, and best practices experienced during the year will benefit each Tennessean.

As 2019 began, the Department experienced even more change. When Governor Bill Lee took office in January, a new era started in Tennessee, as well as for the Department. As Commissioner, I will seek to build on our past successes and continue to move each program forward with a vision for the future that will have a positive impact on Tennesseans for years to come.



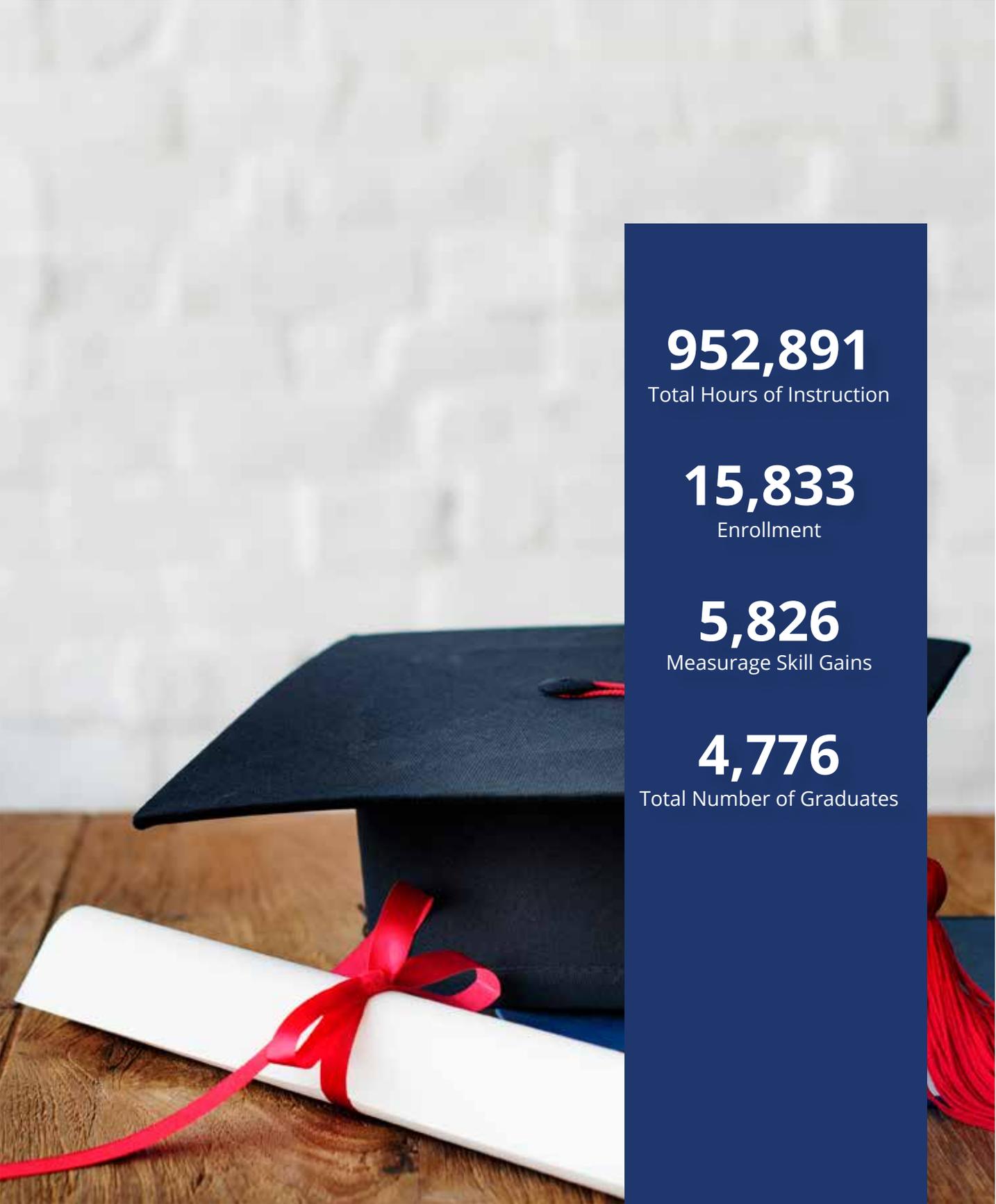
***Dr. Jeff McCord,
Commissioner***

Adult Education

The 2017/2018 program year saw a major shift in the way Adult Education works with business and industry. With the introduction of new partnerships at the FedEx distribution center in Memphis, as well as Tyson Foods in Shelbyville, Adult Education is a key partner in Tennessee's strategic workforce development initiatives.

Recognizing that many adult education participants need more than a high school diploma, the Adult Education Division had a goal this year to help local providers customize their programs directly to the needs of those participants. To that end, the Adult Education Division consulted with each provider to develop local curriculum framework plans. The goal is to equip instructors across the state with necessary curriculum and other materials to help students achieve their college or career aspirations. Local providers will now be able to offer digital literacy, workplace readiness, and other fundamental skills adults will need to find success in the workplace and post-secondary institutions.

The Adult Education Division continues to underscore the importance of leveraging technological resources to help its participants realize success. This year, multiple programs were outfitted with iPad minis to pilot *Spark3000*, a program which has been proven to enhance the literacy skills of adults, from emerging readers to adults with advanced reading skills alike. After a successful pilot, many providers across the state will use *Spark3000* as the primary reading curriculum throughout their basic skills programs.



952,891

Total Hours of Instruction

15,833

Enrollment

5,826

Measurage Skill Gains

4,776

Total Number of Graduates

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 in the local economy.

As of June 30, 2018 the Unemployment Insurance Trust Fund balance was \$1,171,928,312.

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 134,018 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 9,457 non-fraud overpayments and issued 2,225 fraud overpayments. The agency also identified \$10,133,191 in overpayments and for the same time period collected \$9,171,785,48 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 calendar year 2018, the Appeals Tribunal heard and ruled on over 18,386 unemployment appeals, and is once again meeting USDOL standards for case aging and timeliness of hearings.

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

The TNPAWS Online reporting system gives employers the option of filing their Wage & Premium reports online. Some 64,125 employers used TNPAWS to complete this process. TNPAWS also allows employers the option to pay their quarterly taxes online. Through the period ending June 30, 2018, \$81,017,247 in taxes was paid online.



\$1,171,928,312

Trust Fund Balance

134,018

Processed UI Claims

930

Audited Claims

9,457

Issued Non-Fraud Cases

9,457

Issued Fraud Cases

\$10,133,191

Overpayments

\$9,171,785.48

Recovered Overpayment
Collections

18,386

Heard And Ruled
Unemployment Appeals

64,125

Employers Used TNPAWS

\$81,017,247.19

Taxes Paid Online



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 2017-2018, the program performed 434 consultative visits and identified 4,332 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 2017-

2018 the Compliance Unit performed 1,980 workplace inspections and identified 8,033 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 2017-2018, TOSHA conducted 338 seminars and logged 10,067 attendees at these training sessions.

Public Sector Activity

During FY 2018, Tennessee OSHA performed 35.22% 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 2017 total case incident rate (TCIR) for state and local government in Tennessee was 4.2 which is significantly lower than the national average of 4.6.

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](#).

TOSHA Activity 2017-2018



SAFETY ENFORCEMENT

Inspections conducted: **688**
Violations cited: **3,317**
Proposed penalties: **\$3,365,450**



TRAINING & EDUCATION

Seminars & formal programs conducted: **338**
Number of attendance at activities: **10,067**



CONSULTATIVE SERVICES

Consultative visits: **434**
Hazards identified during visits: **4,332**



PUBLIC SECTOR OPERATIONS

Inspections conducted: **643**
Violations cited: **2,736**



HEALTH ENFORCEMENT

Inspections conducted: **332**
Violations cited: **1,980**
Proposed penalties: **\$619,350**



RECOGNITION PROGRAMS

Volunteer STAR: sites - **37**
employees - **23,172**
SHARP: sites - **15**
employees - **1,641**



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 partnered with the Voluntary Protection Programs Participants Association (VPPPA) to cohost a joint conference held at the Gaylord Opryland Resort & Convention Center August 28-31, 2018. The event included over 400 exhibitors and was attended by more than 3,500 delegates from every state and several foreign countries. The week was designated "Safety and Health in the Workplace Week" by Governor Bill Haslam.

Attendees of the conference were addressed by Alexander Acosta, U.S. Secretary of Labor, Phyllis Bayer, Asst. Secretary of the Navy, and Jim Morris, retired MLB player and the subject of the motion picture "The Rookie". Steve Hawkins, TOSHA Assistant Commissioner also addressed the group.

The 2018 conference featured safety and health experts from across the nation who led more than 60 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 over 400 exhibitors offering a wide variety of safety and health 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. The event was the largest gathering of safety and health professionals ever held in Tennessee.



Bureau of Workers' Compensation



2019 marks the 100th anniversary of the passage of the first workers' compensation laws in Tennessee. The Bureau of Workers' Compensation administers these laws, which are designed to assist 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 of benefits. During the 2017-18 fiscal year, Bureau Ombudsmen provided information to 11,316 Tennesseans, helping 930 injured workers receive their workers' compensation benefits. Bureau Mediators conducted 2,326 mediations concerning temporary disability and medical benefits. Of these mediations, 79 percent or 1,828 resolved. Bureau Mediators also conducted 1,727 in-person mediations concerning permanent disability benefits, and 76 percent resolved.

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 more likely to be free from the costs, delays, and tragedies caused by substance abuse. The program ended 2018 with 3,643 actively participating employers representing over 318,000 workers.

The Bureau's **Medical Services Unit** works to ensure that quality, timely and appropriate medical care is available to injured and disabled employees.

The Medical Advisory Committee, created by the 2013 Workers' Compensation Reform Act, provides advice to the administrator on issues related to the treatment of injured workers. The Administrator draws on the committee's advice to help ensure that all injured employees receive superior quality and cost-efficient treatment that facilitates a meaningful recovery from injury and a swift, safe return to the workforce.

The Medical Payment Committee recommends revisions to the fee schedule and hears reimbursement disputes between payers and providers. Revisions to the **fee schedule** became effective February 28, 2018. Further revisions are assessed yearly. The Committee heard 45 cases in 2017/18 fiscal year.

The Utilization Review Appeals program helps ensure that appropriate, necessary medical care is provided to injured employees. In the 2017-18 fiscal year, 1,552 appeals were completed. The average time for an appeal is fewer than four days from the time the Bureau receives the complete medical records.

The **Court of Workers' Compensation Claims** remains focused on writing fair, expeditious orders, averaging release dates of seven and 10 business days, respectively, for expedited and compensation hearing orders. Their work receives positive reviews from lawyers. Survey respondents rated the judges' writing ability at 4.4 out of five.

The trial court made extensive efforts to educate private-practice attorneys on TNComp, the Court's new electronic platform for filing and managing cases. In addition to creating videos and blog posts, Court Clerk Penny Shrum hosted in-person sessions across the state. So far, TNComp has 423 users. Very few cases remain on the former system.

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

The Court hosted a "boot camp" for new workers' compensation judges from other states. Participants gave it high marks. In recognition of our efforts, Chief Judge Kenneth Switzer **received the Leadership Award** at the National Association of Workers' Compensation Judiciary annual meeting.

After conducting several listening sessions in various offices, the Court combined the existing collections of rules into one set. This entailed reducing some redundancies and simplifying the language. The revised rules will likely take effect in the next spring.



The **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. Regulatory language was simplified and made more consistent with related statutory changes.

Challenges to the Appeals Board's establishment and operation were rejected and upheld by the Tennessee Supreme Court in *Pope v. Nebco of Cleveland, Inc.* Another court decision in *Thysavathdy v. Bridgestone* further cemented the legitimacy of the Appeals Board. In its decision, the Tennessee Supreme Court adopted the Appeals Board decision as its own. This was significant because it is rare for a higher court to simply adopt a lower court's decision.

The number of appeals to the Tennessee Supreme Court continues to decrease. In the last four years, 37 decisions (with dates of injury on or after July 1, 2014) have been appealed to the Supreme Court, compared to the 319 cases appealed four years prior.

The Bureau's **Administrative Legal Services** unit monitors compliance with court orders and enforces penalties in the statute and the Bureau's rules. This unit also works with the Governor's office to review and draft legislation concerning workers' compensation issues, presents new and amended Bureau rules to the legislature, addresses inquiries from the Tennessee General Assembly, researches constituent inquiries on behalf of the Administrator, and provides general legal counsel to the Bureau's Administrator and Medical Director.

Highlights from the past year included:

- In a unanimous vote, the General Assembly extended the Bureau of Workers' Compensation (PC 563) and its Medical Payment Committee (PC 514) and Medical Advisory Committee (PC 513) for six years, to June 30, 2024.
- All rules presented in 2018 to the legislature's Joint Government Operations Committee were given a positive recommendation by the Committee: Medical Fee Schedule rules, Electronic Medical Billing rules, general rules, Claims Handling rules, Adjuster Certification Program rules, and Vocational Recovery Assistance Program rules.
- All constituent inquiries referred from the General Assembly were researched and addressed within two business days in 2018.

The **Compliance program** includes the **Uninsured Employers Fund (UEF)** and the **Employee Misclassification Education and Enforcement Fund (EMEEF)**. The UEF program helps ensure that required employers secure workers' compensation coverage. When employers have secured the required coverage, 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 appropriately classify their workforce as employees.

Employer education is a key aspect of the Compliance program, especially in minority communities. Three outreach meetings across the state have already led to greater awareness in Spanish-speaking communities. The program plans to expand upon these outreach programs throughout 2019 and beyond.

Formerly known as the Second Injury Fund, the **Subsequent Injury and Vocational Recovery Fund** encourages employers to employ or retain workers who have permanent physical disabilities from past injuries by limiting the employer's possible future workers' compensation liability exposure. The Fund also maintains the economic well-being of employees with subsequent work-related physical injuries by funding the benefits that their employers are not required to pay. The Fund attorneys participate in all aspects of the initial administrative or Court proceedings, in state court or the new Workers' Compensation Court. They participate in the production of written discovery and documentation, mediation/alternative dispute resolution and, if necessary, trial. During the calendar year 2018, the Fund paid over \$1.2 million to injured workers who were permanently and totally disabled.

In agency-wide **Educational and Outreach efforts**, the Bureau hosted the annual conference that reached more than 600 attendees with topics on how to manage the needs of the aging worker, ethics for attorneys, and return-to-work success stories. In October, we listened to stakeholders—including numerous employers, attorneys, nurse case managers, and physicians—to evaluate the availability of appropriate medical specialties for injured workers. Our voluntary **Adjuster Certification class** held four sessions across the state. Bureau leadership spoke at more than 100 events to more than 2,000 attendees throughout the year.



Bureau of Workers' Compensation

98,564
Workplace Injuries Reported

8.9%
Of Reported Claims Denied By Insurance Carrier/TPA

13,992
Issues Resolved By Ombudsmen

77%
Of All 4,053 Disputes Resolved By Bureau Mediators

318,000
Employees Work At Tn Drug Free Workplaces

1,552
Ur Appeals Submitted To The Bureau's Medical Director

<4 days
Average UR Appeal Determination Time

9,596
Settlements Approved By Trial Court

7 days
Average Time To Issue An Order After An Expedited Hearing

4.4 / 5
Average Writing Score For Trial Court's Decisions

88%
Decrease In Appeals Sent To Supreme Court Since Appeals Board Was Established

245
Employers Found To Be Non-Compliant With The Insurance Coverage Requirements

25
Employers Found To Have Misclassified Employees As "Independent Contractors"

42
Workers Benefited From The Subsequent Injury Fund

116
Adjusters Certified



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.

Through the realignment of the Local Workforce Development Areas, our local leaders and partners are in a position to be better able to work together in the areas of workforce, education and economic development. We have been able to attract new businesses while helping existing businesses expand and remain competitive. These partnerships are vital to Tennessee's growth.

As we move into the future of the Workforce Innovation and Opportunity Act (WIOA), our vision is to expand upon our success by focusing on those traditionally considered to be outside of the labor force. By addressing the incarcerated, the opioid epidemic and those experiencing homelessness, we can discover untapped talent and fuel the Tennessee labor industry well into the future.

During the 2017-2018 fiscal year, Tennessee's (WIOA) core partner programs expended a combined \$136,089,694 across the state. These expenditures resulted in the total production of goods and services valued at over \$243.0 million. Every \$1 in WIOA expenditures in Tennessee generated \$1.79 in total impact. Total impact is the sum of the direct, indirect and induced effects.

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 2017 the AJC's provided 3,129,127 services to individuals, assisted 315,847 reportable Wagner-Peyser applicants (including self-service) of which 62,140 received staff assisted services and referred 51,150 job seekers to employment opportunities. Entered employment (2nd quarter after exit) following services received for job seekers is 72%.

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 2017 the Mobile AJCs served 7,649 participants in almost all 95 counties. On average the Mobile AJCs visit 68 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.

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

\$136,089,694

Combined Expended
(Wioa) Partner Programs

3,129,127

AJC Services Provided
To Individuals

51,150

Referred Job Seekers To
Employment Opportunities

\$243 million

Total Production Value Of
Goods And Services

315,847

Reportable Assisted Wagner-Peyser
Applicants (Including Self-Service)

72%

Job Seekers Entered Employment
(2Nd Quarter After Exit)
Following Services Received

\$1: \$1.79

WIOA Expenditures To
Total Impact

62,140

Received Staff Assisted
Wagner-Peyser Services

7,649

Mobile Ajcs Participants Served In
Almost 95 Counties



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 2017, the WIOA Adult and Dislocated Worker program served 7,004 Adult participants and 3,028 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 2017, the WIOA Youth Program served 4,633 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 663 TAA participants of which 222 were enrolled in TAA training. Funds spent totaled \$2,150,747 and \$1,080,412 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

68

Mobile AJCS Visits
Per Month In
Almost 95 Counties

7,004

Adult Participants

3,028

Dislocated Worker Participants

4,633

WIOA Youth Program
Participants Served

663

TAA Participants

222

TAA Participants
Enrolled In Training

\$2,150,747

TAA Funds Spent

\$1,080,412

TAA Funds Obligated
To Training

12,047

RESEA Participants Served



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, 2017 and ending September 30, 2018, the RESEA program served 12,047 participants, of which, 2,276 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, 2017 and ending June 30, 2018, the following job orders were posted: 467 PERM (permanent labor certification), 188 H-2B (temporary nonagricultural jobs), and 528 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, 2017 through June 30, 2018 the state program served 259 seniors throughout Tennessee. The State and Federal participation was 1,372 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
- 26 Tennessee Technology Centers
- 16 Community Colleges
- 10 4-year Universities
- 14 Registered Apprenticeships

Programs/Services Available for Employers at the American Job Centers

2,276

RESEA Participants Returned To Work

528

H2-A Job Orders

1,372

State And Nationals SCSEP Individuals Participated

467

Perm Job Orders

877

H2-A Program On-Site Preoccupancy Housing Inspections

373,766

Business Services Provided To Employers

188

H-2B Job Orders

259

SCSEP Seniors And Total Participants Served Throughout Tennessee

86,880

WOTC Issued Tax Credit Certifications

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 373,766 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 86,880 tax credit certifications which represent a potential federal corporate income tax savings of \$231 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, 89 companies received services and 4,568 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 423 pre-applications. \$3 million was earmarked for 201 businesses to train 5,749 individuals (including Incumbent Worker Training, On-the-Job Training and apprenticeships). Also, Rapid Response funds went to 201 companies, which trained 4,288 Incumbent Workers.

Each program mentioned above has different eligibility requirements. Contact your local [**American Job Center**](#) to learn more.

157 TOTAL ETPL PROVIDERS

- 91** • Postsecondary Schools
- 26** • Tennessee Technology Centers
- 16** • Community Colleges
- 10** • 4-Year Universities
- 14** • Registered Apprenticeships

231 Million

Potential Income Tax Savings To Qualified TN Employers

89

Companies Received Rapid Response Services

4,568

Displaced Workers Received Assistance In Making A Career Transition

423

Consolidated Business Grants Pre-Applications

\$3 million

Earmarked For 201 Businesses To Train

5,749

Individuals

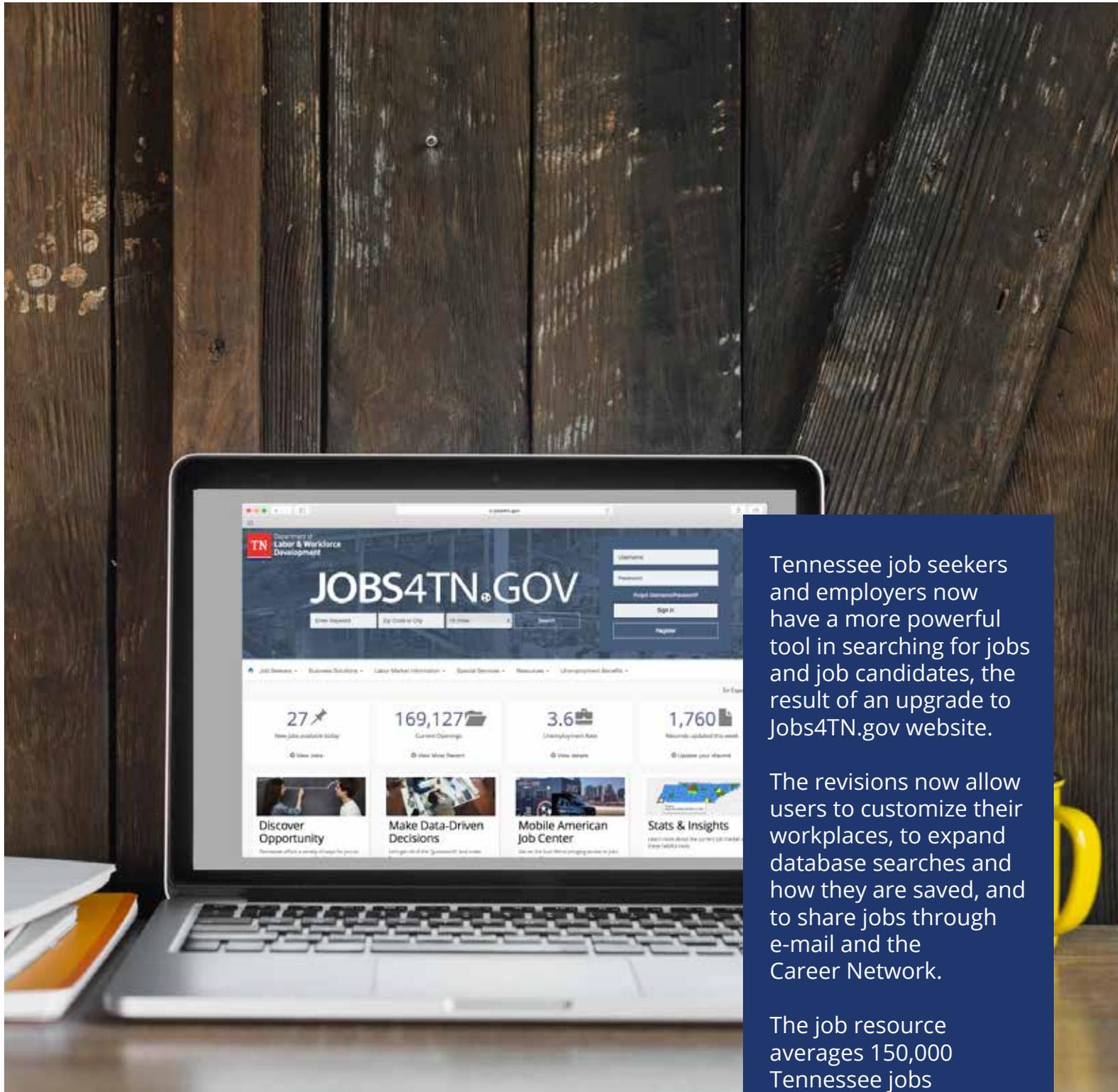
201

Companies Received Rapid Response Funds to Train

4,288

Incumbent workers

JOBS4TN.GOV



Tennessee job seekers and employers now have a more powerful tool in searching for jobs and job candidates, the result of an upgrade to Jobs4TN.gov website.

The revisions now allow users to customize their workplaces, to expand database searches and how they are saved, and to share jobs through e-mail and the Career Network.

The job resource averages 150,000 Tennessee jobs available at any time.

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 July 1, 2017 - June 30, 2018



86,634

Total Number Of
Individuals That Registered



239,529

Total Number Of Distinct
Individuals Receiving Services



3,141,203

Total Number Of Services
Provided To Individuals



176,769

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



373,766

Total Number Of Services
Provided To Employers



Workplace Regulations



Amusement Devices

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 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 FY17/18, the program issued 408 annual permits to amusement device companies covering 3,582 devices and assessed/collected \$68,058.50 in revenue.



Boilers

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 70,100 active boilers and pressure vessels operating across the state. Depending on the type of vessel, inspections are performed every six months and/or every two years by 15 state inspectors including the Chief Inspector or 13 insurance companies that employ two or more inspectors. During FY17/18, a total of 32,970 boilers and pressure vessels were inspected which included 1,999 newly installed vessels. Additionally, 2,337 new installation permit applications were received and processed. The unit issued 35,731 Certificates of Boiler Inspection and generated over \$2.7 million dollars in revenue.



Elevators

The Elevator Unit is responsible for issuing permits to companies which meet statutory compliance requirements and is comprised of 27 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 six months for conveyances to test the operation and to prevent potential hazards. During FY17/18, 22,188 inspections were performed and 16,457 annual operating permits were issued. The unit generated over \$2.5 million dollars in revenue.



Labor Standards

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 ten 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 FY17/18, a total of 2,118 inspections were performed resulting in 393 non-compliant employers.



Mine Safety

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 17/18, the Mine Safety Unit issued ten mine licenses, conducted 274 mine safety classes, taught 1,810 individuals, issued 102 mine foreman certificates and collected \$42,415 in revenue.



Amusement Device Unit

408

Annual Amusement
Permits Issued Covering

3,582

Devices

\$68,058.50

Assessed/Collected Revenue

Boiler Unit

32,970

Inspected Boilers &
Pressure Vessels

1,999

Newly Installed Vessels

2,337

New Installation Permit
Applications Received
& Processed

35,731

Issued Boiler
Inspection Certificates

Elevator Unit

22,188

Elevator Inspections

16,457

Annual Operating
Permits Issued

\$2.5 million

Annual Operating
Permits Issued

Labor Standards Unit

2,118

Inspections Performed
Resulting In

393

Non-Compliant Employers

Mine Safety Unit

10

Mine Licenses Issued

274

Conducted Mine
Safety Classes

1,810

Taught Individuals

102

Mine Foreman
Certificates Issued

\$42,415

Collected Revenue



The Communications Division spent 2018 focused on finding new and innovative ways to ensure Tennesseans clearly understand the Department's message about the different services it offers and how those services can impact their lives.

In April, the Division began producing Tennessee Workforce Weekly, an online interview program. Communications produces, records and edits the program entirely in-house and then posts it across all online platforms. The program has given each division within the Department the opportunity to highlight services offered, publicize new initiatives and offer a glimpse at what employees do each day. The attention to detail given to the program's production gives Tennessee Workforce Weekly a professional look that makes it stand out online.

Social media has become an increasingly important tool in delivering the Department's message to its customers. The communications team works diligently to improve outreach through its social media platforms. With specialized training, the team learned new ideas and approaches to telling the Department's

story on its multiple social media pages. The number of people following the Department's main Twitter page grew by more than 500 over the year, had more than 712,000 impressions, and engaged more than 6,200 followers. The Department's Facebook experienced similar growth, adding more than 500 followers for the year.

During the summer, the communications team embarked on a statewide project to tell the success stories of the Department's Adult Education division. The team traveled to each grand division within the state to interview adult learners who successfully completed the adult education program. The trips resulted in seven professional quality stories that showcased each student. Their stories became the centerpiece of the division's annual Academy for Instructional Excellence held in Murfreesboro.

Over the course of the year, communications designed and produced more than 100 forms, brochures, agendas, banners and other informational material for each of the Department's divisions.

To ensure a clear and effective message, the team works to identify the purpose and goal of each project, whether it is to raise awareness for free HISET testing in our Adult Education program or to introduce a new service such as the Eligible Training Provider List for apprenticeship training programs. The user guides and publications help customers navigate the many different services offered by the Department.

Our customers also go to the Department's website for the details about the services available to them. Over the last year, the team updated tn.gov/workforce with new and informative information nearly 700 times.

A crucial part of projecting a clear and effective message is having a visually consistent message. Communications conducted branding training for several divisions in 2018, to ensure each employee uses the Governor's branding standards for everything from emails to PowerPoint presentations.

The Department's divisions use the PEARL Center to host a variety of events. The Communications Division facilitates all video and audio requests for the room. During the last year, 120 events needed A/V assistance.

Throughout the year, Communications fielded 254 media inquiries from outlets across the state. Timely, accurate, and thoughtful responses to reporters resulted in stories that helped spread the Department's message about service it offers citizens each day.

500

New Twitter Followers

6,200

Twitter Engagements

100

Designed And Produced
Marketing Materials

120

Event A/V Request

712,000

Twitter Impressions

500

New Facebook
Followers

700

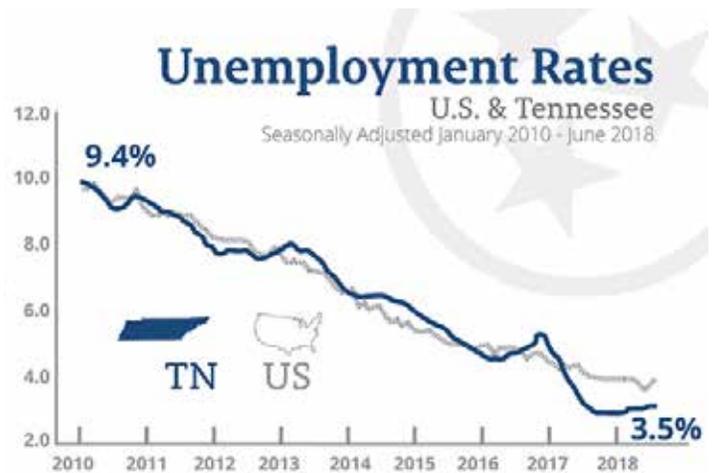
Website Request

254

Media Inquires

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.

During this year the data analytics and technical team produced dashboards in support of the realignment of the workforce development areas from thirteen down to nine. These dashboards were able to show the impact of the area changes on commuter patterns, demographics, labor force statistics and performance metrics and were instrumental in gaining support for the realignment effort. The technical team also 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 82.5%. The team's first reply time averaged 13.3 hours for the year and full resolution averaged 41.4 hours for the year. These averages were within targets set in the service level agreements by which performance is measured.

2017-2018 Funding



ADMINISTRATION
\$17,974,600



ADULT EDUCATION
\$16,051,400



BOILERS AND ELEVATORS
\$5,963,200



EMPLOYMENT SECURITY
\$38,945,600



LABOR STANDARDS
\$1,166,500



MINES
\$558,400



TOSHA
\$10,258,200



SECOND INJURY FUND
\$10,291,100



WORKERS' COMPENSATION
\$15,112,400



WORKERS' COMPENSATION
EMPLOYEE MISCLASSIFICATION
& ENFORCEMENT FUND
\$1,181,100



WORKFORCE SERVICES
\$89,472,900

TOTAL **\$206,975,400**