

# Tennessee Department of Labor and Workforce Development 2012-2013 ANNUAL REPORT

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The mission and focus of the Tennessee Department of Labor and Workforce Development (TDLWD) is to enhance economic prosperity in Tennessee by developing targeted strategies that support the creation of high-quality jobs, advanced communities, and the training and growth of a 21st-century skilled workforce while promoting workplace health and safety. The TDLWD plays a huge role in the lives of both Tennessee businesses and citizens. For businesses, our TOSHA, Workplace Regulations and Compliance, and Workers' Compensation divisions help businesses grow and thrive and assist them with making the workplace safe for their employees. For citizens, our Employment Security, Workforce Services, and Adult Education divisions provide opportunities for adults to receive the education, training, and assistance they need to find and secure employment and make a better life for themselves and their families.

# Adult Education

Two of the biggest changes in the history of Adult Education in Tennessee were put into place during the 2012-13 program year.

A formal application for funding process was conducted to reduce the number of administrative entities from 87 to 43 in order to eliminate duplicative administrative costs, increase instructional dollars, and align with the rest of the country in service delivery. The new 43 Service Delivery Areas will continue to offer classes in all 95 counties beginning July 1, 2013.

In addition, the Tennessee General Assembly unanimously passed legislation, the Lois DeBerry Tennessee Alternative Diploma Act, to allow for an alternative high school assessment exam leading to a high school equivalency diploma. With announced changes in the GED exam such as increased cost and computer-based delivery only, there are national concerns about limited accessibility and opportunity for those individuals who need to complete in order to enhance their employment opportunities. Tennessee was one of the first three states, along with New York and New Hampshire, to adopt an alternative assessment for this reason.

The alternative test, published by Educational Testing Services (ETS), a non-profit company that also produces assessments such as the SAT, Praxis and GRE, was recommended by a Task Force consisting of representatives from THEC, TBR, DOE, TDLWD, and ECD and was approved by the State Board of Education based on its validity, portability, lower cost than the GED Exam, and the fact that it retains a paper-based testing option. Beginning January 1, 2014, adult students will have an option as to which test they take. Both tests will lead to the same state-issued high school equivalency diploma and are designed to align with Common Core State Standards.

The Division of Adult Education met or exceeded all its federal performance benchmarks as it has done since the measures were put into place.

Students Served  
**40,313**

GED Diplomas Earned  
**10,162**  
(increase of 9% over previous year)

Dislocated Workers Served  
**344**

# Employment Security

The Division of Employment Security administers Tennessee's Unemployment Insurance and Job Service programs and Tennessee's Research and Statistics Labor Market Information (LMI). 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 76 years ago, this program is a stabilizing force that keeps a flow of dollars moving in the local economy and helps sustain a trained workforce for employers.

**As of June 30, 2013, the Unemployment Insurance Trust Fund balance is more than \$650 million**

## **UI Claims Center Operations**

In the fiscal year ending June 30, 2013, the UI Claims Center system allowed claimants in 95 counties and out-of-state a choice to file for unemployment benefits by telephone or Internet. The Claim Center system consists of five centers located in Nashville, Chattanooga, Crossville, Johnson City and Knoxville. During the reporting year, the system received 7.4 million telephone call attempts and processed 310,000 UI claims and by the end of the year was processing 100% of the statewide unemployment insurance workload.

Trade Readjustment Allowances (TRA) claims are filed and processed by a unit within the Claims Center to eligible workers covered by a Trade Adjustment Assistance (TAA) petitions. TRA weekly benefits may be payable to eligible workers following the exhaustion of unemployment insurance (UI) benefits. During the period we paid 25,775 weeks of TRA benefits and 8,818 weeks of Reemployment Trade Adjustment Assistance (RTAA) subsidy payments to individuals who are 50 years of age or older and have returned to work within two years of their eligibility period and making less than \$50,000 per year at their new employment.

## **Benefit Operations/UI Technical Services**

Benefit Operations is responsible for processing and paying claims for unemployment insurance benefits

under the Tennessee Employment Security Law. This section administers Disaster Unemployment Assistance (DUA), Combined Wage, and Interstate Claims programs and the SAVE verification process for all alien claimant Unemployment Insurance (UI) compensation applications. Benefit Operations is also responsible for maintaining an archival record of all claims and claims-related documents; making labor dispute claims determinations; assuring that all repayments of benefits are posted to the appropriate record; preparing and mailing documents or information; coordinating with State Postal; and working and verifying charges for Interstate claims both outgoing from our state and incoming from other states.

UI Technical Services provides technical support to central and local office personnel, claimants, employers, and the general public. This includes responding to paper correspondence, telephone inquiries, and e-mail from statewide claims centers. UI Technical Services also provides Employment Security (ES) law and policy support to all claims-taking staff and individuals who work in any UI program area. This unit explains claims processes and decisions for all UI programs to employers, claimants, and other third-party representatives. Staff training and development is written and facilitated in this Unit. Writing policy and procedure instructions is done by these technicians.

Unemployment Program Specialists are subject matter experts in unemployment insurance law and procedure. They supervise a variety of workers to maintain and process workers' compensation base-period claims (when necessary to calculate beyond the normal base period), Combined Wage claims, and Interstate claims for Tennesseans who live in other states. The Benefit Operations and Technical Service division provides assistance on state and federal audits, provides claim resolution expertise, and processes requests for employers, legislators, and claimants. The Technical Services Unit writes training programs for UI benefit adjudicators, interviewers, part-time interviewers, supervisors, and all special programs.

# Employment Security

Legislation that adds changes or makes new sections in Employment Security law or laws in other state law sections that impact UI benefit processing or payment is added to policy manuals. The unit develops new agency decisions to address the law and writes instructions for field staff. Benefit Operations and Technical Services provide forms approval, forms justification, forms revision, or forms development as required to meet operation obligations. The UI Control Unit works on complex claim changes for Appeals Tribunal, Office of Administrative Review, Claims Centers, and other areas of the Employment Security division. This Unit works on very restricted changes.

Unemployment Insurance Integrity includes Benefit Payment Control (BPC), Benefit Accuracy Measurement (BAM), and Reports and Compliance. During the fiscal year ending June 30, 2013, the Benefit Accuracy Measurement (BAM) unit audited more than 820 claims for benefit payment accuracy. The Benefit Payment Control (BPC) unit investigated 12,983 fraud cases and 30,312 non-fraud cases and issued 5,902 fraud decisions. The agency also established 43,295 overpayments for this same period and recovered \$25,686,991 in overpayment collections.

The Employment Security division administered four federal unemployment insurance benefit programs in addition to regular Tennessee Unemployment Compensation (Emergency Unemployment Compensation) or EUC08 Tier 1, EUC08 Tier 2, Tier 3, and Tier 4.

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. During the fiscal year ending June 30, 2013, there were 6,634 decisions issued on appeals filed by the employer; 16,741 decisions issued on appeals filed by the claimant; and two decisions issued on appeals filed by the department

for a total of 23,375 decisions. Employers can also appeal their premium rate and other liability issues.

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

The TNPAWS Internet reporting system gives employers the option of filing their Wage and Premium reports over the Internet. Some 42,009 employers used TNPAWS to file their first quarter Wage and Premium Reports online.

## **Labor Market Information**

The Labor Market Information section produces comprehensive, accurate, timely, and properly documented labor market information regarding the economic and demographic characteristics of the people, businesses, and industries of Tennessee. This section responds to thousands of requests each year. The new [www.Jobs4TN.gov](http://www.Jobs4TN.gov) site provides a labor exchange system for jobseekers and employers and contains extensive labor market information.

# 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, and education; establishing partnerships; and encouraging continuous improvement in workplace safety and health.

## **Consultative Services**

The Consultative Services Section offers a free consulting program to smaller employers who seek safe and healthful working conditions for their employees. Services offered by this section include technical advice and assistance, hazard abatement recommendations, and employee training. During FY 2012-2013, this section performed 414 consultative visits and identified 3,375 workplace hazards.

## **Compliance Section**

The Compliance Section 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 2012-2013, the Compliance Section performed 1,808 workplace inspections and identified 6,852 safety and health hazards.

## **Training and Education Section**

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 2012-2013, TOSHA conducted 313 seminars and logged 8,423 attendees at these training sessions.



## TOSHA ACTIVITY 2012-2013

### **SAFETY ENFORCEMENT**

Inspections conducted	<b>893</b>
Violations cited	<b>3,408</b>
Proposed penalties	<b>\$1,786,100</b>

### **HEALTH ENFORCEMENT**

Inspections conducted	<b>340</b>
Violations cited	<b>1,797</b>
Proposed penalties	<b>\$773,710</b>

### **PUBLIC SECTOR OPERATIONS**

Inspections conducted	<b>575</b>
Violations cited	<b>1,647</b>

### **CONSULTATIVE SERVICES**

Consultative visits	<b>414</b>
Hazards identified during visits	<b>3,375</b>

### **TRAINING & EDUCATION**

Seminars & formal programs conducted	<b>313</b>
Number of attendance at activities	<b>8,423</b>

### **LABORATORY**

Samples analyzed	<b>585</b>
Determinations	<b>3,630</b>

# 36th Annual Tennessee Safety & Health Congress



Since 1977, the Tennessee Safety and Health Congress sponsored by TOSHA and the American Society of Safety Engineering has brought together industry and expertise to share knowledge on working safely in Tennessee.



The 36th annual Tennessee Safety and Health Congress held in Nashville was no exception with 794 delegates and visitors in attendance.

The conference features the **latest innovations in products and services** focusing on workplace safety and health. Workshops offered included the Federal OSHA Training Institute's approved 10-hour general industry safety and health course.

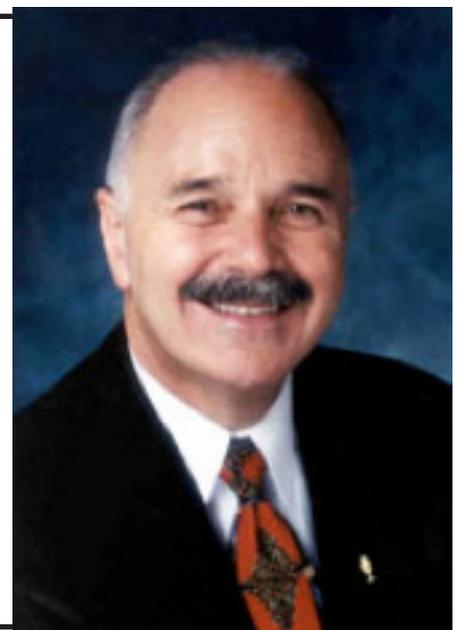




**The exhibit hall** of the newly renovated Opryland Hotel had 129 vendor booths and 121 exhibitors showing off the latest in safety equipment and processes.



**Feature presenter:** This year's keynote speaker was Bruce S. Wilkinson. He is a professional motivational keynote speaker, trainer, and consultant who delivers his message with enthusiasm and authenticity. Wilkinson is also the managing partner of Louisiana's first Jimmy John's Franchise Restaurants in Baton Rouge. He has degrees in both Safety Engineering and Occupational Safety and Health. Also, Wilkinson is one of fewer than 800 people worldwide to earn the prestigious Certified Speaking Professional (CSP) designation.



# Workers' Compensation

The Division of Workers' Compensation administers the Tennessee Workers' Compensation Act to assist both employees and employers. The goals of the division are to provide timely, effective services and to promote a better understanding of the benefits and requirements of the Tennessee Workers' Compensation Act by informing all parties of their rights and responsibilities. To assist in reaching these goals, the Division

- Administers a proven system of programs designed to assist employers and employees to resolve any disputes that occur after a workplace accident or injury occurs;
- Administers an effective system to provide resolutions of disputes that cannot be resolved for issues involving temporary disability, medical benefits, and permanent partial disability benefits;
- Identifies employers who do not provide the benefits required by law and requires their future compliance.

Highlights of the division's programs in the past fiscal year are described below.

## **HASLAM APPOINTS ABBIE HUDGENS ADMINISTRATOR TO IMPLEMENT THE WORKERS' COMPENSATION REFORM ACT OF 2013**



*When Governor Bill Haslam made this appointment, he said, "I want to thank Abbie for taking on this new opportunity with the workers' compensation system in Tennessee. Abbie has experience in both the public and private sectors and at the state and local levels, giving her an incredible depth of knowledge of the system. She played an integral part in shaping this reform effort, and I appreciate her willingness to serve."*

On May 7th, Governor Bill Haslam and several members of the Tennessee Legislature traveled to Clarksville for a ceremonial signing of the Workers' Compensation Reform Bill of 2013. Senator Mark Norris and Representative Gerald McCormick, chief sponsors of the bill, accompanied the governor on this historic trip as did the Division Administrator Abbie Hudgens, Assistant Administrator Jeff Francis, and Administrative Attorney Josh Baker. Other notable attendees were Representative Kevin Brooks, Senator Jack Johnson, Representative Curtis Johnson, Clarksville Mayor Kim McMillan, Montgomery County Mayor Carolyn Bowers, and Clarksville Foundry owner Charlie Foust.

The bill included significant changes to the current system, many of which will take effect for injuries occurring on or after July 1, 2014.

The **Benefit Review Program** administers an assistance and mediation program for disputed claims in eight offices throughout the state.



# Workers' Compensation



party files a lawsuit. Of the 3,515 BRCs conducted in FY 12/13, the parties reached an agreed resolution in 68% of the cases. The Division also approved 5,666 Settlement Agreements that would have required court approval otherwise.

The **Administrative Review Program** provides the parties to a workers' compensation claim an avenue for independent review of an Order issued in their case by the Benefits Review Program. A primary goal of this program since its creation by statute in 2006 has been to provide an appeal of Orders for temporary and medical benefits as a more informal and cost-effective process than the state's Court system. The review is done in an expedited and efficient manner and assures that Benefit Review Orders are supported by the proper application of the Workers' Compensation Law, rules and regulations, policies and procedures, and case law that are relevant to the specific facts of the workers' compensation case.

The **Quality Assurance Program** provides analysis and coaching for attorney specialists and mediators in the division to improve the overall quality of the Division's services. Created in June 2012, the program arose from the Division's focus on continuous improvement. This program helps ensure that Orders issued by these specialists are based on the most current case law. All Benefit Review Orders are reviewed for adherence to professional standards. Additionally, all Administrative Review Orders that reverse, remand, or modify a Benefit Review Order are reviewed and "lessons learned" are created and distributed to the division legal staff. The program also was responsible for identifying and supporting improvement initiatives in the division's mediation and compliance programs.

The **Compliance Program** is comprised of three components—the Uninsured Employers Fund (UEF), the Employee Misclassification Education and Enforcement Fund (EMEEF), and the Penalty Unit. The purpose of the

The first stage of this program is the Request for Assistance (RFA) process, revised in May 2012, to resolve disputes more effectively and efficiently. When an RFA is filed with the division, a mediating specialist attempts to identify and resolve all disputed issues. If the issue(s) cannot be resolved through this mediation, the file is transferred to an attorney specialist who has the authority to resolve the issue(s) with the issuance of an Order denying or awarding benefits. The Division has established a goal of resolving these disputes within 60 days and without an Order whenever possible. In FY 2012/13, 4,496 RFAs were received. Of the resolutions in the past fiscal year, 91% were resolved within 60 days and 2,452 were resolved without an Order.



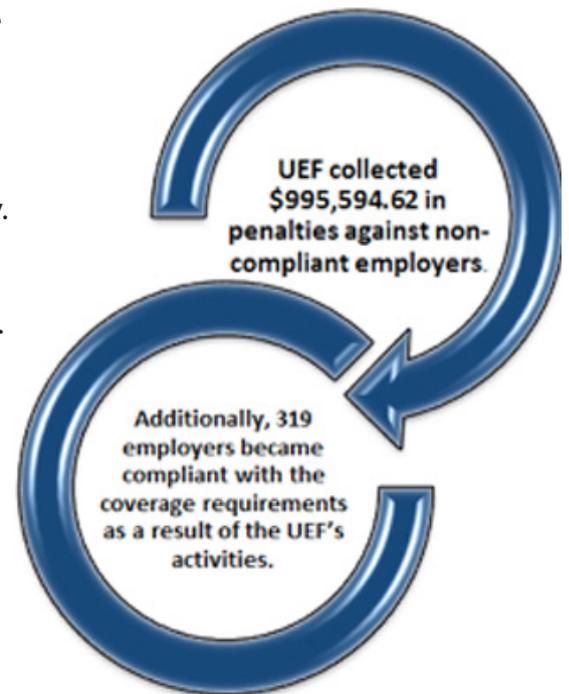
The second stage is the Benefit Review Conference (BRC), which is a mediation program to help resolve claims that involve permanent impairments. The BRC process is a statutorily required mediation concerning all issues regarding the permanent impairment that must occur after an injured worker has reached maximum medical improvement and before either

# Workers' Compensation

UEF is to ensure that Tennessee employers covered by the provisions of the Tennessee Workers' Compensation Act comply with the law's requirement to provide benefits to employees. The UEF provides an administrative process to investigate and penalize covered employers who fail to carry workers' compensation insurance or to qualify as self-insured employers or are not listed on the Tennessee Workers' Compensation Exemption Registry. During FY 2012/13, the UEF collected \$995,594.62 in penalties against non-compliant employers. Additionally, 319 employers became compliant with the coverage requirements as a result of the UEF's activities.



It is unlawful for an employer to require an employee to pay any portion of the workers' compensation premium. The Employee Misclassification Education and Enforcement Fund (EMEEF) was created in March 2011 to address this and other unlawful practices, such as misclassifying employees as independent contractors, under-reporting payroll/employees, and misrepresenting the type of work that is being performed. If an investigation reveals unlawful deductions, a civil penalty may be assessed and paid to the employee.



Since 2011, the Employee Misclassification Advisory Task Force (EMATF) has studied and made recommendations to legislative committees regarding issues relative to employee misclassification in the construction industry. On July 1, 2013, Public Chapter 422 became effective to better address those issues. The new law allows the Division/Department to pursue administrative penalties for noncompliance, to increase personnel, and to obtain fraud detection software to aid in its investigation and enforcement efforts.

The Penalty Program investigates and assesses penalties for other violations of the Workers' Compensation Law. It may assess a penalty against an employer or insurance carrier equal to 25% of any unpaid or untimely paid temporary disability benefits. If assessed, this penalty goes to the injured employee. The program can also assess penalties for failing to comply with a Benefit Review or Administrative Review Order, failing to negotiate in good faith at a BRC, and failure to file required claims forms needed to collect statistical data.



16th Annual TN Workers' Compensation Education Conference

The Division continues to improve and enhance its **Educational Outreach Programs**. In addition to its Adjuster Training first offered in FY 2011/12, the Division improved and enriched the offerings at the Annual Tennessee Workers' Compensation Education Conference, delivered presentations to employee and employer groups, and provided speakers to numerous professional associations all designed to increase the awareness of the requirements of the Tennessee Workers'

# Workers' Compensation

Compensation Act. These presentations highlight changes to the law and “best practice” techniques that help resolve disputes more quickly, explain techniques that help ensure injured workers receive the benefits to which they are entitled, and introduce concepts that help reduce or eliminate unnecessary expenses that are often added to the workers’ compensation system due to of a lack of understanding of the Act. The feedback has been overwhelmingly positive.



Over 650 Attendees for the Largest Educational Conference Ever

The **Tennessee Drug Free Workplace Program** is a voluntary



program designed to create increased productivity for Tennessee employers by promoting drug- and alcohol-free workplaces. Employers whose workers are not impaired by drugs and alcohol have safer worksites and can operate more competitively with lower costs and fewer tragedies that accompany workplace accidents resulting from substance abuse. Employers who choose

to participate in this voluntary program are entitled to benefits such as a 5% premium credit on their workers’ compensation insurance policy and a presumption that improperly used drugs found in a post-accident drug screen were the proximate cause of an accident. The program ended FY 2012/13 with 11,443 employers participating in the program. The program grew by 520 employers for the year, or 4.8%.

The **Medical Impairment Rating Registry** (M.I.R.R.) program helps resolve disputes between Tennessee employers and employees over medical impairment ratings. The registry is composed of 128 board-certified physicians, licensed in the state of Tennessee, whose expert opinions carry a legal presumption of accuracy. In FY 2012-2013, MIR Physicians issued 186 formal opinions.

**Medical Related Services Program** includes several units to ensure that appropriate care is provided at a reasonable cost. The workers’ compensation law provides for Utilization Review of medical treatment, which is the evaluation, by an outside source, of the necessity, appropriateness, efficiency, and quality of medical care provided to an injured employee. When the employer’s (or their insurance company) utilization review decision is to deny the medical necessity of the recommended treatment, a Utilization Review Appeal may be made to the Division of Workers’ Compensation’s Medical Director. The decision made by the medical director is final for administrative purposes. One thousand two hundred ninety-six (1,296) utilization review appeals were received by the Division of Workers’ Compensation in FY 2012/2013. Another Unit within the Medical Program is Medical Case Management Registration. Case managers/case manager assistants (CM/CMAs) must be registered and maintain active status with the Division of Workers’ Compensation in order to perform case management for workers’ compensation cases. The Division currently has 682 active CM/CMAs registered in a database that is monitored and reviewed frequently for expired credentials, updates to registrations, and new registrants. The program also includes maintenance of the Workers’ Compensation Medical Fee Schedule, which was created in the 2004 Workers’ Compensation Reform law to moderate escalating medical costs. In August of 2012 the latest changes became effective in the Medical Fee Schedule that lowered medical costs and provided for future pricing stability. Throughout the year medical fee schedule personnel respond to inquiries regarding the medical fee schedule on a daily basis. Restricting the maximum allowable reimbursement for all medical services rendered to an injured employee without limiting the access to quality healthcare remains a collaborative effort and the primary goal of the Medical Fee Schedule unit.

# Workforce Services

The Division of Workforce Services merged multiple programs and services to better align and administer federally funded employment related programs consistent with the Workforce Investment Act of 1998. These services and programs include the Workforce Investment Act, Wagner-Peyser, Trade Adjustment Assistance, Re-Employment Services, Veteran's Programs, Food Stamps Employment and Training, the Work Opportunity Tax Credits, Alien Labor Certification, and other labor exchange services.

Services are delivered through Local Workforce Investment Boards in partnership with the American Job Centers to provide universal access to an integrated array of labor exchange services so that workers, job seekers, and businesses can access these resources either on-site or through automation using technology.

## TN Awarded \$936,000 in Federal Incentive Grant for Exemplary Performance

The Workforce Investment Act is subject to nine performance measures. During the most recently completed program year outcomes, Tennessee's Workforce System won an incentive award due to exceeding all performance targets for adult, dislocated worker, and youth programs.

TOTAL Award: \$936,000

## Disability Employment Initiative

Tennessee, through the Division of Workforce Services, was one of seven states to receive the Disability Employment Initiative grant through the US Department of Labor and jointly funded through the Office of Disability Employment Policy. The project is to improve education, training, and employment opportunities and outcomes for adult who are unemployed, underemployed and/or receiving Social Security disability benefits. Five local workforce investment areas have received funding through this pilot project.

TOTAL Grant Amount: \$2,916,400

## Incumbent Worker

The Incumbent Worker program began in 2002 as a pilot project, and since that time this program has grown to become a tremendous service to Tennessee business and industry. Between 2012 and 2013, these grants provided training for 1,937 full-time employees and served 54 businesses. The total of grant funds awarded \$949,691 with a projected savings of 2,827 jobs. This grant is providing assistance to Tennessee companies who have a need to train incumbent workers in company-related, work-specific training. The training is intended to provide a high probability

WIA Performance Measures WIA §136(b)	Performance Goal	Actual Outcomes
<b>Adults</b>		
Entered Employment Rate	81%	86.4%
Retention Rate	88.6%	91.7%
Average Earnings (6 months)	\$15,711	\$17,795.66
<b>Dislocated Workers</b>		
Entered Employment Rate	88%	91.1%
Retention Rate	92.2%	92.5%
Average Earnings	\$15,000	\$15,943.16
<b>Youth Common Measures</b>		
Placement in Employment or Education	75.5%	83.8%
Attainment of Degree or Certificate	75%	84.1%
Literacy and Numeracy Gain	48%	65.5%

# Workforce Services

of layoff avoidance through skills enhancement or process improvement.

## Rapid Response

Rapid Response is designed to assist workers who are facing loss of employment through a permanent closure, mass layoff, or a natural or other disaster that results in mass job dislocation. This past year 137 companies received services, and 10,217 displaced workers received assistance in making a career transition.

## Youth Services

During Program Year 2012, the year-round Workforce Investment Act Youth Program served 6,252 youth participants, with 3,160 exits. Local Workforce Investment Areas reported \$14,292,744 WIA Youth allocation; the state met its negotiated common measures youth performance targets.

Common Measure	Goal	Actual
Placement	75.5%	83.8%
Attainment	75%	84.1%
Literacy & Numeracy	48%	65.5%

## Eligible Training Provider List

The WIA Eligible Training Provider List (ETPL) added 10 new training providers and removed 10 providers bringing the total number of institutions on the list to 211. In addition, the ETPL also added 104 new training programs bringing the total number of programs on the list to 4,469.

## Senior Community Service Employment Program (SCSEP)

Participants aged 55 and older received valuable training and exceeded the entered employment goal through SCSEP. This program served a total of 187 participants in the Senior Community Service Training Program for program year 2012. The program successfully achieved five out of six performance measures.

## State Workforce Development Board

The State Workforce Development Board provides oversight to the workforce development system in Tennessee. The Board is made up of 30% Business and Industry, 30% State Legislature/State Agencies and Organizations/Local Government/Local Education, 30% Organized Labor/Community-based Organizations, and 10% from the General Public for a total of 36 members.

There are five standing committees: Strategic Planning, Continuous Improvement, Operations, Policy, and Executive Committees. The Board provides leadership and oversight to local areas, monitoring continuous improvement of performance of state workforce and assuring coordination of seamless and collaborative activities in local areas. The Board developed the 2012-2017 (five year) State Integrated Plan which was approved by USDOL.

## Field Operations and American Job Centers

The Field Operation staff coordinates the delivery of agency service to the public through a network of 75 Comprehensive and Affiliate AJC's across the state. American Job Centers offer computerized labor market information, Internet access, workshops, and an online talent bank to assist both the job seeker with job referral and placement and employers with recruitment.



## Job Service

Job Service is the largest employment agency in the state. In addition to job referrals, Job Service offers employers and job seekers a broad range of services. Job Service has the most extensive computer-based job applicant pool in the country.

During the period beginning July 1, 2012, and ending June 30, 2013, Job Service assisted 462,716 applicants, referring 181,287 job seekers to employment

# Workforce Services

opportunities; 214,880 job seekers entered employment following services received.

## **RESA (Re-Employment Service Assessment)**

The RESA program was implemented in August 2009 and was designed to shorten the number of weeks a claimant receives unemployment benefits as a result of interviewers' giving special attention and one-on-one case management to claimants selected for participation in the program. During the reporting period, the RESA program completed more than 17,000 orientations, and 5,000 claimants returned to work.

## **Veterans' Programs**

The department provided service to 31,311 veterans, other eligible persons, and transitioning service members through June 30, 2013. The entered employment rate for veteran applicants was 51 percent. The employment retention rate was 80 percent, and the average six-month earning was \$14,215. The department met or exceeded U.S. Department of Labor targets in all 13 target areas for the year. The major training goal for the veterans' program involved putting into effect the recently re-emphasized Roles and Responsibilities for the Local Veterans Employment Representatives and Disabled Veterans Outreach Specialists.

## **Food Stamps Employment & Training Program**

This section provides selected Food Stamp recipients with assistance in job search and other services that enhance recipients' employability, including adult education, counseling, referral to supportive services, and work experience. During FY 2013, 23,046 participants were referred; 10,328 participants were appraised; and 915 participants obtained employment.

## **Trade Act Assistance (TAA) Program**

TAA provides tuition, required textbooks, tools, and supplies for approved workers adversely affected by foreign competition. This allows trade affected workers to receive training that will facilitate their return to the labor force in new occupations. A total of

1,748 participants of which 487 were newly enrolled in TAA training during the fiscal year ending June 30, 2013. \$16,421,174 was obligated to fund TAA training. TAA Job Search and Relocation Allowances are benefits used to assist workers who must seek employment outside their normal commuting area. Job Search Allowance assisted 11 workers, providing them \$3,174 in services. Relocation Allowance assisted 23 workers at a cost of \$139,406. Travel and Subsistence pay to workers traveling outside their commuting area of 50 miles for training was \$319,790.

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

WOTC provides tax credits to employers who hire and train targeted workers on the job. This easy-to-use program is a national model that saves employers money while putting people to work. There were 62,440 WOTC tax certifications in the fiscal year ending June 30, 2013, with a potential value of \$181.9 million.

## **Alien Labor Certification**

Alien Labor Certification helps employers recruit temporary alien workers when qualified U.S. workers are not available. Job orders are processed through the Tennessee Career Centers. During the period beginning July 1, 2012, and ending June 30, 2013, the following job orders were posted by agency staff: 136 PERM (permanent labor certification), 51 H-2B (temporary non-agricultural jobs), and 293 H-2-A (temporary agricultural jobs). The H-2-A program conducted 175 on-site pre-occupancy housing inspections.

# Career Coaches

## *Career Coach mobile resources continue to drive job services to sites across the state*

Governor Haslam and the Tennessee Department of Labor and Workforce Development unveiled three vehicles designed to improve outcomes for those looking for work. Three “Career Coaches” are customized with 10 computer workstations with Internet access, printers, fax machines, and flat screen TV’s with SMART Board overlays to facilitate classroom instruction. The intent is to provide workforce services to areas that have limited access to an American Job Center and to provide mobile services for special events and hard-to-serve populations.

The vehicles are based in Huntingdon, Nashville, and Knoxville in order to cover all areas of the state. Each mobile unit is staffed with three Tennessee Department of Labor and Workforce Development employees who are trained in career counseling and unemployment benefits. They conduct frequent workshops in résumé preparation, job search skills, and interviewing skills. In FY 2012-2013, the Coach delivered services to 9,306 individuals across the state.

**Total Job Services/Referrals: 8,170**

**Total New Applicants: 2,738**

**Over 3,000 Jobs4TN registration/referrals in the past 18 months**



Thousands of jobseekers were assisted during the Yates Job Fair in Murfreesboro.



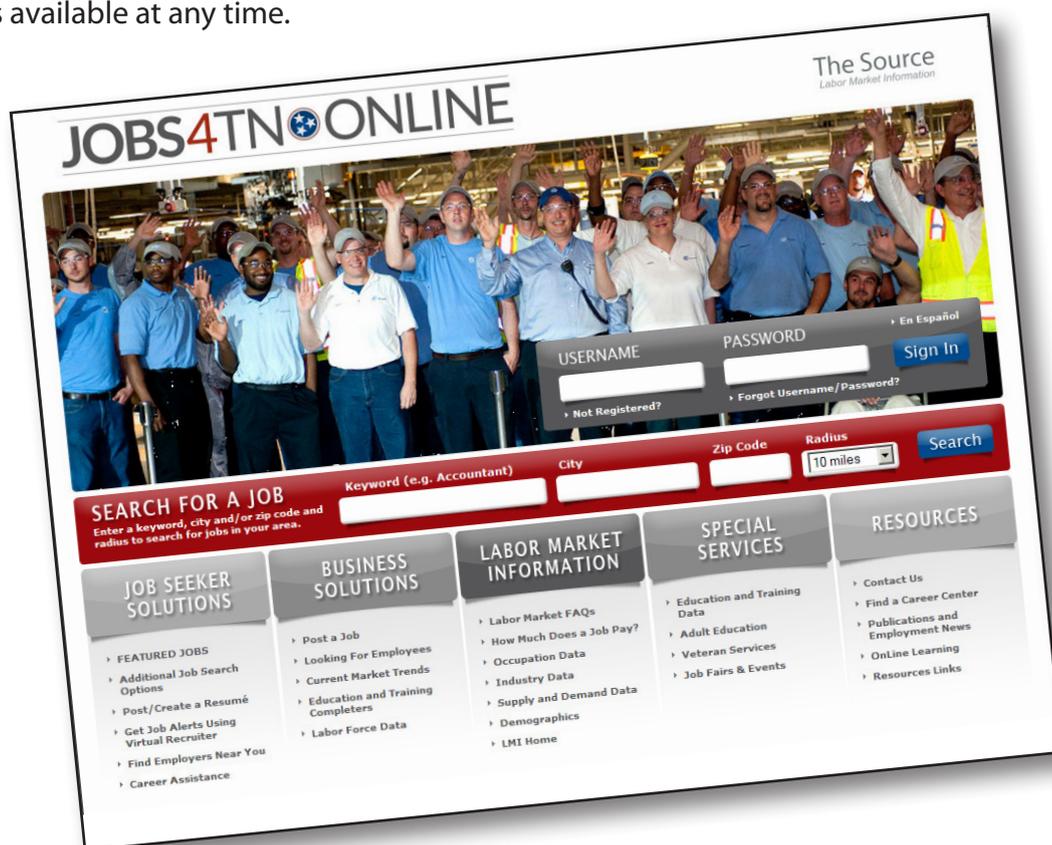
The Career Coach brings job opportunities to vets from Ft. Campbell.



Lester Community Center was host to Rep. Kelsey’s Job Fair in Memphis.

# JOBS4TN ONLINE

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 Web site. 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 90,000 Tennessee jobs available at any time.



## JOBS4TN Online

### Individual and total services (July 1, 2012 - June 30, 2013)

Total number of individuals that registered	106,931
Total number of distinct individuals receiving services	116,266
Total number of services provided to individuals	2,729,287
Total number of individuals that logged in	99,009
Total number of internal job orders created	21,518
Total number of internal job referrals created	174,354
Total number of services provided to employers	120,355

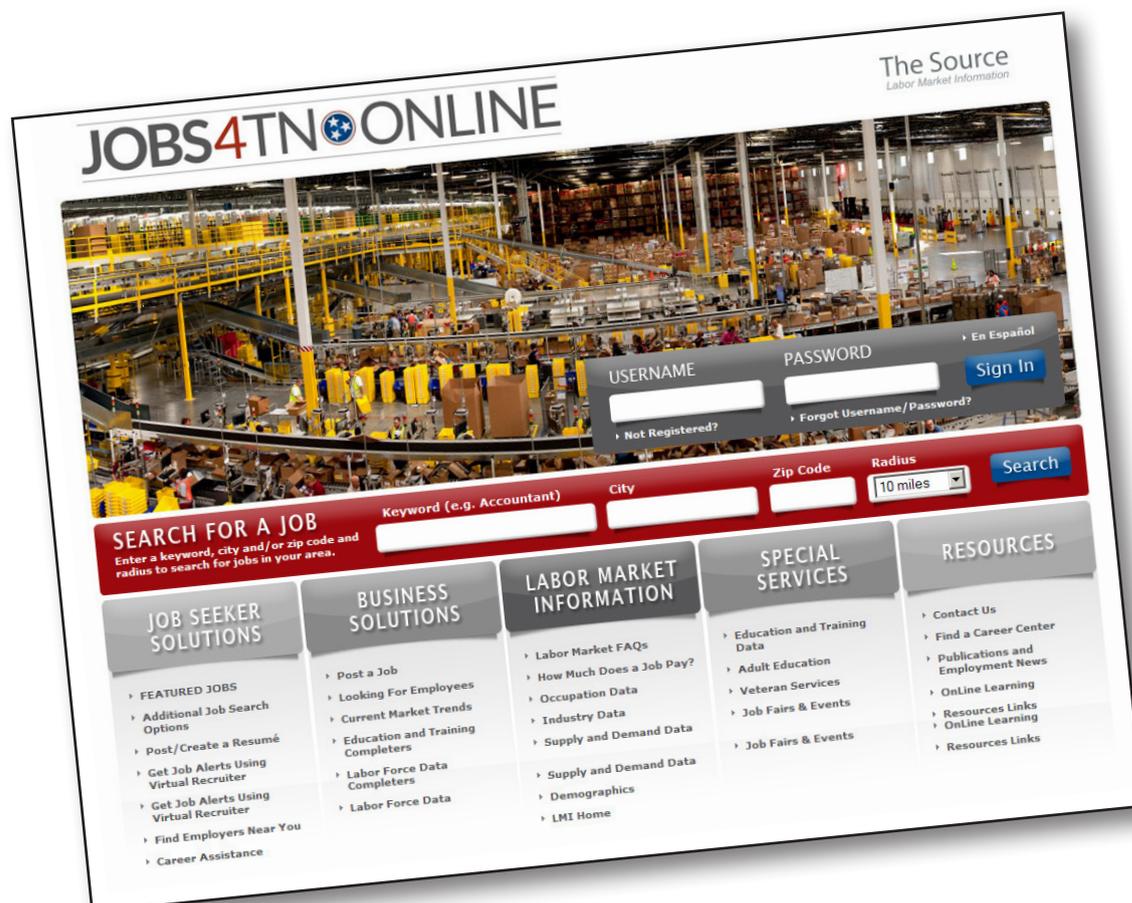
# JOBS4TN ONLINE

## 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.



### **Boilers**

The responsibility of the Boiler Inspection Section is to prevent potential hazards involved in the operation of more than 66,000 boilers and pressure vessels in Tennessee through biannual and biennial inspections. In 2012-2013, inspectors conducted 37,792 inspections and issued 32,514 inspection certificates. Deputy Inspectors performed 1,567 permit/initial inspections resulting in more than \$106,800. The Boiler Division generated more than \$2.3 million in revenue.

### **Elevators**

The responsibility of the Elevator Inspection Section is to prevent potential hazards involved in the operation of nearly 13,325 elevators, aerial tramways, chairlifts, escalators, dumbwaiters, and moving walks in the State of Tennessee through inspection. Annually, more than 21,328 elevator inspection reports are processed. Each year, more than 460 new elevators are installed and must be inspected by this section before they can be placed in operation. Invoiced revenue for Elevator Division services is more than \$2.242 million.

### **Amusement Devices**

The responsibility of the Amusement Device Section is to mitigate potential hazards associated with the operation of zip lines and fixed and portable amusement devices by more than 50 amusement device companies doing business in the state. Owners are required to obtain a permit and provide proof of insurance with inspection certificates for all devices before operating in Tennessee. These devices are then inspected for safety by the State of Tennessee amusement inspectors. Statutory regulation and oversight of amusement devices by the Amusement Device Section became effective as of January 1, 2009. In FY 2012-2013, approximately \$38,950.00 in invoiced revenue for the Amusement Device Section has been collected.

### **Mines**

The responsibility of the Mine Safety Section is to provide mine health and safety training for all underground and surface miners. Mine safety training is required by the state and federal government for all miners working in coal mines, crushed stone quarries, sand and gravel pits, and any other mining operations in the state. Furthermore, this section is also responsible for maintaining two mine rescue teams in a state of readiness for response to mine emergencies in underground mines in Tennessee. These instructors trained 1,745 miners, taught 174 classes, and issued 25 mine licenses.

### **Labor Standards**

Labor Standards Section regulates labor and wage laws. Inspectors perform routine investigations to encourage compliance with those laws and to recover unpaid wages. In FY 2012-2013, the Labor Standards Section processed 30,357 complaint calls and conducted 100 seminars.

In addition to the Non-Smoker Protection Act and the Illegal Alien Act, the Labor Standards Section regulates the following:

#### **The Child Labor Act**

The Child Labor Act establishes the number of hours a minor between the ages of 14 and 17 may be employed and prohibits employment in certain occupations that may be hazardous to the health and safety of the minor. Labor Standards Inspectors conducted 719 child labor inspections, issued penalties for 16 companies, and collected \$15,500 in fines for child labor violations.

#### **Prevailing Wage Act**

The Prevailing Wage Act protects wage earners from unfair pay practices on state funded construction projects. Currently, the act requires the department to conduct two surveys to determine the wage rates from various job classifications for state-funded highway and bridge construction and building construction projects. In FY 2012-2013, Labor Standards Inspectors conducted



# Workplace Regulations

311 wage inspections with \$50,180 recovered for complainants. Effective January 1, 2014, the Prevailing Wage Commission will no longer set the prevailing wage rates on state-funded building construction projects, and inspectors will no longer investigate new building projects. Instead the Labor Market Information LMI/Research and Statistics Section will set the rates for building construction projects. Inspectors attend pre-construction meetings and educate employers to determine whether employers are compliant with the law. The Prevailing Wage Commission will continue to set rates for state-funded highways and bridges and inspectors will continue to investigate those projects. Surveys for state-funded highways and bridges will be conducted annually.

## **Wage Regulations Act**

The Wage Regulations Act protects workers in private employment where there are five or more employees. It requires employees to be informed of what they will be paid prior to performing the work and requires employees to be paid all compensation due. This act also ensures that employees receive equal pay and are not discriminated on the basis of sex. In FY 2012-2013 the Labor Standards Section received 354 wage complaints. Labor Standards verified the collection of \$161,376 which was paid directly to claimants. This law is complaint driven and the Labor Standards Section relies on written requests from employees to begin their investigations.

## **Tennessee Lawful Employment Act**

Effective January 1, 2012, the Tennessee Lawful Employment Act requires all employers in Tennessee to demonstrate that they are hiring and maintaining a legal workforce. Verification can be accomplished either by enrolling and verifying the employment eligibility of all newly hired employees through the E-Verify Program operated by the U.S. Department of Homeland Security in conjunction with the Social Security Administration or by requesting all newly hired employees and “non-employees” to provide one of 11 identity and employment authorization documents listed in the law. In FY 2012-2013, Labor Standards Inspectors conducted 1,094 TLEA inspections.

# Business Services

Business Services Specialists are responsible for marketing the department's programs and services to employers and establishing quarterly Workforce Employer Outreach Committees (WEOCs) across the state. The purpose of the WEOC is to provide a broader reach to Tennessee's employer community and provide to them a direct link with the Department of Labor and Workforce Development. Each WEOC enables two-way communication that fosters economic development, promotes departmental services, and facilitates distribution of policies and information to employers across the state.

The Business Services Specialists continue to provide employers with additional information by partnering with other agencies such as the Governor's Office, Tennessee Department of Economic & Community Development, Tennessee Department of Environment and Conservation, Tennessee Bureau of Investigation, U.S. Department of Homeland Security, FEMA, and the Small Business Administration.

Business Services Specialists facilitated 86 job fairs connecting job seekers and employers with immediate hiring needs. More than 4,000 employers have participated, and job seekers are continuing to find gainful employment.



**Ft. Campbell Job Fair**



**Rutherford County Job Fair**



**Nissan/Yates Job Fair**

# Communications, Constituent & Government Relations

Communications, Constituent, and Government Relations conducted 86 job fairs between July 1, 2012 to current date. Twenty-seven events were hosted by state legislators across Tennessee in partnership with the department.

Pre-requisite for all of the events sponsored by the department is that employers must have immediate job openings to participate in the event. Jobs positions must be posted on Jobs4TN. An average of 20-35 employers attended each of the events across the state with an average of 800 – 1,000 job seekers per event.

Paychecks for Patriots Hiring Event 2012: The Department of Labor and Workforce Development took the lead in partnering with Dollar General last year to address the high unemployment rate among our military service members and spouses. The Departments of Military and Veteran Affairs and Employer Support for the Guard and Reserve (ESGR) joined in this first innovative partnership between public and private sectors to address veteran unemployment challenges. Paychecks has created a pathway toward economic opportunity for Tennessee veterans and their families both online and through centralized focused outreach efforts organized by the Department of Labor. Last year, more than 2,400 candidates attended the 2012 Paychecks for Patriots hiring event representing more than 90 Tennessee employers with job openings in hand. The event itself has been nationally recognized by the Pentagon and National Office of ESGR and was honored with a PRSA (Public Relations Society of America) award. Gov. Haslam declared October 25, 2012, as "Paychecks for Patriots Day" in Tennessee in honor of our service members and their contributions to our state and country.

On October 17, 2013, Paychecks for Patriots will be held again in 13 locations across the state, expanding employer participation and giving additional opportunities for our service members to find suitable employment. Four states are following Tennessee's lead and model in 2013-14.

## 2012-2013 Funding

<b>ADMINISTRATION</b>	<b>\$10,452,100</b>
<b>ADULT EDUCATION</b>	<b>\$16,590,800</b>
<b>BOILERS AND ELEVATORS</b>	<b>\$4,511,700</b>
<b>EMPLOYMENT SECURITY</b>	<b>\$148,877,000</b>
<b>LABOR STANDARDS</b>	<b>\$1,534,000</b>
<b>MINES</b>	<b>\$623,800</b>
<b>TOSHA</b>	<b>\$9,342,400</b>
<b>SECOND INJURY FUND</b>	<b>\$10,147,400</b>
<b>WORKERS' COMPENSATION</b>	<b>\$13,770,000</b>
<b>WORKERS' COMPENSATION EMPLOYEE MISCLASSIFICATION &amp; ENFORCEMENT FUND</b>	<b>\$330,400</b>
<b>WORKFORCE SERVICES</b>	<b>\$81,798,100</b>
<b>TOTAL</b>	<b>\$297,977,700</b>