



DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

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James G. Neeley, Commissioner

History

The Tennessee Workforce Development Act of 1999 brought together a rich heritage of services and programs vital to the economic well-being of the state.

With the creation of the Department of Labor and Workforce Development, the former departments of Labor and Employment Security, the Adult Education program from the Department of Education, and the Food Stamp-Employment and office of Workforce Development component from the Department of Human Services integrated into the new department to streamline programs and services into one agency. Since passing of this legislation, the Title V of the Older America Act has been added to the department.

Services

Division of Workforce Development. This division serves Tennessee's employers and employees through the Workforce Investment Act under both annual appropriations and the American Recovery and Reinvestment Act funds. The Tennessee Career Center System streamlines local, state and federal workforce development services into single, local locations where people and jobs connect through computerized labor market information, Internet access, workshops and an online talent bank in addition to job placement, recruitment, career counseling and training referrals. Services are offered to eligible adults, dislocated workers and youth. In the summer months, disadvantaged youth receive summer employment opportunities.

The Dislocated Workers section provides dislocated worker services for businesses and workers experiencing downsizing or layoffs. This section assists the local workforce investment areas to meet the needs of employers and workers.

The Employer Services section works closely with the Department of Economic and Community Development through Governor Bredesen's FastTrack Initiative helping to recruit and retain business and industry in Tennessee and is responsible for training existing workers in new and emerging technologies.

The Title V/Older Worker program provides job training and placement for people with limited financial resources who are age 55 or older, providing employers with trained, motivated workers.

Division of Adult Education. This division delivers services to undereducated adults who are over the age of 16 and legally withdrawn from public education. Four main class types are offered: Basic skills upgrades for those individuals whose math, reading and/or writing skills are below the 12th grade level regardless of whether they have a high school diploma; GED Preparation classes for those individuals working toward a GED high school equivalency diploma; English for Speakers of Other Languages (ESOL) for those non-native speakers who need to learn to speak, read and

write English; and Basic Workforce Computer Skills for those individuals who need basic computer skills in order to keep their current job or get a better job.

The Division of Adult Education is also responsible for issuing GED diplomas and verifying GED diplomas for individuals and business and industry upon request and with written permission from the GED graduate.

Adult Education works with business and industry to provide classes for dislocated workers or classes on-site tailored to industry needs in the areas identified by business as most critical.

Division of Workplace Regulations and Compliance (Boilers, Elevators & Amusement Devices, Mine Safety, Labor Standards, and Labor Research & Statistics). The Boilers, Elevators & Amusement Devices section protects the general public, owners and users, and their employees from the potential hazards inherent to the operation of boilers, pressure vessels, elevators and amusement devices. Also included in the inspection process are aerial tramways, chairlifts, escalators and dumbwaiters. Within every two years approximately 65,000 boiler and pressure vessel inspection reports are processed. More than 22,000 elevator inspection reports are processed annually. All new elevators installed in the state must be inspected by this section before they can be placed in operation. The section also inspects all fixed and portable amusement devices throughout Tennessee.

The Mine Safety section provides mine health and safety training classes for all underground and surface miners and is responsible for maintaining two mine rescue teams for response to mine emergencies.

The Labor Standards section enforces four labor and wage laws (Child Labor Act, Wage Regulations Act, Prevailing Wage Act and Illegal Alien Employment Act) and administers the laws for licensing employee assistance professionals in the state. Every year this division conducts more than 1,000 on-site Child Labor inspections and processes approximately 1,500 claims for unpaid wages. More than 500 on-site prevailing wage inspections are conducted on state-funded building and highway projects to insure workers are correctly paid. Also, complaints are taken on businesses that have been alleged to hire illegal aliens.

Labor Research & Statistics conducts the U.S. Bureau of Labor Statistics Survey of Occupational Injuries and Illnesses and the Occupational Safety and Health Administration Log Data Collection Initiative Survey to obtain data on nonfatal workplace incidents.

Division of Employment Security. The Division of Employment Security administers Tennessee's Unemployment Insurance and Job Service programs and collects, analyzes and disseminates Tennessee's Labor Market Information (LMI).

The Employer Accounts Operations section establishes the liability of employers, determines tax rates, receives and processes all premium reports, and maintains individual employer accounting. Also included is the Tax Enforcement Section which is responsible for collecting Unemployment Insurance (U.I.) premiums, securing delinquent reports, auditing employers' records, and enforcing employer compliance with U.I. laws and regulations.

Job Service programs help job seekers find suitable employment and assist employers in finding qualified job applicants. Applicants have access to local, state and national job vacancy listings. The Career Centers offer employers free office space for interviewing and screening. Specific programs are offered to special groups including veterans and Trade Adjustment Assistance Program participants. The division also issues Work Opportunity Tax Credit certifications for employers.

The Job Service Veterans Program provides special assistance to veterans seeking career opportunities and assures they are given priority service for all departmental

programs. The Job Service Division also administers the Trade Adjustment Assistance Program, which makes available special services and benefits for workers whose jobs are lost or whose hours and wages are cut due to increased imports or a shift in production to a foreign country. The division also oversees the Alien Labor Certification Program that ensures the wages and working conditions of able, willing, qualified and available United States workers are not negatively affected when foreign workers are hired.

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. Labor market information is also essential to the division's overall mission to promote a strong labor exchange program. This information is delivered through "The Source" www.tn.gov/labor-wfd/source, which is an Internet-based labor market information system maintained and updated by Research and Statistics (R&S).

The Food Stamp-Employment and Training program assists select individuals who receive food stamps and are required to actively seek employment or participate in programs designed to enhance their employability. To assist them while participating, a transportation allowance is provided.

The Unemployment Insurance Claims Center System consists of five centers across the state processing approximately 85 percent of claims filed in Tennessee. Serving 91 counties, the system accepts telephone, Internet, mail, and employer-submitted partial claims for unemployment benefits.

Unemployment Insurance Benefit Operations/Technical Services is responsible for paying and processing unemployment benefit checks; processing and adjudicating all specialty claims such as Combined Wage, Trade Readjustment Allowances, Disaster Unemployment Assistance, Unemployment Compensation for Federal Employees, and Unemployment Compensation for Ex-Servicemen; making classified changes to benefit information on the Employment Security Combined Online Technology system; approving employer non-charges; verifying all alien claims; transferring and receiving wages to establish combined wage claims; and providing technical support to central and local office personnel, claimants, employers, and the general public. This includes analyzing legislative impact and preparing procedural guides for implementation and compliance, and coordinating the child support intercept program.

The Unemployment Insurance Compliance/Integrity section is responsible for monitoring, analyzing and projecting unemployment insurance workload activity, along with conducting federally mandated monitoring functions; maintaining a quality control system that examines a sampling of U.I. benefit payments for accurate application of law, rules and procedures; and supporting a special projects effort to develop, maintain and monitor automated enhancements to programs. The section also is responsible for preventing, detecting and collecting benefit overpayments; and maintaining an archival record of all claims material.

The Appeals Operations Unit, composed of the Appeals Tribunal and the Board of Review, oversees the appeals process, which is provided by law (Tennessee Code Annotated §50-7-304) for parties (claimants and employers) who disagree with agency decisions on unemployment compensation claims. The Appeals Tribunal is the lower level of this process; the Board of Review is the higher authority.

Tennessee Occupational Safety and Health Administration (TOSHA). This program was created by passage of the Tennessee Occupational Safety and Health Act of 1972 and became operational in July 1973. The Compliance Services section assists employers in fulfilling their responsibility for providing a safe and healthful workplace for their employees. This is accomplished through workplace monitoring and on-site inspections that increase the safety and health awareness of employers and workers,

providing technical assistance and standards interpretation, rapidly responding to employee concerns on safety and health issues in the workplace, and investigating accidents and catastrophes. This section is divided into three sectors: Health, Safety and the Public Sector.

The Training and Education section assists employers, employees and their representatives in controlling safety and health hazards in their workplaces and in complying with the requirements of TOSHA regulations and standards. This is accomplished by offering a variety of programs including a schedule of formal TOSHA seminars in the spring and fall of each year. With these programs, TOSHA strives to partner with employers, employees, business associations and other groups to increase the number of competent occupational safety and health professionals in the state and decrease the number of on-the-job injuries and illnesses.

The Consultation Services section offers a free consulting program to small employers who seek safer and healthier working conditions for their employees. The service is a confidential, cooperative effort between the consultant, employer and employees. Consultants help the employer identify and correct existing and potential safety and health hazards to create a safe working environment for employees.

Division of Workers' Compensation. This division administers a mediation program for disputed claims; encourages workplace safety; oversees an information awareness program for educating the public on laws and regulations that define workers' compensation requirements; ensures that companies properly provide benefits; coordinates Tennessee's Drug-Free Workplace Program; enforces the Workers' Compensation Medical Fee Schedule; and both assesses and collects penalties for noncompliance from employers and insurance companies. The division is charged with the responsibility for specific recordkeeping, administrative and enforcement responsibilities.

Benefit Review is the administrative dispute resolution system started in January 1993 to assist any person or business having rights or obligations under the Tennessee Workers' Compensation Law by improving communications between the parties involved in a workers' compensation claim.

Claims & Insurance Coverage monitors progress of individual workers' compensation claims and receives and processes certificates of compliance for every employer subject to the Workers' Compensation Law of Tennessee.

Medical Case Management & Utilization Review monitors and manages medical expense claims and oversees the utilization review and preadmission review processes, reducing the cost of medical benefits on the workers' compensation system while ensuring quality care.

The Second Injury Fund was established in 1948 to encourage employers to hire workers with permanent disabilities sustained in previous on-the-job injuries and is funded by a surcharge on workers' compensation premiums. The fund limits an employer's liability only to the amount of disability caused by a new injury.

The Drug-Free Workplace Program promotes drug- and alcohol-free workplaces so employers can increase productivity, enhance their competitive position and be more successful by eliminating the costs, delays and tragedies associated with work-related accidents resulting from substance-abusing employees. Employers choosing to participate in the program receive an automatic 5 percent premium reduction on their workers' compensation insurance.

The Uninsured Employers Fund was established in January 2001 to investigate and penalize employers who fail to carry workers' compensation insurance or to qualify as self-insured employers.

The Medical Impairment Rating Registry was established in 2004 to settle disputes

that involve only the permanent impairment rating by providing the injured worker a medical evaluation by an independent physician on the Registry. The evaluation is available for injuries occurring on/after July 1, 2005. The opinion and rating issued by the MIR physician is statutorily presumed to be accurate and can be rebutted only by clear and convincing evidence to the contrary.

The mandatory and comprehensive WC Medical Fee Schedule is based on the Medicare model with some variations for efficiency, fairness, ease-of-access, administration and economic reasons. It became effective July 1, 2005. While the Fee Schedule does create a ceiling or “cap” on the medical fees medical providers can charge, it is not intended to prohibit an employer or insurer from being able to negotiate lower fees in their own medical fee agreements. Penalty provisions of the Fee Schedule became effective Jan. 1, 2006.

Related Boards and Commissions

- Board of Boilers Rules
- Board of Employee Assistance Professionals
- Elevator Safety Board
- Employment Security Advisory Council
- Medical Care and Cost Containment Committee
- Occupational Safety & Health Advisory Council
- Occupational Safety & Health Review Commission
- Prevailing Wage Commission
- Safe Employment Education Advisory Committee
- Unemployment Insurance Board of Review
- Workers’ Compensation Advisory Council
- Workforce Development Board

Commissioner James G. Neeley

Tennessee Department of Labor and Workforce Development

Governor Phil Bredesen appointed **James G. Neeley** Commissioner for the Tennessee Department of Labor and Workforce Development when he took office in 2003. Since that time, Neeley has played a critical role in enacting reforms to the state’s Workers’ Compensation program. The changes, as passed by the Tennessee General Assembly in 2004, to date have saved Tennessee businesses an estimated \$377 million per year, in addition to encouraging new business investment in the state. Neeley is also a key player in the Governor’s Jobs Cabinet. He has traveled across the state with Governor Bredesen for a series of roundtable meetings with local business leaders, government officials and workers to develop ways to bring new business to Tennessee. In 1999, Neeley was instrumental in creating state legislation that merged the department of Employment Security and the department of Labor. At that time, Neeley served as Planning Committee Chairman of Tennessee’s Workforce Development Board, composed of business, labor, state and local government representatives. In 2004, Neeley won the prestigious Eagle Award from the National Association of State Workforce Agencies. The Award honors individuals who soar to new heights in their efforts to serve employers and workers in the United States. In 2005, Neeley received the Distinguished Service Individual Award from the National Association of State Directors of Career Technical Education Consortium. Neeley received the award for his decades of service to improve opportunities for all Tennesseans, including his service on the executive committee for Education Edge, where he was instrumental in securing a \$30 million National School-to-Work opportunities grant for Tennessee. Over the past three years, Incumbent Worker Training grants to upgrade skills and training opportunities for employees have totaled more than \$11.2 million to assist more than 40,550 employees. Prior to his service with the state, Neeley worked for the AFL-CIO. Throughout his career, he has served on various state, federal, local and regional boards and commissions. Commissioner Neeley resides in Huntingdon, Tenn., with his wife Rachel. He enjoys spending time with his granddaughters, Neeley, Mary Catherine, Caroline and their parents, Hope and Michael Turner.

