



DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

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James G. Neeley, Commissioner

In May 1999, the 101st General Assembly unanimously adopted the Tennessee Workforce Development Act of 1999 which created a new Department of Labor and Workforce Development, integrating the existing departments of Labor and Employment Security, the Adult Education program, and the employment and training component of the Food Stamp program.

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 Training component from the Department of Human Services integrated into the new department to streamline programs and services into one agency.

Services

Division of Employment and Workforce Development — This division serves both Tennessee's employers and employees. 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 on-line talent bank in addition to job placement, recruitment, career counseling, and training referrals.

The *Employment & Training* section provides dislocated worker services for businesses and workers experiencing downsizing or layoffs, as well as training services for youth and adults. This section assists the local workforce investment areas to meet the needs of employers and workers. In addition, the Tennessee Workforce Development Act of 1999 is guided by the federal Workforce Investment Act and requires development of a state Workforce Investment Act plan and performance measures, which is handled through the employment and training section.

The *Employer Services* section works closely with the Department of Economic and Community Development through Governor Bredesen's FastTrack Initiative helping to recruit and retrain 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 or not they have a high school diploma; GED Preparation classes for those individuals working toward a GED high school equivalency diploma; English as a Second Language (ESL) for those nonnative 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 Boilers & Elevators, Mine Safety, Labor Standards, and Labor Research & Statistics — The *Boilers & Elevators* section protects the general public, owners and users, and their employees from the potential hazards inherent to the operation of boilers, pressure vessels, and elevators. Also included in the inspection process are aerial tramways, chairlifts, escalators, and dumbwaiters. Annually, more than 65,000 boiler and pressure vessel inspection reports and more than 20,000 elevator inspection reports are processed. Each year, more than 500 new elevators are installed and must be inspected by this section before they can be placed in operation.

The *Mine Safety* section provides mine health and safety training classes for all underground and surface miners. The *Labor Standards* section regulates three labor and wage laws (Child Labor Act, Wage Regulations Act, and Prevailing Wage Act) and administers the laws for licensing employee assistance professionals in the state.

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.

The *Job Service Program* offers a broad range of services including prescreening and pretesting applicants for employers and provides computerized state and national job listings, a résumé bank, and free office space for interviewing.

The division's *Veterans' Programs* provides specialized assistance to veterans seeking career opportunities. Staff of the veterans' programs assures that veterans receive priority in all services offered through the department's basic labor exchange programs.

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.tennessee.gov/labor-wfd/source/ which is an Internet-based labor market information system maintained and updated by 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.

Trade Act Assistance operates a federal program that helps workers train for jobs in demand and helps them seek new career opportunities. This section assists workers adversely affected by foreign competition by assisting in job search and training.

The *Work Opportunity Tax Credit/Welfare-to-Work Tax Credit* programs are intended to further the partnership between the employment and training system and the private sector in dealing with problems of the disadvantaged and the unemployed. These two tax credits can be used as incentives for employers to hire welfare recipients, as well as any of the seven other target groups. These tax credits provide a win-win situation for Tennessee employers, who received in excess of \$125 million in potential tax credits during 2002 and for more than 20,000 workers entering and/or reentering the workplace.

Alien Labor Certification offers assistance to employers to recruit alien workers when qualified U.S. workers are not available. Applications are filed through the department's central office with final determination made by the U. S. Secretary of Labor.

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 On-line Technology system; approving employer noncharges; 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.

Unemployment Insurance Compliance/Integrity—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, Board of Review* oversees the appeal process, which is provided by law (*Tennessee Code Annotated §50-7-304*) for parties (claimants or employers) dissatisfied 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 began with enabling legislation in 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 Services* section assists employers, employees, and their representatives in reducing safety and health hazards in their workplaces and in complying with the requirements of TOSHA regulations and standards. This is done 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 *Consultative 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, participates with law enforcement in combating fraud, 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, and both assesses and collects penalties for noncompliance from employers and insurance companies. The department 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 anyone with rights and 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.

The *Workers' Compensation Fraud Unit* refers all appropriate cases of workers' compensation fraud to the appropriate district attorney for investigation and possible prosecution.

Medical Case Management & Utilization Review monitors and manages medical expense claims and creates utilization review and preadmission review, reducing the cost of medical benefits on the workers' compensation system.

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 without 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% premium reduction on their workers' compensation insurance.

The *Safety Program* was designed to notify employers with an experience modification factor in the top 25% of all covered employers that they are statutorily required to establish a safety committee designed to promote health and safety in the workplace.

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.

Related Boards and Commissions

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

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 2002. 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, are expected to save Tennessee businesses an estimated \$30 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 round table 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. Since 2003, Labor and Workforce Development Commissioner Neeley has awarded more than 50 companies close to \$1.5 million in Incumbent Worker Training grants to upgrade skills and training opportunities for their 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, Tennessee, with his wife Rachel. He enjoys spending time with his granddaughters Neeley and Mary Catherine and their parents Hope and Michael Turner.