



# 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 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 online talent bank in addition to job placement, recruitment, career counseling, and training referrals.

The Workforce Development 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of Adult Education.*** This division delivers services to undereducated adults who are over the age of 16 and legally withdrawn from public education.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 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 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 Workplace Regulations and Compliance (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. Every two years approximately 65,000 boiler and pressure vessel inspection reports are processed. More than 22,000 elevator inspection reports are processed annually. 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 and is responsible for maintaining two mine rescue teams for response to mine emergencies.

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. Every year this division conducts more than 1,200 on-site Child Labor inspections and processes approximately 1,400 claims for unpaid wages. Also conducts more than 500 on site prevailing wage inspections on state funded building and highway projects to insure workers are correctly paid.

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/](http://www.tennessee.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.

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. During federal fiscal year 2006, which ended on September 30, 2006, the Tennessee Department of Labor and Workforce Development issued 26,151 federal Work Opportunity Tax Credit (WOTC) certifications and 14,248 Welfare-to-Work (WtW) Tax Credit certifications representing in excess of \$150 million in potential federal income tax savings to Tennessee employers. The 2006 WOTC Certification level represents an increase over the previous year's activity.

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.

The Unemployment Insurance Claims Center System consists of four (4) centers across the state processing approximately seventy percent (70%) of claims filed in Tennessee. Serving seventy-nine (79) 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 On-line 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, 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.

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 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
- Occupational Safety & Health Advisory Council
- Board of Employee Assistance Professionals
- Safe Employment Education Advisory Committee
- Medical Care and Cost Containment Committee
- Unemployment Insurance Board of Review
- Elevator Safety Board
- Prevailing Wage Commission
- Workers' Compensation Advisory Council
- 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 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 their employees, have totaled more than \$5.7 million to assist more than 22,000 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 and Mary Catherine, and their parents, Hope and Michael Turner.

