

Skill Up Tennessee: Federal Fiscal Year (FFY) 2025 Economic Impacts

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The SNAP Employment & Training (SNAP E&T) program represents a partnership between the United States Department of Agriculture, Food and Nutrition Administration (USDA-FNA) and all U.S. states to provide training and employment services to eligible SNAP participants (USDA-FNA, 2026). Established in 1985 by Congress, the SNAP E&T program is administered by the states and territories through local service providers. The ultimate goal of SNAP E&T is to help SNAP participants gain skills, training, work or experience that will increase their ability to obtain employment, thus leading to self-sufficiency. Access to robust postsecondary training and education, individualized case management, assessment, and supportive services help participants in SNAP E&T realize their goals (Food and Nutrition Administration, 2026).

In 2017, UT Extension became a third-party partner for the delivery of SNAP E&T services. Skill Up Tennessee is UT Extension's SNAP E&T program that is conducted in partnership with the Tennessee Department of Labor and Workforce Development.

Family and Consumer Sciences (FCS) Extension agents work within their assigned counties to reach and recruit potential SNAP E&T participants who are interested in furthering their employment opportunities. The Tennessee Department of Human Services verifies the eligibility of recruited individuals for participation in the program. For those eligible to participate, FCS Extension agents along with Skill Up Tennessee career navigators offer a menu of educational services, including:

- Individual assessment to help in setting and achieving employment goals;
- Career navigation to help in pursuing training, finding the right job, and obtaining any needed support;
- Access to services such as vocational technical training and job retention to prepare for success;
- Multi-session work readiness training to gain knowledge and skills to prepare for work;
- Supportive services to help pay for training and starting a job.

This publication provides a snapshot of the economic impact of Skill Up Tennessee for FFY 2025 (October 2024 to September 2025). The publication builds on previous Skill Up Tennessee impact publications from 2020, 2021, 2022 and 2023. Developed to document outcomes and demonstrate accountability, the report highlights how the program supports eligible SNAP participants through career navigation, technical training and supportive services. In addition to summarizing participation and services, the publication uses economic impact modeling to quantify how program investments generate broader economic benefits for Tennessee communities. This information is valuable to stakeholders, policymakers and Extension professionals, as it illustrates the statewide returns on investment, reinforcing the importance of continued collaboration and support for workforce development efforts targeting populations with limited resources.

In FFY 2025, 918 individuals from 75 counties signed up to participate in Skill Up Tennessee. Of those, 214 individuals were sent to the Tennessee Department of Labor and Workforce Development to serve if eligible. A total of 270 individuals from 58 counties participated in Skill Up Tennessee, with 188 enrolled in vocational/technical training, two enrolled in adult education, three enrolled in job search training and seven enrolled in job retention. Finally, 37 individuals attended classes offered through the online job search training pilot where UT Extension provided training to participants enrolled with the Tennessee Department of Labor and Workforce Development. See graph below.

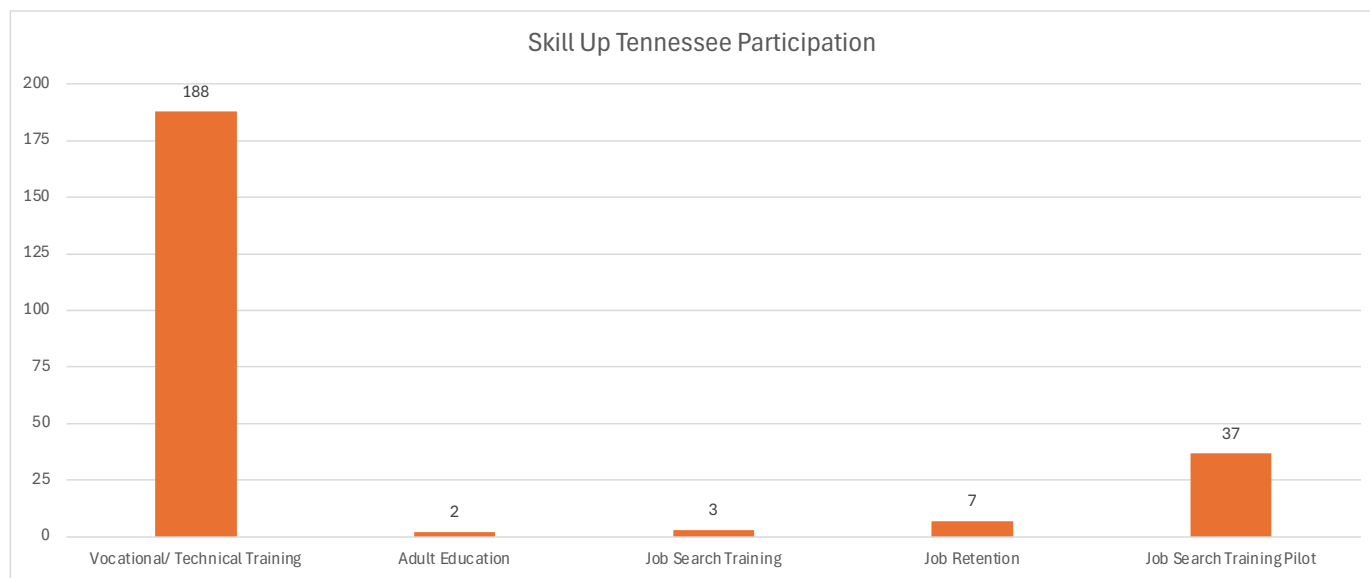


Figure 1. Skill Up Tennessee Participation, FFY 2025.

For comparison, in FFY 2024, 949 individuals from 81 counties signed up to participate in Skill Up Tennessee. As part of our outreach role, 630 of these individuals were sent to the Tennessee Department of Labor and Workforce Development to serve if eligible. A total of 211 individuals from 54 counties participated in Skill Up Tennessee in FFY 2024, with 163 enrolled in vocational/technical training, 17 enrolled in work readiness training, five enrolled in adult education, four enrolled in job search training, and 15 enrolled in job retention.

It is important to note that many participants often participate in multiple educational services offered through the Skill Up Tennessee program as they work toward their career goals. Skill Up Tennessee walks with participants, sometimes for years, on their journey toward employment.

Economic Model - IMPLAN

Economic impact analysis using IMPLAN, an economic input-output database and modeling system (IMPLAN Group, LLC), provides descriptive measures including output, employment and value-added for up to 546 industrial sectors in the economy. Total industry output is defined as the value of production by industry per year. Employment represents the total wage and salary of employees plus self-employed jobs in a region, for both full-time and part-time workers. Total value added is defined as all income to workers paid by employers, including the value of certain benefits; self-employed net income; interests, rents, royalties, dividends and profit payments; and excise and sales taxes paid by individuals as collected by businesses.

Multipliers measure how dollars are re-invested and circulated in a local economy, leading to additional economic activity (Hughes, 2018). Multipliers are used to indicate how a change in the economy can ripple through various sectors, such as labor demand and/or total production. Multiplier analysis generally focuses on the effects of external changes on: a) the output of the sectors in the economy, b) the income earned by households because of the new outputs and c) the employment (in physical terms) that is expected to be generated because of the new outputs.

When a particular industry sector is expected to change, increase or decrease, three types of impacts economy-wide are measured: Direct, indirect and induced effects:

- Direct effects are the immediate effects associated with a change in the final demand for a particular industry.
- The indirect effects are the secondary effects or production changes in backward-linked industries that provide goods and services.
- The induced effects represent the response by all local industries caused by increased expenditures resulting from new household income and inter-institutional transfers generated from the direct and indirect effects of the change in final demand for a specific industry.

Economic Impact

The FFY 2025 output impacts¹ of the Skill Up Tennessee program on the state's economy are presented in Figure 2. In FFY 2025, the program's direct spending (output change) devoted to training participants across Tennessee is estimated at \$984,861, which was attributed to IMPLAN sector 477 (community

food, housing and other relief services, including rehabilitation services). The total estimated economic impact of the Skill Up Tennessee program is estimated to be \$1,918,957, including \$984,861 in direct spending and \$934,096 as multiplier effects (indirect and induced effects). For every dollar of direct output from Skill Up Tennessee, the total economic impact on the state's economy is \$1.95. The tax collections associated with the Skill Up Tennessee program are estimated to be \$34,241 from the state and \$7,514 from the local (county) region.

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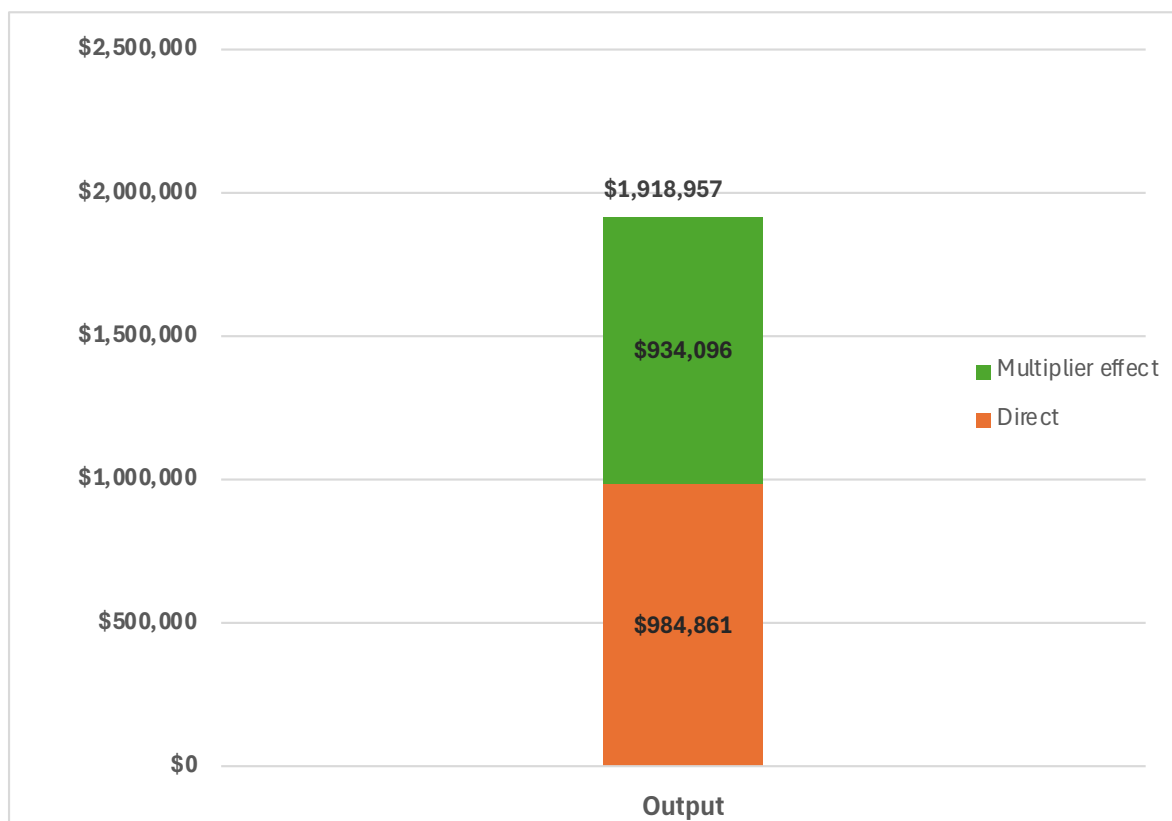


Figure 2. Skill Up Tennessee Program Economic Impact on the State's Output, FFY 2025.

¹The State benefits from reduction in government spending on income support programs and increased employment pool due to the Skill UP Tennessee program, these impacts are not assessed and are not included in the economic impacts.

Summary and Conclusions

Across the state, Skill Up Tennessee, UT Extension's SNAP E&T program, is making an impact in the lives of Tennessee families with limited resources. Through career coaching, technical training leading to industry-recognized credentials, work readiness training, supportive services and more, individuals and families are realizing their career dreams thanks to the outreach and work of Extension's agents and Skill Up Tennessee career navigators.

The impacts of the Skill Up Tennessee program would not be possible without the support of the Tennessee Department of Labor and Workforce Development and the Tennessee Department of Human Services. This partnership demonstrates the synergistic impact that occurs when state agencies work together to address critical challenges. Through this partnership, UT Extension has successfully increased its reach and impact across the state continuing a 100+ year legacy of research-based outreach. This partnership is a model for other states seeking to address the critical needs of individuals of limited resources with the implementation of SNAP E&T services through Cooperative Extension.

Skill Up Tennessee is effective in Tennessee

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