

BILL ANALYSIS

C.S.H.B. 2586
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Business & Industry
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Federal law provides for funding to the Texas Workforce Commission (TWC) for the Reemployment Services and Eligibility Assessment (RESEA) program. This program provides extensive reemployment services to certain individuals receiving unemployment insurance benefits. Changes at the federal level have expanded the RESEA program and opened it up to any individual receiving unemployment insurance benefits, regardless of their likelihood to exhaust benefits. The Labor Code, however, restricts the TWC's ability to compel an unemployment insurance claimant to participate in the program to only those individuals who TWC determines are likely to exhaust all unemployment benefits. C.S.H.B. 2586 seeks to allow the TWC to determine who must participate in reemployment services as a condition of eligibility for unemployment benefits on a case-by-case basis.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2586 amends the Labor Code to remove the statutorily-prescribed conditions that trigger a requirement for an unemployed individual otherwise eligible to receive unemployment benefits to participate in reemployment services, such as a job search assistance service, in order to maintain that eligibility and to give the Texas Workforce Commission (TWC) instead discretion to determine whether to require an individual to participate in those services as a condition of eligibility on a case-by-case basis. The bill removes language excepting an individual from required participation in those services if they have completed participation in such a service prior, while retaining as the sole exception the existence of reasonable cause, as determined by the TWC, for the individual's failure to participate in those services. The bill applies only to a claim for unemployment compensation benefits that is filed with the TWC on or after the bill's effective date.

EFFECTIVE DATE

September 1, 2023.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 2586 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

While both the introduced and the substitute remove and replace the conditions that trigger a requirement for an unemployed individual otherwise eligible to receive unemployment benefits to participate in reemployment services in order to maintain that eligibility, the introduced replaced the conditions with a requirement for the TWC to adopt rules prescribing the circumstances under which such participation is required, but the substitute instead gives the TWC discretion to determine whether participation in those services is required on a case-by-case basis and does not provide for any corresponding rulemaking authority.