

BILL ANALYSIS

Senate Research Center
89R21373 KKR-F

H.B. 3698
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Economic Development
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Workforce Commission (TWC) has identified an opportunity to expand reemployment services under the federal Reemployment Services and Eligibility Assessment (RESEA) program, which allows states to provide reemployment assistance to individuals receiving unemployment insurance benefits. Under current law, claimants participate in reemployment services only if they are profiled as likely to exhaust their unemployment benefits before becoming reemployed. RESEA aims to reduce the length of a profiled claimant's unemployment benefits by expediting reemployment outcomes with support and services. With the rapid growth of RESEA, Texas can provide services to more unemployment insurance claimants and help more people find reemployment.

H.B. 3698 expands participation in reemployment services by revising the conditions under which such participation is required for unemployment benefit eligibility.

H.B. 3698 amends current law relating to participation in reemployment services as a condition of eligibility for unemployment benefits.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 207.021(a), Labor Code, as follows:

(a) Provides that, except as provided by Chapter 215 (Shared Work Unemployment Compensation Program), an unemployed individual is eligible to receive benefits for a benefit period if the individual:

(1)-(8) makes no changes to these subdivisions; and

(9) participates in reemployment services, such as a job search assistance service, if:

(A) the individual has been determined, according to a profiling system established by the Texas Workforce Commission (TWC), to be likely to exhaust eligibility for regular benefits and to need those services to obtain new employment, unless TWC has determined that the individual has completed participation in such a service or there is reasonable cause, as determined by TWC, for the individual's failure to participate in those services; or

(B) unless there is reasonable cause, as determined by TWC, for the individual's failure to participate in those services and regardless of the results of the individual's assessment conducted under a profiling system described by Paragraph (A), TWC has determined that the individual's participation is in furtherance of certain goals.

Makes nonsubstantive changes to this subsection.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2025.