

AN ACT

relating to participation in reemployment services as a condition of eligibility for unemployment benefits.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 207.021(a), Labor Code, is amended to read as follows:

(a) Except as provided by Chapter 215, an unemployed individual is eligible to receive benefits for a benefit period if the individual:

(1) has registered for work at an employment office and has continued to report to the employment office as required by rules adopted by the commission;

(2) has made a claim for benefits under Section 208.001;

(3) is able to work;

(4) is available for work;

(5) is actively seeking work in accordance with rules adopted by the commission;

(6) for the individual's base period, has benefit wage credits:

(A) in at least two calendar quarters; and

(B) in an amount not less than 37 times the individual's benefit amount;

(7) after the beginning date of the individual's most

1 recent prior benefit year, if applicable, earned wages in an amount
2 equal to not less than six times the individual's benefit amount;

3 (8) has been totally or partially unemployed for a
4 waiting period of at least seven consecutive days; and

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

7 (A) the individual has been determined,
8 according to a profiling system established by the commission, to
9 be likely to exhaust eligibility for regular benefits and to need
10 those services to obtain new employment, unless:

11 (i) the commission has determined that
12 ~~[(A)]~~ the individual has completed participation in such a service;
13 or

14 (ii) ~~[(B)]~~ there is reasonable cause, as
15 determined by the commission, for the individual's failure to
16 participate in those services; or

17 (B) unless there is reasonable cause, as
18 determined by the commission, for the individual's failure to
19 participate in those services and regardless of the results of the
20 individual's assessment conducted under a profiling system
21 described by Paragraph (A), the commission has determined that the
22 individual's participation is in furtherance of the following
23 goals:

24 (i) reducing the duration of unemployment
25 compensation through improved employment outcomes;

26 (ii) strengthening the integrity of the
27 unemployment compensation program;

1 (iii) promoting alignment with the vision
2 of the Workforce Innovation and Opportunity Act (29 U.S.C. Section
3 3101 et seq.);

4 (iv) establishing the commission's
5 reemployment services and eligibility assessment program as an
6 entry point to other workforce system partner programs; and

7 (v) demonstrating the effectiveness of
8 reemployment services.

9 SECTION 2. The change in law made by this Act applies only
10 to a claim for unemployment compensation benefits filed with the
11 Texas Workforce Commission on or after the effective date of this
12 Act. A claim filed before the effective date of this Act is
13 governed by the law in effect on the date the claim was filed, and
14 the former law is continued in effect for that purpose.

15 SECTION 3. This Act takes effect September 1, 2025.

H.B. No. 3698

President of the Senate

Speaker of the House

I certify that H.B. No. 3698 was passed by the House on April 30, 2025, by the following vote: Yeas 138, Nays 1, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3698 was passed by the Senate on May 19, 2025, by the following vote: Yeas 27, Nays 4.

Secretary of the Senate

APPROVED: _____

Date

Governor