

1-1 By: Vo (Senate Sponsor - Alvarado) H.B. No. 3698  
1-2 (In the Senate - Received from the House April 30, 2025;  
1-3 May 1, 2025, read first time and referred to Committee on Economic  
1-4 Development; May 14, 2025, reported favorably by the following  
1-5 vote: Yeas 4, Nays 1; May 14, 2025, sent to printer.)

1-6 COMMITTEE VOTE

1-7	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12		X		

1-13 A BILL TO BE ENTITLED  
1-14 AN ACT

1-15 relating to participation in reemployment services as a condition  
1-16 of eligibility for unemployment benefits.

1-17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-18 SECTION 1. Section 207.021(a), Labor Code, is amended to  
1-19 read as follows:

1-20 (a) Except as provided by Chapter 215, an unemployed  
1-21 individual is eligible to receive benefits for a benefit period if  
1-22 the individual:

1-23 (1) has registered for work at an employment office  
1-24 and has continued to report to the employment office as required by  
1-25 rules adopted by the commission;

1-26 (2) has made a claim for benefits under Section  
1-27 208.001;

1-28 (3) is able to work;

1-29 (4) is available for work;

1-30 (5) is actively seeking work in accordance with rules  
1-31 adopted by the commission;

1-32 (6) for the individual's base period, has benefit wage  
1-33 credits:

1-34 (A) in at least two calendar quarters; and

1-35 (B) in an amount not less than 37 times the  
1-36 individual's benefit amount;

1-37 (7) after the beginning date of the individual's most  
1-38 recent prior benefit year, if applicable, earned wages in an amount  
1-39 equal to not less than six times the individual's benefit amount;

1-40 (8) has been totally or partially unemployed for a  
1-41 waiting period of at least seven consecutive days; and

1-42 (9) participates in reemployment services, such as a  
1-43 job search assistance service, if:

1-44 (A) the individual has been determined,  
1-45 according to a profiling system established by the commission, to  
1-46 be likely to exhaust eligibility for regular benefits and to need  
1-47 those services to obtain new employment, unless:

1-48 (i) the commission has determined that  
1-49 ~~[(A)]~~ the individual has completed participation in such a service;  
1-50 or

1-51 (ii) ~~[(B)]~~ there is reasonable cause, as  
1-52 determined by the commission, for the individual's failure to  
1-53 participate in those services; or

1-54 (B) unless there is reasonable cause, as  
1-55 determined by the commission, for the individual's failure to  
1-56 participate in those services and regardless of the results of the  
1-57 individual's assessment conducted under a profiling system  
1-58 described by Paragraph (A), the commission has determined that the  
1-59 individual's participation is in furtherance of the following  
1-60 goals:

1-61 (i) reducing the duration of unemployment

2-1 compensation through improved employment outcomes;  
2-2 (ii) strengthening the integrity of the  
2-3 unemployment compensation program;  
2-4 (iii) promoting alignment with the vision  
2-5 of the Workforce Innovation and Opportunity Act (29 U.S.C. Section  
2-6 3101 et seq.);  
2-7 (iv) establishing the commission's  
2-8 reemployment services and eligibility assessment program as an  
2-9 entry point to other workforce system partner programs; and  
2-10 (v) demonstrating the effectiveness of  
2-11 reemployment services.

2-12 SECTION 2. The change in law made by this Act applies only  
2-13 to a claim for unemployment compensation benefits filed with the  
2-14 Texas Workforce Commission on or after the effective date of this  
2-15 Act. A claim filed before the effective date of this Act is  
2-16 governed by the law in effect on the date the claim was filed, and  
2-17 the former law is continued in effect for that purpose.

2-18 SECTION 3. This Act takes effect September 1, 2025.

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