TEXAS WORKFORCE COMMISSION
Workforce Development Letter

ID/No:	WD 20-21, Change 2
Date:	February 10, 2026
Keyword:	AEL; ES; SNAP E&T; TAA; TANF/Choices; WIOA
Effective:	March 12, 2026

To: Local Workforce Development Board Executive Directors
Commission Executive Offices
Integrated Service Area Managers

From: Mary York, Director, Workforce Development Division

Subject: **Digital Skills Building—Update**

PURPOSE:

The purpose of this WD Letter is to provide Local Workforce Development Boards (Boards) with guidance and information on providing digital skills building services relating to programs administered by the Texas Workforce Commission (TWC).

WD Letter 20-21, Change 2, integrates artificial intelligence (AI) literacy into digital skills building activities.

RESCISSIONS:

WD Letter 20-21, Change 1

BACKGROUND:

With the rapid growth in online and virtual services, workers and job seekers need to build the cognitive and technical skills necessary for effective use of the Internet, smartphones, and other digital resources to find, evaluate, create, transmit, and communicate information. The General Appropriations Act (Senate Bill 1, Article VII, Texas Workforce Commission, Rider 46, 89th Legislature, Regular Session (2025)) requires TWC to "ensure that digital skill building is an explicitly permitted use of existing workforce development grant programs" and "utilize federal funds to provide digital skill building, device access, and digital support for workers in workforce development programs."

Within this context, TWC defines "digital skills building" as staff support, workshops, and, when appropriate, training services that enable job seekers to use the Internet,

smartphones, and other digital resources, including AI literacy, to gain employment and to function productively in today's technology-heavy workplace. "AI literacy" is defined as the ability to understand, interact with, and evaluate the accuracy of AI tools and the content that they produce. "Device access" and "digital support" are defined as the availability of technology, such as computers, laptops, tablets, and Internet access, that allows customers to engage in workforce development activities based on the program's allowable expenditures and applicable cost principles. The rider does not constitute a new blanket authorization to purchase tablets or other devices for customers' own permanent use; the allowability of any such purchases continues to be subject to review on a case-by-case basis.

Rider 47 of the same bill requires TWC to:
- collect and report unemployment insurance (UI) claim counts by type (Internet, phone, or other) disaggregated by age, education, race/ethnicity, sex, and the occupation of individuals requesting benefits by region;
- use the data to outreach individuals for digital skills training or retraining; and
- report the data publicly on the TWC website.

Additionally, the U.S. Department of Labor Employment and Training Administration (DOLETA) Training and Employment Guidance Letter (TEGL) 03-25, issued August 26, 2025, and titled "Encouraging the Use of Workforce Innovation and Opportunity Act Funding to Help Youth and Adults Develop Artificial Intelligence Skills" encourages state and local workforce systems to use Workforce Innovation and Opportunity Act (WIOA) funding to help youth and adults develop AI skills that align with emerging workforce needs.

PROCEDURES:

No Local Flexibility (NLF): This rating indicates that Boards must comply with the federal and state laws, rules, policies, and required procedures set forth in this WD Letter and have no local flexibility in determining whether and/or how to comply. All information with an NLF rating is indicated by "must."

Local Flexibility (LF): This rating indicates that Boards have local flexibility in determining whether and/or how to implement guidance or recommended practices set forth in this WD Letter. All information with an LF rating is indicated by "may" or "recommend."

NLF: Boards must be aware that providing job seekers and workers in workforce development programs with digital skills building, device access, digital support, and AI literacy resources is explicitly permitted by state law. Such activities must be consistent with and conform to the applicable program requirements and cost principles governing such programs, including, but not limited to, the following:

- Adult Education and Literacy
- Temporary Assistance for Needy Families/Choices
- Wagner-Peyser Employment Service
- Supplemental Nutrition and Assistance Program Employment and Training
- Trade Adjustment Assistance
- WIOA

Digital Skills Building

NLF: Boards must be aware that based on the program's allowable expenditures and requirements, Boards may offer the following activities and resources, among others, to improve a worker's digital skills capacity:
- Access to workshops and courses focusing on basic computer skills, electronic communication, online job search resources, and submitting online applications
- Short-term vocational training leading to a credential (for example, CompTIA A+)
- Resource rooms in Workforce Solutions Offices equipped with computers, printers, and internet connectivity

NLF: Boards must inform appropriate staff that TWC will take the following actions:
- Publicly report the UI claim counts data required by Rider 47 on TWC's Rider 47 UI Targeted Skill Building Overview web page
- Outreach, by email and text, UI claimants who may benefit from digital skills training and who meet the following criteria:
  - New claimant
  - Texas address
  - Filed by phone, by mail, or in person
  - Age 45 and older
  - Education level is one of the following:
    - Some college, no degree
    - High school graduate or GED
    - No or some school
    - Unknown
- Direct these UI claimants to TWC's Digital Skills Building web page for information on accessing no-cost resources to help build digital skills, including how to locate the nearest Workforce Solutions Office.

LF: Boards may outreach additional UI claimants who may benefit from digital skills training or retraining using the Rider 47 Targeted Skill Building Tool, which is available through the TWC Tableau Report List. Attachment 1, titled Navigating the Rider 47 Targeted

Skill Building Tool, includes instructions for navigating this tool and provides examples of best practices.

Artificial Intelligence Literacy

LF: Boards may:
- develop and include AI-related goals or objectives as a valuable component of employment planning for participants;
- identify eligible training providers that offer AI-related training programs tied to local target occupations, prioritizing those that lead to industry-recognized credentials;
- incorporate AI competencies into local planning, particularly digital literacy, digital resilience, and responsible AI usage; and
- identify work experience and work-based learning opportunities in AI-related occupations, as well as occupations that may incorporate AI into job duties.

LF: Boards may reference the Building Blocks Model available through DOLETA's [Competency Model Clearinghouse](#) when conducting workforce planning, as it includes a [Basic Computer Skills](#) competency block that incorporates expectations related to AI.

INQUIRIES:

Send inquiries regarding this WD Letter to wfpolicy.clarifications@twc.texas.gov.

ATTACHMENTS:

Attachment 1: Navigating the Rider 47 Targeted Skill Building Tool
Attachment 2: Revisions to WD Letter 20-21, Change 1, Shown in Track Changes

REFERENCES:

[Training and Employment Guidance Letter 03-25](#), issued August 26, 2025, and titled "Encouraging the Use of Workforce Innovation and Opportunity Act Funding to Help Youth and Adults Develop Artificial Intelligence Skills"
[Title 40, Texas Administrative Code, Part 20, Chapter 801, Subchapter B, §801.25(a)4](#), Minimum Standards for Comprehensive Workforce Solutions Offices
Senate Bill 1, General Appropriations Act, 89th Texas Legislature, Regular Session (2025)