

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Modernizing the E-Rate Program for)	WC Docket No. 13-184
Schools and Libraries)	
)	

ORDER

Adopted: December 17, 2025

Released: December 17, 2025

By the Chief, Wireline Competition Bureau:

I. INTRODUCTION

1. In this Order, the Wireline Competition Bureau (Bureau) adopts the final eligible services list for funding year 2026 for the schools and libraries universal service support mechanism program (commonly referred to as the E-Rate program).¹ Based on the record before us, we adopt the eligible services list for funding year 2026 as proposed in the Bureau's *Funding Year 2026 Eligible Services List Public Notice*.² We also release the final funding year 2026 eligible services list and authorize the Universal Service Administrative Company (USAC) to open the annual Federal Communications Commission (FCC or Commission) Form 471 application filing window.³ In doing so, we find good cause to waive the requirement in section 54.502(f) of the Commission's rules that the final eligible services list be released at least 60 days prior to the opening of the application filing window.⁴ By waiving this administrative requirement, we open the application filing window with enough time for applicants to submit and USAC to process funding year 2026 FCC Form 471 applications.

II. BACKGROUND

2. Sections 254(c)(1), (c)(3), (h)(1)(B), and (h)(2) of the Communications Act of 1934, as amended, collectively grant the Commission authority to specify the services that will be supported for eligible schools and libraries and to design the specific mechanisms for support.⁵ Pursuant to this

¹ The Bureau annually updates the eligible services list, which specifies the services and products that are eligible for E-Rate support each year. See 47 CFR § 54.502(a) ("All supported services are listed in the Eligible Services List as updated annually . . ."); see also 47 CFR § 54.502(f) (detailing the procedures for seeking comment on the draft eligible services list).

² *Wireline Competition Bureau Seeks Comment on Proposed Eligible Services List for the E-Rate Program*, WC Docket No. 13-184, Public Notice, DA 25-921 (WCB 2025) (*Funding Year 2026 Eligible Services List Public Notice*).

³ See *infra* Appendix B; 47 CFR § 54.502(f) (requiring the final eligible services list to be released at least 60 days prior to the opening of the application filing window).

⁴ 47 CFR § 54.502(f). We note that rule 47 CFR § 54.502(f) will become 47 CFR § 54.502(e) 30 days after the date of publication of the *Hotspots Order on Reconsideration* in the Federal Register. See *Addressing the Homework Gap Through the E-Rate Program*, WC Docket No. 21-31, Order on Reconsideration, FCC 25-62 (rel. Sept. 30, 2025) (*Hotspots Order on Reconsideration*).

⁵ 47 U.S.C. §§ 254(c)(1), (c)(3), (h)(1)(B), (h)(2).

authority, the Commission delegated responsibility to the Bureau to annually seek public comment on the proposed eligible services list.⁶

3. In the *Funding Year 2026 Eligible Services List Public Notice*, we proposed to modify how eligible software and other remote configuration services are categorized in the eligible service list.⁷ Specifically, the Bureau proposed to revise the funding year 2026 eligible services list to treat all currently eligible software- or remote-based services, including bug fixes, security patches, software-based technical assistance, and configuration changes,⁸ the same and have applicants request all software- and remote-based services with the internal connections equipment that they support.⁹ The Bureau also sought comments related to managed internal broadband services (MIBS), including how to define MIBS to help differentiate and avoid confusion with basic maintenance of internal connections (BMIC) services.¹⁰ We sought comment on the proposed revisions and on the draft eligible services list for funding year 2026.¹¹ The comment cycle for the *Funding Year 2026 Eligible Services List Public Notice* closed on December 3, 2025.¹² During the comment cycle, we received eighteen comments, three reply comments, and one late-filed reply comment.¹³

III. DISCUSSION

4. As an initial matter, with respect to funding year 2026, we waive the requirement in section 54.502(f) of the Commission's rules that the eligible services list be released at least 60 days prior to the opening of the application filing window.¹⁴ Section 1.3 of the Commission's rules allows the Commission to waive a rule on its own motion for good cause shown.¹⁵ We find a waiver of our rule is appropriate and in the public interest¹⁶ because opening the upcoming FCC Form 471 application filing window sooner than 60 days from the release date of the eligible service list will allow time for applicants to submit and USAC to timely process applications and issue commitments for funding year 2026.¹⁷ In waiving our rule, we are particularly cognizant of the need to ensure that both applicants and USAC have

⁶ See 47 CFR § 54.502(f).

⁷ See *Funding Year 2026 Eligible Services List Public Notice* at 1.

⁸ This proposal is limited to remote-based configuration changes. If configuration changes are being performed on-site, in person, they should be requested as BMIC services based on the hourly rate for the actual work performed.

⁹ *Funding Year 2026 Eligible Services List Public Notice* at 2.

¹⁰ *Id.* at 2.

¹¹ See *id.* at 3.

¹² *Revisions to Deadlines Following Resumption of Normal Operations*, Public Notice, DA 25-943 (rel. Nov. 17, 2025). See also *Funding Year 2026 Eligible Services List Public Notice* at 1.

¹³ *Infra*, Appendix A (identifying the commenters and the acronyms used herein to refer to the commenters). Late-filed submissions will be treated as an *ex parte*.

¹⁴ See 47 CFR § 54.502(f).

¹⁵ See 47 CFR § 1.3. The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest. *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (*Northeast Cellular*). In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis. *Id.*

¹⁶ *Northeast Cellular*, 897 F.2d at 1166 (stating that the Commission may waive a rule when strict compliance does not serve the public interest).

¹⁷ See *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184, Report and Order and Further Notice of Proposed Rulemaking, 29 FCC Rcd 8870, 8893, para. 59 (2014) (directing USAC to issue funding commitments or denials for all workable funding requests by September 1st of each funding year).

as much time as they had in prior years to submit and process applications. We therefore find special circumstances exist to waive section 54.502(f) of the Commission's rules.¹⁸

5. Having considered the record, we adopt the final funding year 2026 eligible services list, attached as Appendix B to this Order.¹⁹ We adopt our proposal and revise how software- and remote-based services are categorized in the funding year 2026 eligible services list. Specifically, we amend the entries for "Eligible Broadband Internal Connections" to include software-based services including bug fixes, security patches, software-based technical assistance, and configuration changes.²⁰ The software bullet and Note 4 are also modified.²¹ We also amend the bullets listed under "Basic Maintenance of Eligible Broadband Internal Connections" to limit configuration changes to those performed in person and delete "Basic technical support including online and telephone-based technical support" and "Software upgrades and patches including bug fixes and security patches."²² Further, we amend the language in "eligibility limitations for basic maintenance" to delete language related to bug fixes, security patches, and technical support.²³

6. Certain software-based services, such as software upgrades and patches, including bug fixes, security patches, and online and telephone-based technical assistance have been categorized as BMIC services, while other software-based licenses and services have been categorized as internal connections.²⁴ In the *Funding Year 2026 Eligible Services List Public Notice*, we explained how the differing treatment of these services has caused confusion in funding requests and has resulted in applicants risking competitive bidding violations when they were unable to make the proper distinction when requesting bids for eligible software- or remote-based services in their FCC Form 470s.²⁵ To resolve this confusion, we will treat all currently eligible software- or remote-based services, including bug fixes, security patches, software-based technical assistance, and configuration changes,²⁶ the same and will have applicants request all software- and remote-based services with the internal connections equipment that they support. Applicants will be required to seek reimbursement in the funding year when the costs are incurred.²⁷ The Bureau does not find this clarification is inconsistent with section 54.507(e)

¹⁸ See, e.g., *Modernizing the E-Rate Program for Schools and Libraries*, 34 FCC Rcd at 11219, 11242-43, para. 62 (2019) (*Category Two Report and Order*) (finding good cause to waive the 60-day rule for opening the filing window after issuance of the eligible services list to allow USAC and applicants with sufficient time to submit and process funding applications for funding year 2020); *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket 13-184, Order, 38 FCC Rcd 11948 para. 6 (WCB Dec. 15, 2023).

¹⁹ *Infra*, Appendix B.

²⁰ See *infra*, Appendix B at 11.

²¹ *Id.*

²² See *infra*, Appendix B at 12.

²³ *Id.*

²⁴ *Funding Year 2026 Eligible Services List Public Notice* at 2.

²⁵ *Id.*

²⁶ This is limited to remote-based configuration changes. If configuration changes are being performed on-site, in person, they should be requested as BMIC services based on the hourly rate for the actual work performed.

²⁷ Applicants that are requesting software- or remote-based services that they have previously purchased and sought pro-rated reimbursement under the prior eligibility requirements may seek support for the remainder of the contract in funding year 2026 or continue requesting pro-rated support. We recognize that this change is also being made after the funding year 2026 training has occurred, we therefore waive section 54.504(a) of the Commission's rules and direct USAC to allow applicants that make an error in funding year 2026 to modify their funding request to match their competitively-bid contract if it is discovered pre-commitment during the application review process or through the appeals process if it is discovered post-commitment before the invoice filing deadline date. See, e.g., *Requests for Review of Decisions of the Universal Service Administrator by Archer Public Library et al.; Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Order, 23 FCC Rcd 15518, 15520, n.19

(continued....)

of the Commission rules due to the similarities in the way software-based licenses have been funded as a one-time service despite delivery over multiple funding years.²⁸ Thus, software-based services like vital bug-fixes and security updates and remote-based services like configuration changes will no longer need to be amortized across multiple funding years despite being entirely paid for by applicants in the first year of the multi-year license agreement. This change will make it simpler for applicants during the competitive bidding process, as applicants will no longer need to determine whether the specific software-based or remote-based service they are seeking funding for is considered an internal connection service or a BMIC service. We note that this change does not modify or expand the eligibility of software- or remote-based services, but rather clarifies how applicants seek bids for such services and requests the services on the E-Rate FCC Form 471 application.

7. Commenters broadly support adopting this proposal.²⁹ Several commenters note that this action will simplify and improve the efficiency of the E-Rate program.³⁰ Applicants will not have to struggle to determine whether software- or remote-based services should be categorized as internal connections or BMIC.³¹ One commenter mentions that by “adopting this change, the Bureau will de-risk the procurement process, reduce bidding errors, and ensure schools receive a complete, functional solution from day one.”³² Another commenter states that re-classification of these services as internal connections will enable it to “negotiate longer-term, more cost-effective contracts and receive funding for pre-paid contracts in the year the expense is incurred.”³³ By harmonizing the treatment of all software- and remote-based services, the process of applying for and receiving reimbursement for funding for software-based and other remote-based services will be more efficient, less confusing, and allow schools and libraries to receive funding for the software- or remote-based services along with the internal connection equipment that they support. BMIC services will continue to be the proper subcategory for those seeking E-Rate funding for the actual maintenance—e.g., physical repairs to a piece of equipment, which will continue to be reimbursed based on the actual work (i.e., hours) performed.³⁴

8. Consistent with the current treatment of internal connections software, we will permit applicants to seek support for all software- and other remote-based services associated with equipment on their FCC Form 471 applications if they either sought bids for *both* equipment and software, or they sought bids only for equipment on the FCC Form 470, but the bid response includes both the equipment and software- or remote-based services.³⁵ We further clarify that applicants seeking support for software- or remote-based services as internal connections in funding year 2026 for services that were competitively

(WCB 2008) (permitting correction when applicant mistakenly entered the wrong pre-discounted amount for its service rather than the correct amount).

²⁸ See 47 CFR § 54.507(e) (stating that to the extent that applicants sign multi-year contracts, the program will only “commit funds to cover the pro rata portion of such a long term contract scheduled to be delivered during the funding year for which universal service support is sought”).

²⁹ See, e.g., Infinity Comments at 2-3; KB & Associates Reply Comments at 1; LAUSD Comments at 1; Meter Comments at 1; OITC Comments at 1-2; SECA Comments at 3-6; SECA Reply Comments at 1; Grants Consulting Comments at 1; Romoland School District Comments at 1; FFL Reply at 3.

³⁰ Infinity Comments at 2; Kellogg & Sovereign Comments at 3; Meter Comments at 1.

³¹ Infinity Comments at 2; Kellogg & Sovereign Comments at 3

³² Meter Comments at 1.

³³ LAUSD Comments at 1.

³⁴ See *Schools and Libraries Universal Service Support Mechanism, A National Broadband Plan for Our Future*, CC Docket No. 02-6, GN Docket No. 09-51, Sixth Report and Order 25 FCC Rcd 18762, 18809-10, paras. 107-08 (2010) (*Sixth Report and Order*). On-site configuration changes, including ones that may include a software update, will be treated in this manner – billed for hours of work performed.

³⁵ See *infra*, Appendix B at 11 (describing eligibility and competitive bidding guidance for eligible internal broadband services in note (4)).

bid as BMIC services are not violating the competitive bidding rules for this funding year.³⁶ We also direct USAC to apply this decision to new funding year 2026 funding requests and pending appeals after the effective date of this Order.

9. In the *Funding Year 2026 Eligible Services List Public Notice*, we also sought comments related to MIBS.³⁷ We asked whether changes should be made to MIBS, requested comments on the benefits of MIBS, and comments on how to distinguish MIBS from BMIC, including how to define MIBS to avoid confusion with BMIC.³⁸ We also asked whether changes related to MIBS should be made for the current funding year or future funding years.³⁹ We received extensive comments regarding MIBS.⁴⁰ As commenters recognize, changes to MIBS require additional time and preparation.⁴¹ In light of the extensive comments and recommendations on MIBS, we make no changes to MIBS eligibility in funding year 2026 and will seek further comment on this matter in the future. Further, commenters also proposed that we modify or consolidate the BMIC subcategory, or make other changes to Category Two.⁴² For funding year 2026, we decline to remove the BMIC category or to further consolidate the Category Two subcategories. We may consider consolidation or other changes to the Category Two subcategories in the future.

10. We decline Los Angeles Unified School District's (LAUSD) request that we make advanced or modern firewall services eligible as E-Rate Category Two services,⁴³ as well as LAUSD's and Funds

³⁶ See, e.g., *Request for Review of a Decision of the Universal Service Administrator by Albert Lea Schools et al.; Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Order, 24 FCC Rcd 4533, 4541-42, paras. 14-15 (WCB 2009) (*Albert Lea Schools Order*); *Petition for Reconsideration by Chicago Public Schools; Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Order, 29 FCC Rcd 9289, 9290-92, paras. 5-8 (WCB 2014) (*Chicago Order on Reconsideration*) (denying applicants' appeals that filed FCC Forms 470 that did not include the types of services for which the applicants later requested E-Rate funding). See also SECA Comments at 5-6 (requesting that the Commission allow applicants with prior year multi-year BMIC remote and software service to be allowed to request funding as internal connections and to waive any competitive bid-related violation related to the BMIC service being treated as an internal connections service starting in funding year 2026).

³⁷ *Funding Year 2026 Eligible Services List Public Notice* at 2.

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ CSM Comments at 5-7 (recommending that MIBS absorb most of the BMIC line items and to define "IC as purchased equipment and related licenses and to define MIBS as leased equipment and third party managed services."); LAUSD Comments at 2 (stating that they "see no benefit to more narrowly defining MIBS and believe that doing so will create more confusion and program complexity rather than less."); Meter Comments at 3-4 (supporting effort to clarify distinction between MIBS and BMIC and stating that MIBS is "[a] proactive, outcome-based service for the entire network ecosystem. It is defined by its guaranteed outcomes—such as uptime, security compliance, and performance—and includes holistic management, 24/7 monitoring, remote configuration, and automated security patching as core features."); Bennett Community School District Comments at 1; Cardinal Community School District at 1; CWSO Comments at 1; Friday Institute Comments at 3; FFL Comments at 3; Infinity Comments at 4-7; Kellogg & Sovereign Comments at 4-7; Missouri Valley Community School District at 1; SHLB Comments at 1-2; SECA Comments 6-11; FFL Reply at 4-5.

⁴¹ Infinity Comments at 7 (recognizing that changes "involving Managed Internal Broadband Services (MIBS) or modification to the Form 470 structure—would require system updates, staff training, and public outreach."); Kellogg & Sovereign Comments at 12 (noting that changes to MIBS definitions or revisions "will require additional time and preparation.").

⁴² Infinity Comments at 6; Kellogg & Sovereign Comments at 4-5; FFL Comments at 3; Friday Institute Comments at 4; SHLB Comments at 5; SECA Comments at 6-11; FFL Reply at 7-8.

⁴³ LAUSD Comments at 2. The Commission has previously declined to make advanced and next-generation firewall features eligible for E-Rate support. See, e.g., *Sixth Report and Order*, 25 FCC Rcd at 18808-09, para. 105

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for Learning's (FFL) request to change the definition of "firewall" or to include modern firewall features in the definition of firewall services and firewall components.⁴⁴ The E-Rate's eligibility rules regarding basic firewall services and components remain unchanged for funding year 2026.⁴⁵ We decline these requests in the current proceeding, but note that the Commission is studying the use of Universal Service Fund (USF) support for the purchase of cybersecurity services and equipment in its separate Schools and Libraries Cybersecurity Pilot (Pilot) program and may reconsider the eligibility of advanced firewalls at the conclusion of the Pilot.⁴⁶

11. Commenters additionally request that we consider making domain name system (DNS) services eligible under Category One "networking equipment"⁴⁷ and standalone DNS and dynamic host configuration protocol (DHCP) services to be E-Rate eligible, as both Category One and Category Two services.⁴⁸ We note that DNS and secured or authenticated DHCP are eligible within the Cybersecurity Pilot.⁴⁹ In the *Cybersecurity Pilot Report and Order*, we declined to make services eligible in both E-Rate and the Pilot programs.⁵⁰ For funding year 2026, we decline to make any changes and DNS and DHCP remain eligible as Category One services "when these features are provided as a standard component of a vendor's Internet access service."⁵¹ We may reconsider the eligibility of these services after the conclusion of the Pilot program.

12. Several commenters requested that we modify the cost-allocation requirements for the E-Rate program.⁵² We decline at this time to adopt changes to cost-allocation requirements, including for uninterruptible power supply devices and switch ports for security cameras because this issue is under consideration in another proceeding before the Commission.⁵³

(continuing to fund basic firewall protection but declining to extend E-Rate support to anti-virus and anti-spam software, intrusion protection and intrusion protection); *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184, Report and Order and Further Notice of Proposed Rulemaking, 29 FCC Rcd 8870, 8917-18, paras. 120-21 (2014) (finding that basic firewall services are an eligible Category Two service and allowing separately priced basic firewall services and components to be eligible for funding, but declining to designate other network security services such as intrusion protection/detection, malware, etc. as eligible Category Two services); *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184, Report and Order, 34 FCC Rcd 11219, 11236-37, para. 46 & n.123 (2019) (declining to make advanced and next generation firewalls eligible for E-Rate Category Two support).

⁴⁴ FFL Comments at 2; LAUSD Comments at 2-3; FFL Reply at 5-6.

⁴⁵ See *infra* Appendix B at 11 and 13.

⁴⁶ See *Schools and Libraries Cybersecurity Pilot Program*, WC Docket No. 23-234, Report and Order, 39 FCC Rcd 6158 (2024) (*Cybersecurity Pilot Program Report and Order*). We confirm that E-Rate's eligibility criteria for basic firewalls remain unchanged in view of the Pilot program's separate eligibility criteria for funding of advanced and next-generation firewall equipment and services.

⁴⁷ Infoblox Comments at 5.

⁴⁸ *Id.*; FFL Comment at 2; FFL Reply at 6.

⁴⁹ *Cybersecurity Pilot Program Report and Order*, 39 FCC Rcd at 6185-86, para. 48 (making identify protection and authentication tools eligible, including DNS/DNS-layer security services and other authentication/identifying tools).

⁵⁰ *Id.* at 6187, para. 52 (making services currently eligible in E-Rate ineligible for support in the Cybersecurity Pilot program to ensure efficient and appropriate use of limited funds and to prevent duplicative funding).

⁵¹ See *infra*, Appendix B, at 13 (addressing the eligibility of "domain name service" and "dynamic host configuration" when these features are provided as a standard component of a vendor's Internet access service).

⁵² FFL Comments at 4; Friday Institute Comments at 6; SECA Reply at 4.

⁵³ See *Schools and Libraries Universal Support Mechanism; Federal-State Joint Board on Universal Service; Changes to the Board of Directors of the National Exchange Carrier Association*, CC Docket Nos. 02-6, 96-45, 97-21, Report and Order and Further Notice of Proposed Rulemaking, 38 FCC Rcd 6842, 6865, para. 48 (2023)

(continued....)

13. Finally, Lumen Technologies, Inc. (Lumen) requests clarification on eligibility of services and equipment stemming from one of its service offerings, network-as-a-service (NaaS).⁵⁴ Applicants or service providers with questions about services and equipment involved in a particular network configuration may contact USAC to discuss the specific facts necessary to make a determination about the categorization. To the extent that Lumen seeks changes to forms or program procedures as it relates to its NaaS service,⁵⁵ the Bureau defers any changes until it can seek comment on such proposals. We therefore decline to make the suggested changes to the funding year 2026 eligible services list as proposed by Lumen.⁵⁶

IV. ORDERING CLAUSES

14. ACCORDINGLY, IT IS ORDERED, that pursuant to the authority contained in sections 1 through 4, 254, 303(r), and 403 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154, 254, 303(r), and 403, sections 0.91 and 54.502 of the Commission's rules, 47 CFR §§ 0.91 and 54.502, this Order IS ADOPTED.

15. IT IS FURTHER ORDERED, that pursuant to the authority contained in sections 1 through 4 and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154 and 254, and pursuant to the authority in section 1.3 of the Commission's rules, 47 CFR § 1.3, that section 54.502(f), 47 CFR § 54.502(f), IS WAIVED and such waiver SHALL BECOME EFFECTIVE upon release.

FEDERAL COMMUNICATIONS COMMISSION

Joseph S. Calascione
Chief
Wireline Competition Bureau

(seeking comment on other changes that could be made when applicants must cost-allocate parts of their E-Rate funding requests).

⁵⁴ Lumen Reply at 2-4.

⁵⁵ *Id.* at 4-6.

⁵⁶ *See id.* at 3-4 (requesting specific changes to the FY 2026 eligible services list to clarify eligibility of its NaaS platform and necessary equipment).

APPENDIX A**List of Commenters****Comments and Reply Comments in Response to the
*Funding Year 2026 Eligible Services List Public Notice*****WC Docket No. 13-184****Commenters**

1. Ben Haussamann
2. Bennett Community School District
3. Calamus Wheatland Community School District (CWCSO)
4. Cardinal Community School District
5. CSM Consulting, Inc. Funds For Learning, LLC (CSM)
6. Friday Institute for Education Innovation (Friday Institute)
7. Funds For Learning, LLC (FFL)
8. Grants Consulting Services LLC
9. Infinity Communications & Compliance, Inc. (Infinity)
10. Infoblox
11. Kellogg & Sovereign Consulting (Kellogg & Sovereign)
12. Los Angeles Unified School District (LAUSD)
13. Meter, Inc. (Meter)
14. Missouri Valley Community School District
15. Ohio Information Technology Centers (OITC)
16. Romoland School District
17. Schools, Health & Libraries Broadband (SHLB)
18. State E-rate Coordinators Alliance (SECA)

Reply Commenters

1. K&B & Associates, LLC
2. Lumen Technologies, Inc. (Lumen)
3. State E-rate Coordinators Alliance (SECA)

Ex Parte or Late Filed Comments

1. Funds for Learning (FFL) Reply Comments

APPENDIX B**Eligible Services List for Funding Year 2026
Schools and Libraries Universal Service Support Mechanism****WC Docket No. 13-184**

The Federal Communications Commission's (FCC) rules provide that all services that are eligible to receive discounts under the Schools and Libraries Universal Service Support Mechanism (otherwise known as the E-Rate program or E-Rate) are listed in this Eligible Services List (ESL). 47 CFR § 54.502(a). The E-Rate program is administered by the Universal Service Administrative Company (USAC). 47 CFR § 54.5. Eligible schools and libraries may seek E-Rate support for eligible Category One telecommunications services, telecommunications, and Internet access, and Category Two internal connections, basic maintenance, and managed internal broadband services as identified herein. 47 CFR §§ 54.500 *et seq.*

Additional guidance from USAC about the E-Rate application process and about eligible services, including a glossary of terms, is available at USAC's website at <https://www.usac.org/erate/applicantprocess/before-you-begin/eligible-services-list/>. The documents on USAC's website are not incorporated by reference into the ESL and do not bind the Commission. Thus, they will not be used to determine whether a service or product is eligible. Applicants and service providers may refer to those documents, but they should do so only for informal guidance. This ESL applies to funding requests for Funding Year (FY) 2026.

Category One

The first category of supported services, Category One, includes the services needed to support broadband connectivity to schools and libraries. Eligible Category One services are listed in the entries for data transmission and/or Internet access. This category consists of the services that provide broadband to eligible locations including data links that connect multiple points, services used to connect eligible locations to the Internet, and services that provide basic conduit access to the Internet. With the exception of leased dark fiber and self-provisioned broadband networks, maintenance and technical support appropriate to maintain reliable operation are only eligible for support when provided as a component of these services.

Data Transmission and/or Internet Access

Data transmission and/or Internet access services are eligible in Category One. These services include:

- Asynchronous Transfer Mode (ATM)
- Broadband over Power Lines
- Cable Modem
- Digital Subscriber Line (DSL)
- DS-1 (T-1), DS-3 (T-3), and Fractional T-1 or T-3
- Ethernet
- Integrated Services Digital Network (ISDN)
- *Note:* Dedicated voice channels on an ISDN circuit are no longer eligible.
- Leased Lit Fiber
- Leased Dark Fiber (including dark fiber infeasible rights of use (IRUs) for a set term)
- Self-Provisioned Broadband Networks (applicant owned and operated networks)
- Frame Relay
- Multi-Protocol Label Switching (MPLS)
- OC-1, OC-3, OC-12, OC-n
- Satellite
- Switched Multimegabit Data Service
- Telephone dial-up
- Wireless (e.g., fixed wireless; microwave)

Notes:

- (1) Eligible costs include monthly charges, special construction, installation and activation charges, software, modulating electronics and other equipment necessary to make a Category One wired or wireless broadband service functional ("Network Equipment"), and maintenance and operation charges, including costs for software needed for the operation of or maintenance of Network Equipment. Network Equipment and maintenance and operation costs for existing networks are eligible. All equipment and services, including maintenance and operation, must be competitively bid.
- (2) Applicants that seek bids for leased dark fiber must also seek bids for leased lit fiber service and fully consider all responsive bids. Similarly, applicants that seek bids for self-provisioned broadband networks must also seek bids for the needed connectivity via services provided over third-party networks, and fully consider all responsive bids.
- (3) Applicants may seek special construction funding for the upfront, non-recurring costs for the deployment of new or upgraded facilities. The eligible components of special construction are construction of network facilities, design and engineering, and project management.
- (4) Staff salaries and labor costs for personnel of the applicant or underlying beneficiary are not E-Rate eligible.
- (5) Consulting services that are not related to the installation and configuration of the eligible components are not eligible. These include services related to application assistance, program advice, and other activities not tied directly to actual installation and initial configuration of components.

Category Two

The second category of equipment and services eligible for E-Rate support, Category Two, includes the internal connections needed for broadband connectivity within schools and libraries. Support is limited to the internal connections necessary to bring broadband into, and provide it throughout, schools and libraries. These are broadband connections used for educational purposes within, between, or among instructional buildings that comprise a school campus (as defined below in the section titled “Eligibility Explanations for Certain Category One and Category Two Services”) or library branch, and basic maintenance of these connections, as well as services that manage and operate owned or leased broadband internal connections (e.g., managed internal broadband services or managed Wi-Fi). Category Two support is subject to district- or library system-wide budgets as set forth in 47 CFR § 54.502. The eligible components and services in Category Two are:

Eligible Broadband Internal Connections

- Antennas, connectors, and related components used for internal broadband connections
- Cabling
- Caching
- Firewall services and firewall components separate from basic firewall protection provided as a standard component of a vendor’s Internet access service
- Racks
- Routers
- Switches
- Uninterruptible power supply (UPS)/battery backup
- Access points used in a local area network (LAN) or wireless local area network (WLAN) environment (such as wireless access points)
- Wireless controller systems
- Software supporting the components on this list used to distribute high-speed broadband throughout school buildings and libraries, as well as bug fixes, security patches, and remote technical support or configuration to support associated equipment (applicants should request software in the same category as the associated service being obtained or installed).

Notes:

- (1) Functionalities listed above that can be virtualized in the cloud, and equipment that combines eligible functionalities, like routing and switching, are also eligible.
- (2) A manufacturer’s multi-year warranty for a period up to three years that is provided as an integral part of an eligible component, without a separately identifiable cost, may be included in the cost of the component.
- (3) Caching is defined as a method that stores recently accessed information. Caching stores information locally so that the information is accessible more quickly than if transmitted across a network from a distance. A caching service or equipment that provides caching, including servers necessary for the provision of caching, is eligible for funding.
- (4) Applicants may request both equipment and the software necessary to use the equipment on the FCC Form 470, or request just the equipment on the FCC Form 470, and still receive support for both the equipment and the software necessary to use the equipment (e.g., right-to-use software or client access licenses) by requesting the equipment and software either together or separately on the FCC Form 471.

Eligible Managed Internal Broadband Services

- Services provided by a third party for the operation, management, and monitoring of eligible broadband internal connections are eligible managed internal broadband services (e.g., managed Wi-Fi).
- E-Rate support is limited to eligible expenses or portions of expenses that directly support and are necessary for the broadband connectivity within schools and libraries. Eligible expenses include the management and operation of the LAN/WLAN, including installation, activation, and initial configuration of eligible components and on-site training on the use of eligible equipment.
- In some eligible managed internal broadband services models, the third-party manager owns and installs the equipment and school and library applicants lease the equipment as part of the managed services contract. In other cases, the school or library may own the equipment, but have a third party manage the equipment for it.

Basic Maintenance of Eligible Broadband Internal Connections

E-Rate support is available for basic maintenance and technical support appropriate to maintain reliable operation when provided for eligible broadband internal connections.

The following basic maintenance services are eligible:

- Repair and upkeep of eligible hardware.
- Wire and cable maintenance.
- Configuration changes performed in person, on-site.

Eligibility Limitations for Category Two Services

Eligibility limitations for managed internal broadband services – The equipment eligible for support as part of a managed internal broadband service may include only equipment listed above as broadband internal connections. Upfront charges that are part of a managed service contract are eligible for E-Rate support except to the extent that the upfront charges are for any ineligible internal connections (e.g., servers other than those that are necessary to provide caching), which, if included in the contract, must be cost allocated out of any funding request.

Eligibility limitations for basic maintenance – Basic maintenance is eligible for support only if it is a component of a maintenance agreement or contract for eligible broadband internal connections. The agreement or contract must specifically identify the eligible internal connections covered, including product name, model number, and location. Support for basic maintenance will be paid for the actual work performed under the agreement or contract.

Basic maintenance does not include:

- Services that maintain ineligible equipment
- Upfront estimates that cover the full cost of every piece of eligible equipment
- Services that enhance the utility of equipment beyond the transport of information, or diagnostic services in excess of those necessary to maintain the equipment's ability to transport information
- Network management services, including 24-hour network monitoring
- On-site technical support (i.e., contractor duty station at the applicant site), unless applicants present sufficient evidence of cost-effectiveness
- Unbundled warranties

Eligibility Explanations for Certain Category One and Category Two Services

National Security Supply Chain Restrictions – Equipment or services produced or provided by a company that the FCC has designated as a national security threat to the integrity of communications networks or the communications supply chain are not eligible for E-Rate support. 47 CFR § 54.9(a). In addition, participants are prohibited from using E-Rate support to purchase, rent, lease, or otherwise obtain any covered communications equipment or service, or maintain any covered communications equipment or service previously purchased, rented, leased, or otherwise obtained. 47 CFR § 54.10. A list of covered communications equipment and services can be found on the FCC’s website at <https://www.fcc.gov/supplychain/coveredlist> and will be updated to reflect any future determinations.

Internet access/ISP service – Eligible Internet access services may include features such as basic firewall protection, domain name service, and dynamic host configuration when these features are provided as a standard component of a vendor’s Internet access service. Firewall protection that is provided by a vendor other than the Internet access service provider or priced out separately will be considered a Category Two internal connections component. Examples of items that are ineligible components of Internet access services include applications, content, e-mail, and end-user devices and equipment such as computers, laptops, and tablets.

Wireless services and wireless Internet access – Off-campus use of E-Rate-funded services even if used for an educational purpose, is ineligible for support, and must be cost-allocated out of any funding request.

In order for data plans and air cards for mobile devices for use on-campus (e.g., a bookmobile in a state where it is eligible for support as a library) to be eligible, the school or library seeking support must demonstrate that the individual data plans are the most cost-effective option for providing internal broadband access for mobile devices at schools and libraries. Applicants should compare the cost of data plans or air cards for mobile devices to the total cost of all components necessary to deliver connectivity to the end user device, including the cost of data transmission and/or Internet access to the school or library. Seeking support for data plans or air cards for mobile devices for use in a school or library with an existing broadband connection and WLAN implicates the E-Rate program’s prohibition on requests for duplicative services.

Managed internal broadband services, such as managed Wi-Fi, are eligible only for Category Two support.

Connections between buildings of a single school – The classification of connections between multiple buildings of a single school is determined by whether the buildings are located on the same campus. A “campus” is defined as the geographically contiguous grounds where the instructional buildings of a single eligible school are located. A single school may have multiple campuses if it has instructional buildings located on grounds that are not geographically contiguous. Different schools located on the same grounds do not comprise a single campus. The portion of the grounds occupied by the instructional buildings for each school is a campus for that school.

- Connections between buildings on different campuses of a single school are considered to be Category One data transmission services.
- Connections between different schools with campuses located on the same property (e.g., an elementary school and middle school located on the same property) are considered to be Category One data transmission services, unless they share the same building.
- Connections between buildings of a single school on the same campus are considered to be Category Two internal connections.

Network equipment with mixed eligibility – On-premises equipment that connects to a Category Two eligible LAN is eligible for Category One support if it is necessary to make a Category One broadband service functional. If the price for components that enable the LAN can be isolated from the price of the components that enable the Category One service, those costs should be cost-allocated out of the Category One funding request.

Miscellaneous

As described below, various miscellaneous services associated with Category One or Category Two are eligible for support. Applicants should request eligible miscellaneous services in the same category as the associated service being obtained or installed.

Fees

Fees and charges that are a necessary component of an eligible product or service are eligible, including:

- Change fees
- Contingency fees are eligible if they are reasonable and a regular business practice of the service provider. Contingency fees will be reimbursed only if the work is performed.
- Freight assurance fees
- Lease or rental fees on eligible equipment
- Per diem and/or travel time costs are eligible only if a contract with a vendor for the eligible product or services specifically provides for these costs
- Shipping charges
- Taxes, surcharges, and other similar, reasonable charges incurred in obtaining an eligible product or service are eligible. These types of charges include customer charges for universal service fees, but do not include additional charges for universal service administration.

Installation, Activation, and Initial Configuration

Installation, activation, and initial configuration of eligible components are eligible. These services may include:

- Design and engineering costs if these services are provided as an integral component of the installation of the relevant services
- Project management costs if these services are provided as an integral component of the installation of the relevant services
- On-site training is eligible as a part of installation services but only if it is basic instruction on the use of eligible equipment, directly associated with equipment installation, and is part of the contract or agreement for the equipment. Training must occur coincidently or within a reasonable time after installation.